



LHG member responses to the Government consultation on reforming the right to buy

Background

In November 2024, the Ministry of Housing, Communities and Local Government launched a consultation on reforming the right to buy. On 7 December 2024, Labour Housing Group wrote to members inviting them to submit their views on the 24 questions contained in the consultation, in order to inform a coordinated response. This report summarises the 29 responses submitted by LHG members.

Qualifying for the Right to Buy

Respondents expressed concern about abuses in the current Right to Buy (RTB) system, reporting in particular that many beneficiaries are interested primarily in selling their home at a profit. As such, 59% of respondents felt that the period of secure tenancy before qualifying for the RTB should be over 10 years, and a further 35% favouring a period of 10 years. 97% of respondents also agreed that anyone who has already benefitted from the Right to Buy, or who owns another property, should be prevented from taking advantage of the scheme.

LHG members feel that the RTB has contributed significantly to the national housing crisis by diminishing the stock of council housing, with one respondent describing the policy as the “UK’s greatest give-away of public assets at discounted rates.” But respondents were divided as to whether the RTB should be reformed or abolished. Those who argued for reform offered a number of ideas, such as giving priority to tenants with disabilities and determining eligibility based on household income.

Discounts for Eligible Tenants

60% of respondents felt that the percentage discount for eligible tenants should be capped at 10% or lower. 64% of respondents also agreed that the same rules governing

percentage discounts should apply to flats and houses, and that the discount should rise by 1% for every year that an individual has been a public sector tenant (up to the maximum). Finally, 77% of respondents stated that the period in which councils have the right to ask for repayment of the discount should be increased from five to ten years.

Exemptions to the RTB

59% of respondents favoured retaining current exemptions to the Right to Buy scheme. Many members expressed the view that local councils and authorities in areas of high housing pressures should be able to suspend the RTB. Some also argued that specific types of property should remain in public ownership, such as homes adapted for those with disabilities and sheltered housing. 41% of respondents felt that newly built social housing should be permanently exempt from the RTB, compared to 34% favouring an exemption period of 20 to 30 years, and the remainder supporting a shorter period. Finally, 58% of respondents agreed that homes that have been retrofitted or improved to a high standard through council investment should be protected.

Replacing council homes sold under the Right to Buy

No consensus emerged among respondents on precisely how long councils should have to spend their one-for-one receipts, but 63% felt that this should be extended beyond the current period of 5 years. 70% also felt that the Secretary of State for Housing, Communities and Local Government should have the power to set the rules governing the use of RTB receipts. Members were in strong agreement with the principle that all council homes sold under the Right to Buy should be replaced with equivalent homes, but many expressed doubt as to the feasibility of this proposal. Most members also felt that unspent replacement receipts should be returned to the relevant Mayoral Combined Authority.