Chapter 4

Right to buy: the long view of a key aspect of UK housing policy

Alan Murie

In over 40 years since the right to buy (RTB) was introduced in England, Scotland and Wales, with a similar scheme in Northern Ireland, over three million dwellings have been sold to sitting tenants, generating over £57 billion in capital receipts. Other research and publications have looked at the detail of RTB policy and its short-term effects – who bought what and where, the winners and losers, and the way it has accelerated the 'residualisation' of public housing.[1]

This chapter takes a longer view: it sets out how RTB policy has evolved over four decades, provides a statistical account of what RTB has delivered in practice, and discusses the longer-term impact of this key element of UK housing policy.

Policy background

RTB was introduced by the Housing Act 1980 in England and Wales and the Housing Tenants Rights Etc. (Scotland) Act. This ended a lengthy period during which ministerial general consents specified terms under which local authorities could exercise discretion over whether or not to sell council houses, including the discounts they could offer. It is often overlooked that more than 370,000 sitting tenants' sales were completed in the two decades up to 1980, before RTB itself became law.

The RTB applied to almost all secure tenants of three years' standing, and almost all properties (both flats, which were generally excluded from discretionary sales, and houses) where the landlord was a council, new town, non-charitable housing association or other public sector body. Government's intention was to include housing association tenants but charitable associations mobilised support in 1980 and 1982 and avoided this imposition.[2] Whilst the Housing Corporation used RTB legislation (in England, Scotland and Wales) to approve the sale of co-ownership housing to occupiers, and effectively wiped that sector out,[3] most housing associations and their stock were sheltered from the RTB. In Northern Ireland a voluntary House Sales Scheme, introduced in 1979, was essentially the same as RTB except that the qualifying period was two years; it was included in legislation in 1983.

The RTB was expressly designed to increase owner-occupation: only sitting tenants qualified and only to become owner-occupiers. It recognised that many council tenants could afford to buy in the open market but, because they valued their home and neighbourhood, chose to remain tenants rather than to buy elsewhere. The strategy for further expanding owner-occupation was, therefore, to enable public sector tenants to buy their existing homes. The two important departures from previous council house sales policies were: removing local discretion over whether and what to sell; and dramatic increases in discounts for qualifying tenants. Previous practice demanded that public assets were sold at the best price achievable: for tenanted properties this was conventionally 20 per cent below vacant possession value. Under the RTB, sale prices were calculated from market valuations, reduced by discounts based on how long applicants had been tenants. In 1980, discounts were 33 per cent for three years' qualifying tenancy, increased by one per cent for each additional year's tenancy, to a maximum 50 per cent. Two additional situations could limit discount entitlement – sale prices were not allowed to fall below the 'cost floor' for the dwelling (outstanding debt associated with construction and capitalised repairs) and, in England and Wales, discounts could not exceed a maximum of £25,000.

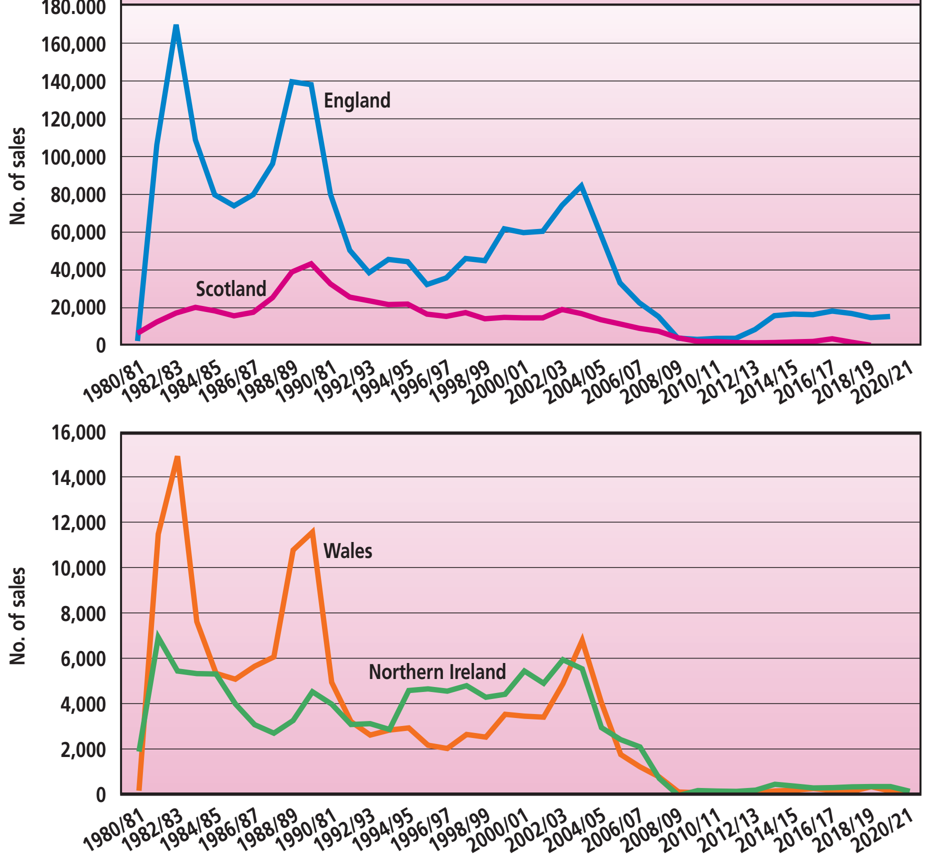
A statistical summary

Over 2.8 million RTB sales have been completed in the UK since 1980. Pent-up demand, generous discounts and publicity generated rapid sales after 1980 and some 40,000 discretionary sales to sitting tenants (on RTB terms) were also completed in 1979. If these, another 128,200 completed between 1980 and 1986,[4] and a further 31,783 between 1991 and 2014/15 are added to RTB sales, a total of three million sales to sitting tenants were completed in the UK between 1979 and 2021.

Changes in unemployment, incomes, interest rates and house prices as well as anticipated and actual policy changes influenced broad annual variations in RTB sales (Figure 1.4.1).

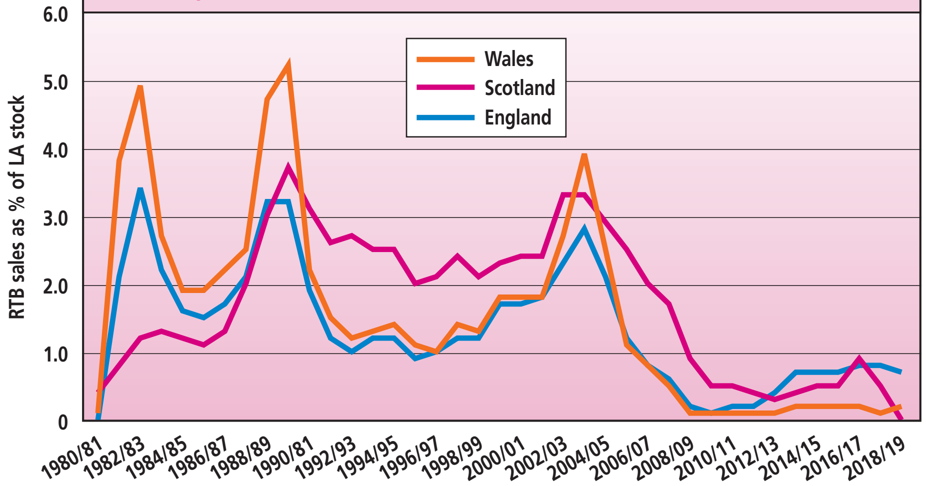
As RTB sales progressed the numbers of properties still available for purchase declined. Figure 1.4.2 takes this into account by expressing annual local authority RTB sales as a percentage of local authority stock in the same year. This excludes sales under the preserved RTB but highlights variations within the UK and low rates of sale after 2005, regardless of different discount policies. Wales reached higher peak rates of sale and Scotland had a lower rate of sale than England until 1989 and a higher rate between 1989 and 2012, before policy differences took effect.

Figure 1.4.1 **Right to buy sales in the UK, 1980-2020**



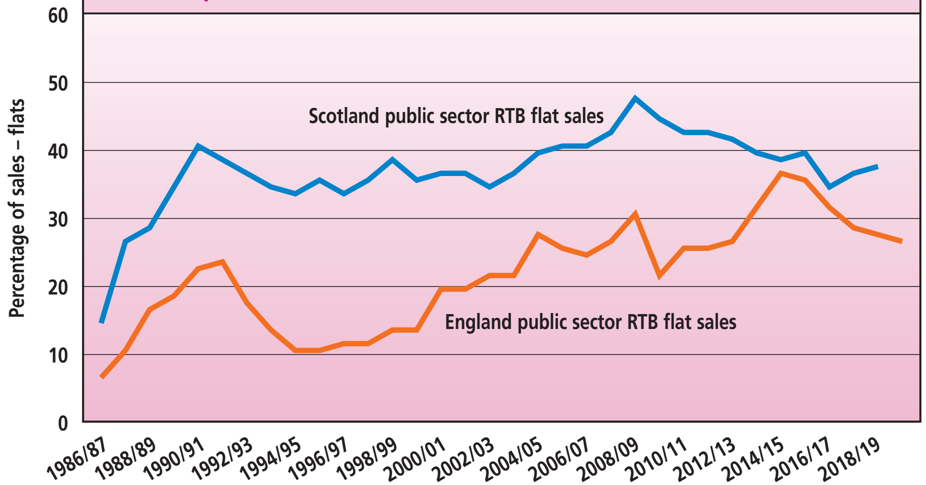
Source: Calculated from EMF (2019) *Hypostat*, Table 14.

Figure 1.4.2 **Annual local authority right to buy sales as a percentage of stock, GB 1980-2019**



Source: As for Figure 1.4.1 with addition of local authority stock data from gov.uk.

Figure 1.4.3 **Right to buy sales of houses and flats in England and Scotland, 1986-2010**



Source: DLUHC Live tables and Scottish Government.
Note: Data are for public sector sales as housing association data are not readily available.

Sales of flats increased after 1986 everywhere but especially in Scotland, where they formed a larger part of the council stock and increased from just over one in ten RTB sales to more than three in ten (Figure 1.4.3). RTB flat sales in England and Wales rose from a lower level and remained lower than in Scotland. In the early years over 90 per cent of RTB sales in England were of houses, meaning that flats became more significant in the remaining council housing stock. The lower proportion of flats in the Northern Ireland Housing Executive's stock was reflected in sales and also partly accounts for the lower percentage discounts.[5]

Across the UK, discount arrangements were revised periodically in order to shape policy impacts. Table 1.4.1 shows the three phases of RTB policy before 2010.

The first phase saw legislation enacting the RTB and then making it more comprehensive and attractive. Legislation also addressed some (but not all) complications arising from selling defective dwellings. The initial peak in RTB sales generally occurred between 1981 and 1983, before a deteriorating economic and housing market situation affected applications and completions.

The second phase commenced in 1986 when higher RTB discounts were introduced to boost sales of flats which had sold more slowly than houses. Policy was still designed to expand owner-occupation but also reflected the intention to shrink the public sector. The prospect of rising rents and the offer of higher discounts were designed to persuade hesitant tenants to buy. The commencement of the stock transfer programme would also progressively reduce the public housing stock and the pool of tenants entitled to RTB. Higher discounts for flats meant that property type as well as valuations and years of qualifying tenancy determined sale prices. RTB sales increased to a second peak in 1989/90 before high interest rates and housing market problems reduced activity.

In the third phase, a new Labour government speeded stock transfers but adopted a more circumspect approach to the RTB – as did devolved governments. A new sales peak in 2002/3 reflected increased affluence, a booming homeownership market and suggestions that RTB would be revoked or made less attractive. New measures reduced discounts, made it easier for councils to reinvest capital receipts in housing, and responded to third-party exploitation of RTB[6] and concerns that

Table 1.4.1 **Three initial phases of right to buy, 1980-2010**

Phase 1: 1980-1985

1980: RTB legislation.

1984: Qualifying tenancy reduced in England, Scotland and Wales to two years and discounts extended for longer tenancies (starting at 32 per cent for two years' tenancy, increasing by one per cent a year to 60 per cent for 30 years).

Phase 2: 1986-1997

1986: Higher discounts introduced for flats (but not houses) in England, Scotland and Wales (starting at 44 per cent for two qualifying years, increasing by two per cent for each additional year's tenancy to 70 per cent after 15 years). Discount repayment in the event of early resale relaxed; preserved RTB introduced for stock transfer tenants.

1987: Maximum discount in England and Wales increased to £35,000.

1989: Maximum discount in England and Wales increased to £50,000.

1988: Cost floor removed except for properties built in previous eight years.

1993: Northern Ireland statutory scheme open to all secure tenants. For houses: 30 per cent discount for less than two years' tenancy; 32 per cent for two years rising by one per cent for additional years to maximum 60 per cent. For flats 40 per cent discount for less than two years' tenancy; 44 per cent for two years rising by one per cent for additional years to maximum 60 per cent

Phase 3: 1998-2010

1998: In England, cost floor extended to 10-year period; maximum discounts reduced with different regional limits (from £38,000 in London and the South East, down to £22,000 in the North East).

2001: The Housing (Scotland) Act 2001 introduced a modernised RTB for new tenancies commencing after September 2002, with a five-year qualifying period and a single discount structure for all dwellings, starting at 20 per cent for five years' tenancy, increasing by one per cent a year to a maximum of 35 per cent or £15,000 (whichever was lower); the cost floor took account of costs over ten years before application to purchase. The RTB was unchanged for existing tenancies.

1999: Maximum discount of £24,000 introduced across Wales.

2002: Northern Ireland introduced a two-year qualifying period and maximum cash limit of £34,000.

2002: In Scotland, local authorities were able to apply for pressured area status and, if designated, allowed to suspend RTB.

2003: Maximum discount of £16,000 introduced across Wales.

2003: In England, new maximum discounts (£16,000) applied in 'high housing pressure' areas (almost all London boroughs and ten Southern local authorities).

2004: Qualifying tenancy in England and Wales increased to five years: discounts for houses started at 35 per cent for five years, rising by one per cent a year to 60 per cent; flats started at 50 per cent for five years, rising by two per cent a year to 70 per cent. Maximum discounts unchanged but properties set to be demolished excluded from RTB. Repayment of some discount on early resale extended to five years and based on market value.

2004: Northern Ireland increased tenancy qualification to five years; common discounts for flats and houses (20 per cent for five years rising by two per cent a year to 60 per cent maximum); reduced maximum cash limit to £24,000.

RTB delayed and increased the costs of estate regeneration. Lower maximum discounts reduced sales receipts and, although they had not significantly deterred tenants from buying,[7] RTB sales were declining before the global financial crisis (GFC) reduced them to their lowest level since 1980.

The most recent phase of RTB, following the change of government in 2010, involved divergent policies across the UK:

- In 2010, Scotland revised the terms for pressured area designation; and legislation ended RTB for new tenancies from March 2011 and for new homes built or acquired after June 2008 where the tenancy was created from March 2011. Then the Housing (Scotland) Act 2014 abolished RTB with two years' notice (after July 2016).
- Legislation in Wales abolished RTB in 2018 for tenants moving into new social housing and, later, into existing social housing.
- In contrast, RTB was 'reinvigorated' in England with increased maximum discounts (£75,000) in 2012; a higher rate for London (£100,000) in 2013; increased maximum percentage discounts (70 per cent) for houses in 2014; and the qualifying tenancy reduced (from five to three years) in 2015. Discounts for houses started at 35 per cent for tenancies between three and five years, rising by one per cent to 70 per cent after 40 years; for flats, started at 50 per cent for tenancies between three and five years, rising by two per cent to 70 per cent after 20 years. From 2015 maximum cash discounts were increased annually in line with the Consumer Price Index (by 2021, £112,800 in London and £84,600 elsewhere).

Despite unprecedented levels of discounts, RTB sales in England remained low and the easing of housing finance problems arising from the GFC of 2007/08 largely explains their limited recovery after 2011, before they declined again after 2016/17.

Attempts to reinvigorate the RTB in England included proposals to extend RTB to housing associations. Following opposition, a compromise voluntary scheme was piloted and, in 2018, a larger (£200 million) pilot voluntary right to buy was launched across the Midlands through 44 larger housing associations: 1,892 dwellings were sold or nearing completion by April 2020.[8] Without finance for its continuation this scheme stalled. Neither it nor other schemes to expand owner-occupation had anything like the impact of RTB. For example, the right to acquire, introduced for housing association tenants in 1997, generated 8,894 sales between 1998/9 and 2019/20 and Social Homebuy, introduced in 2006, generated just 64 council and 623 housing association sales.[9]

Discounts and capital receipts

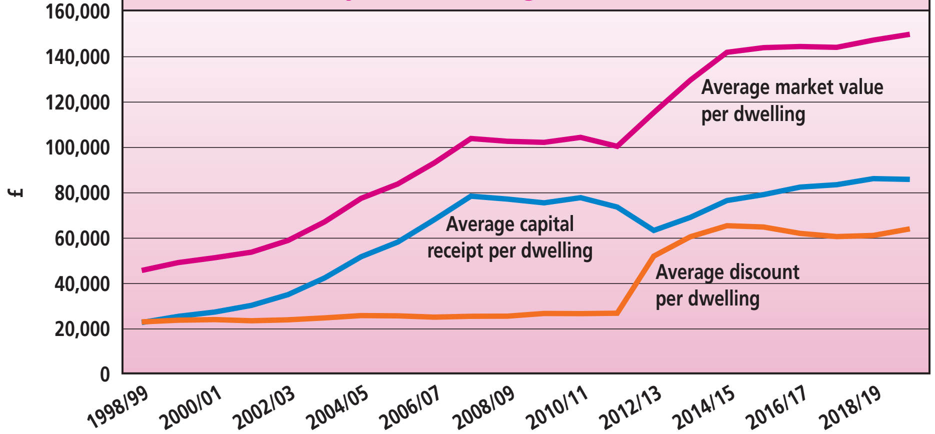
Variations in sales over time, between localities and between houses and flats have raised questions about sale prices and discounts that were both incentives to purchase and either grant expenditures or income foregone by government. From the outset, discounts meant that mortgage repayments were immediately, or quickly, less than rent payments in some places.[10] Sale prices that were well below market values also reduced risks for lenders and encouraged their participation. The value of discounts was greater for tenants living in high-price areas and increased as property values increased. Average percentage discounts reached 50 per cent in England by 1983-85, because early purchasers had long tenancies; and reached 52 per cent in 1990/91 because of increased sales of flats.

Because dwelling types and the market values of public housing differed between countries, regions and localities, national policies presented diverse opportunities and benefits. For the same length of tenancy, potential buyers faced different purchase prices and relative costs of mortgage payments and rents. Unsurprisingly, rates of sale, discount values and asset appreciation after purchase also differed. This pattern has been likened to a lottery – rewards only partly related to length of tenancy and more affected by accidents of time and place.

Cost floor and maximum discount rules affected very few sales in England before 2004, when they significantly affected London and halted their increasing value nationally. Higher maximum discounts subsequently increased the value of discounts more rapidly than of capital receipts (Figure 1.4.4) and raised questions about proportionality. The cash value of the average discount in 2019/20 exceeded the aggregate average rent paid over the previous 15 years; and the average discount of 43 per cent (13 years tenancy for a house or seven years for a flat, assuming maximum discounts had not applied) indicates that discounts received by some RTB purchasers in England far exceeded their cumulative rent payments. RTB policy in England involved an inefficient use of resources and was pursued without any robust evaluation of alternatives, such as those adopted in Scotland and Wales. The only concessions were to increase the cost floor from ten to 15 years and make a very limited national commitment in 2012 to 'one-for-one' replacement of additional sales following increased discounts – a commitment that was never delivered because of inadequate funding.[11]

RTB discounts (especially in England) provided a disproportionate and unrepeatable benefit to tenants who were in the right place at the right time. Lower discounts would almost certainly have reduced sales but capital receipts from each sale would have been higher and more justifiable to taxpayers and others. Steve Wilcox's financial evaluation of RTB in the *UK Housing Review 2006* concluded that average discounts in excess of 35 per cent would be likely to impose net long-term costs on the public sector, while average discounts below 30 per cent would be likely to deter sales and represented reasonable value for money. On this basis discounts only represented value for money between 2004/5 and 2011/12.

Figure 1.4.4 **Average market values, discounts and capital receipts for local authority RTB Sales, England 1998-2020**



Source: DLUHC Live tables on social housing sales, Table 682.

Changing tenures: longer term effects

The RTB contributed to the growth of owner-occupation in all parts of the UK after 1979. But although three million tenants bought their homes, not all of these remained owner-occupied and RTB's longer-term impacts are affected by resales of properties and market adjustments.[12]

Owner-occupation

The RTB offered unprecedented incentives and a privileged route into owner-occupation, largely sheltered from market processes and prices. Transfer of properties and tenants through RTB changed the geography of owner-occupation with the greatest increases in Scotland and Northern England and single-tenure council estates. It also increased numbers of owner-occupied flats and leasehold properties. Increased sales of flats after 1986 exposed a poor understanding of leaseholders' rights and obligations in England and Wales. Owner-occupiers' disputes and complaints about service charges and bills for major works, especially in multi-storey blocks, drove government to introduce special measures in 1995 and legislation subsequently allowed the Secretary of State to require landlords to reduce or waive service charges for repair and improvement work. Leaseholder complaints continued to arise, especially when work to meet the Decent Homes Standard or under regeneration schemes raised service charges. Similar issues arose in Scotland especially in multi-storey blocks and related to the factoring system. Recent problems with fire safety and inappropriate cladding further highlight the failure to anticipate and then protect owner-occupiers in non-traditionally built dwellings (see Commentary Chapter 2).

Early RTB purchasers were typically longstanding, more affluent tenants who valued their home and neighbourhood and had no intention of moving. They included many tenants, especially in low-priced areas, who could have bought on the open market. In later phases of RTB, younger tenant purchasers with shorter tenancy histories and with less attachment to their homes were more evident. Although there was a greater income mix, they were still skewed towards households in skilled jobs and it is difficult to sustain an argument that RTB worked for low- rather than middle-income households. RTB purchasers included low-income households but were more mixed in income and social class than marginal owners who bought older, low-priced, inner-city properties, at least in the Midlands and North of England.[13] Family Expenditure Survey[14] data also indicate that, despite the RTB, the lowest three income deciles were less likely to be owner-occupiers in 1991 than in 1980; whilst the proportion of middle-income groups in owner-occupation had increased. Dismantling public housing through RTB strengthened the role of owner-occupation in housing middle- and higher-income groups and strengthened the relationship between housing tenure and income.

On resale, most former council dwellings, which were larger and better equipped and maintained than private sector dwellings of a similar age or older, commanded higher prices than properties at the bottom of the existing owner-occupied market. Rather than widening access to owner-occupation they extended the choice for households that could already buy. In England, 51 per cent of early RTB resales were to existing owner-occupiers (48 per cent in the North, 47 per cent in the Midlands/ South West and 58 per cent in the South).[15]

Private Renting

The RTB ultimately failed to sustain the higher level of owner-occupation that it promoted. RTB inflated demand for owner-occupation by reducing entry prices through discounts. But on resale, with no equivalent subsidies available, former council houses were not all bought by owner-occupiers. Buy to let purchasers were able to pay more and often to obtain mortgages more easily. Some properties, after temporarily housing owner-occupiers, became part of a deregulated PRS that neither matched household aspirations nor politicians' commitments to owner-occupation. Precise quantification remains difficult as the evidence is inadequate and geographical variation considerable. However, a cautious estimate is that, by 2021, up to 40 per cent (1.1 million) of RTB properties had become private tenancies in the UK and this figure may increase as more resales of RTB properties are completed. The highest rates of private renting appear to be where demand is high (e.g. student and city-centre neighbourhoods) and where leasehold and other properties are less attractive to owner-occupiers especially if mortgages are difficult to obtain.

The private letting of RTB properties affected the management of neighbourhoods by changing their demographics and dynamics and altering demand and delivery of various services. The shift from paternalistic, often controlling, council management to a 'mixed' regime associated with private landlordism affected properties and estates. Resale to private landlords relaxed controls on multiple occupation, exposed tenants to greater insecurity and higher rents, and risked poorer management and maintenance. Higher private sector rents placed greater demands on housing benefit and public expenditure than if the same households rented from social landlords. Average weekly awards for deregulated tenancies in the private rented sector were over £30 per week (over £1,500 per annum) higher than in the council sector in 2019. The estimated long-term, additional social security costs following transfer of 40 per cent of RTB sales to the privately rented sector would be over £1.5 billion each year, if they were all occupied by tenants entitled to housing benefit, and over £750 million each year if half of them were (see Compendium Table 108).

Council and social renting

There was considerable social mix among council tenants in 1980 but in a shrinking council sector the combination of exit through RTB and new lettings reduced the proportion of tenants from upper- and middle-income groups. In the absence of significant new building the departure of more affluent tenants to become owner-occupiers through the RTB speeded the established trend for council housing to increasingly house vulnerable and low-income households. The ageing council sector that remained after RTB sales also included more non-traditional dwellings and was more concentrated in less attractive urban estates. Tenure mix resulting from RTB did not change populations or estates immediately, but market processes increased differentiation and segregation. At the extremes there were less popular estates and properties with social housing alongside easy access, insecure, private lettings and with high population turnover, concentrations of disadvantaged households and fragmented management; and in contrast 'gentrified' estates that included high-price owner-occupied housing, mainly accessed by affluent households.

The reduced supply of council housing and high cost of resales had significant impacts where the council sector had always been small and very high percentages were sold. This particularly applied in smaller settlements and rural areas where council housing had been critical in providing good quality, low-rent housing for lower-paid households with local work and family connections. Some of these areas were also affected by high demand from retirement and other migration, second homes and holiday lets. Without a supply of council lettings many newly forming households, which could not afford to buy, were unable to access housing locally or were limited to accommodation that failed to meet their needs.

Neighbourhoods and house condition

RTB enabled some tenants to become owners but long-term tenure change and how dwellings and estates were managed and maintained were determined by the vagaries of the market and by owners with different attitudes. The evidence on these issues remains sparse: RTB sales were higher amongst more popular property types and estates, but were not limited to these – there were eventually some sales in almost all council estates. There is little doubt that owners in popular, high-demand estates maintain and improve properties. But in areas affected by low demand and fragmented ownership some dwellings are less well maintained and managed than previously, become progressively less attractive to live in and, in time, will need remedial action. Although some councils have responded by acquiring sold properties they are unable to do so on any scale and mixed ownerships, with some owners reluctant or unable to invest, could present a new urban renewal challenge.

Housing need and stock replacement

The most contentious aspect of the RTB has been the failure to replace sold properties. Early warnings of the effects of the loss of social lettings and the need for sustained investment in council housing were ignored.[16] The RTB also directly inhibited new council house building, irrespective of local housing market pressures. In England the housing minister stated in 1987: 'Do we really want the state to build new saleable houses, which it will then sell at a discount?'[17] Discussion of stock replacement was complicated because RTB did not immediately reduce relets – tenancies would not have ended if tenants had not bought. This affected the short- and medium-term impact of RTB but in the long term it is indisputable that every dwelling sold involves one or more lost relets.

The neglect of stock replacement or modernisation (including improved energy efficiency in an ageing council stock) represented a conscious choice to defund public housing. Housing investment was reduced and most capital receipts from RTB repaid debt or reverted to the Treasury, with limited amounts retained for reinvestment locally. Capital receipts were greater than expected. Before 1980, building societies were cautious about lending for council house purchase; most mortgages for discretionary sales came from local authorities and capital receipts, through repayment of principal, were generated slowly. But higher discounts made the risks very low for building societies and their increased capacity, before and after deregulation, enabled them (and later the banks) to become the main RTB lenders. In England private sector loans increased from financing 41 per cent of RTB sales in 1981/82, to 93 per cent in 1987/88. Public sector debt was quickly transferred to the private sector, providing government with 'windfall' capital receipts.

In the 40 years from 1980, capital receipts from the RTB across Great Britain exceeded £58 billion (see Compendium Table 61). In England alone the value of local authority and housing association RTB sales between 1998/9 and 2019/20 exceeded £49 billion, generating £29 billion capital receipts and with more than £20 billion disbursed through discounts as incentives to purchasers. There remain concerns about fraud and the role of third parties in animating RTB purchases[18] and the scale of incentives raises questions about equity and proportionality and whether resources could have been better used, for example in improving quality and energy efficiency in other parts of the housing stock.

Conclusions

The RTB played a significant contributory role in reshaping housing access and housing tenure. Owner-occupation declined from its peak in the UK (69 per cent in 2002) but, in 2020, remained well above 1981 levels (64 per cent compared with 58 per cent); and with the greatest growth of owner-occupation in Scotland (from 36 per cent in 1981 to 62 per cent in 2020) there has been convergence between the countries of the UK (see Compendium Table 17b). These changes and some two million properties that remain owner-occupied following RTB purchase represent successes in terms of the original policy aims: but facilitating the expansion of insecure, higher-cost private renting does not. How RTB properties were absorbed into the market was inconsistent with the expressed rationale for the policy: expansion of owner-occupation partly mutated into a shift to unregulated private renting. Over time the RTB became less inclusive and short-term public expenditure gains gave way to long-term increases in benefit payments with no expectation that properties would be well managed or maintained.

RTB operated in a period when housing public expenditure declined sharply, public sector house building fell to its lowest peacetime levels and the private sector failed to build enough to fill the gap. Increasing income inequality, fluctuating interest rates and rising house prices also affected housing provision and affordability. Forty years on, the cumulative effects of RTB interact with other policies and developments and the short-term impacts of more recent RTB sales add to the long-term effects of higher sales in earlier phases. The long-term issues arising from these early phases of policy also relate to two life-cycle factors. First, early tenant purchasers were mostly employed with sufficient incomes to support mortgages and/or used savings, redundancy payments and family transfers to buy; but 30 years later the households that remained were older, often retired, with incomes that were insufficient to maintain or repair properties and without the inclination or opportunity (where property values were low) to move. Secondly, RTB properties that were almost all in good repair when sold, deteriorated over 30 years (as did early 'improvements') unless they were well maintained. Some properties needed modernisation to meet the Decent Homes Standard achieved by neighbouring council/social rented properties. These two factors operated in tandem – as in other parts of the owner-occupied market.

Their impact was also affected by local market circumstances, household movement, resale through the market and the decisions of new owners. Whilst some one million of the three million UK RTB sales have or will become privately rented, the other two million remain owner-occupied. Because RTB properties have not formed the 'bottom rung' of the housing 'ladder' there has been increased choice for households already able to obtain a mortgage and buy a property. In many attractive, high-priced, rural and seaside locations these represent increased choices for commuters and people moving in retirement rather than local, low-income households. The ways in which local housing markets have adjusted following RTB will therefore differ by place. Of the two million RTB properties remaining in the owner-occupied sector it is likely that at least 50 per cent are now beyond the reach of low-income or marginal owner-occupiers.

For other households – those unable to obtain mortgages or buy properties – the long-term consequences of RTB and the failure to adopt policies to mitigate its effects have been very serious. It has reduced access to good quality housing within the public/social rented sector and has increased dependence on insecure private renting and benefits – with greater difficulty in breaking out of benefit-dependency. The RTB delivered short-term gains to individuals but played a part in defunding housing provision. Overall, the policy represented a failure in strategic thinking and contributed to long-term problems of housing supply, condition, security and costs, inefficient use of subsidy and increased social segregation. The most cost-effective way to provide long-term housing for low-income households remains through subsidising social landlords to enable them to charge rents below market levels. This is cheaper than paying housing benefit on a market rent, reduces dependency on benefits, improves work incentives and, therefore, increases the prospect of breaking out of benefit.

Recognising these longer-term needs largely explains the decisions to abolish the RTB in Scotland and Wales and the changes proposed in Northern Ireland. But the issues are not resolved simply by halting further RTB sales. Abolition of the RTB may make it worthwhile for local authorities to build or acquire properties but active local policies are needed to address wider issues of housing access, security, condition, energy efficiency and costs and to develop strategies to reinvest in housing for lower-income households in all tenures. These issues are, however, becoming particularly acute in England and will become worse until RTB is abolished or curtailed and there are effective, funded commitments to make more substantial investment in low-cost rented housing.

The failure of RTB sales to recover in England after 2011 indicates that the policy has run out of steam. Furthermore, there is no longer any coherent rationale for the current pattern of entitlement to RTB. In contrast to 1980, RTB in England applies in 2022 to a minority of tenants – a declining cohort of stock transfer tenants with the preserved RTB, and tenants of councils with retained stock (currently 161 out of 309 local authorities). The National Audit Office's criticisms of the impact assessments made of proposals to change the RTB in England since 2010 were not followed by more robust or more detailed analyses.[19] There is no up-to-date evidence to enable long-term evaluation of RTB policy in different regional, sub-regional and local contexts. The evidence suggests that discounts are disproportionately high and there has been a lost opportunity to reinvest in housing. Right to buy has become a strategic failure in England and, unless reconsidered, the policy will continue to generate uneven spatial and social impacts, contributing to social disadvantage and exacerbating inequalities.

Notes and references

1 Forrest, R. & Murie, A. (1988, 1990) *Selling the Welfare State*. London: Routledge; Jones, C. & Murie, A. (2006) *The Right to Buy: Analysis and Evaluation of a Housing Policy*. Oxford: Blackwell Publishing; Murie, A. (2016) *Selling Public Housing*. Bristol: Policy Press; Cole, I., Green, S., McCarthy, L. & Pattinson, B. (2015) *The Impact of the Existing Right to Buy and the Implications for the Proposed Extension of Right to Buy to Housing Associations – Headline Findings from the Evidence Review*. Sheffield: Sheffield Hallam University; Wilson, W. & Bate, A. (2015) *Extending the Right to Buy (England)*, House of Commons Library Briefing Paper Number 07224. London: HoC (see http://researchbriefings.files.parliament.uk/documents/CBP-7224/CBP-7224.pdf); Welsh Government (2015a) *The Future of the Right to Buy and Right to Acquire – a White Paper for social housing. Cardiff: Welsh Government; Welsh Government (2015b) Written Statement – Consultation Report on the Future of Right to Buy and Right to Acquire*. Cardiff: Welsh Government; Scottish Government (2013) *Safeguarding Scotland's social housing*. Edinburgh: Scottish Government; Northern Ireland Housing Executive (2018) *40 years of the Housing Executive's House Sales Scheme*. Belfast: NIHE.

2 See Murie, A. (2008) *Moving Homes: The Housing Corporation 1964-2008*. London: Politico's.

3 *Ibid*.

4 Forrest & Murie, 1988, *op.cit.*, pp.112-13.

5 NIHE (2018) *op.cit.*

6 Jones, C. (2003) *Exploitation of the Right to Buy Scheme by Companies*. London: ODPM; Marsh A., Kennett, P., Forrest, R., & Murie, A. (2003) *The Impact of the 1999 Changes to the RTB Discount*. London: HMSO.

7 Marsh A., *et al* (2003) *op.cit.*

8 RSM Economic Consulting (2021) *Evaluation of Midlands Voluntary Right to Buy Pilot Final Report*. London: MHCLG; Wilson, W. & Barton, C. (2017) *Introducing a Voluntary Right to Buy for Housing Association Tenants in England*, House of Commons Briefing Paper No 07224. London: HoC.

9 DLUHC Live tables on social housing sales, Tables 677 and 683.

10 Forrest, R. & Murie, A. (1988) *op.cit.*

11 Wilson, W. & Barton, C. (2017) *op.cit.*

12 Forrest, R. & Murie, A. (1990) *Moving the Housing Market: Council estates, social change and privatization*. Aldershot: Avebury; Twine, F. & Williams, N. (1993) *The Resale of Public Sector Houses in Rural Scotland*. Edinburgh: Scottish Homes; Forrest, R., Murie, A. & Gordon, D. (1995) *The Resale of Former Council Dwellings in England*. London: HMSO; Pawson, H., Watkins, C. & Morgan, J. (1998) *Right to Buy Resales in Scotland*, Edinburgh: Scottish Government; Sprigings, N. and Smith, D. (2012) 'Unintended Consequences: Local Housing Allowance meets the Right to Buy', in *People Place & Policy*, 6/2 pp.58-75; Welsh Government (2017) *Study into the level of transfer of former Local Authority stock into the Private Rented Sector following sale via the Right to Buy and the additional costs to the public purse in terms of Housing Benefit Payments*. Cardiff: Welsh Government; Copley, T. (2014) *From Right to Buy to Buy to Let*. London: GLA.

13 Karn, V., Kemeny, J. & Williams, P. (1986) 'Low Income Home Ownership in the Inner City', in Booth, P. & Crook, T. (eds.)) *Low Cost Home Ownership*. Aldershot: Gower.

14 Department of Employment (1982) *Family Expenditure Survey, 1980*. London, HMSO; Central Statistical Office (1992) *Family Spending*. London: HMSO.

15 Forrest, R., Murie, A. & Gordon, D. (1995) *op.cit.*

16 House of Commons (1981) *Second Report of the Environment Committee, Council House Sales, Vol. I Report*. London: HMSO.

17 Waldegrave, W. (1987) *Some Reflections on Housing Policy*. London: Conservative Party News Service.

18 Barker, N. (2019) 'Whose Right to Buy? New Research raises fears of fraud', in *Inside Housing*, 20 September.

19 National Audit Office (2016) *Extending the Right to Buy*, Memorandum for the House of Commons Committee of Public Accounts. London: NAO.