

What are the chances? The probability of getting a social rent home

Research note

November 2019

Shelter

Overview

This analysis aims to determine the chance of a social home for households on the social housing waiting list in England, with a focus on private renters.

1.1 million households were on social housing waiting lists last year¹, and we estimate nearly 500,000 of these households were private renters.² But only 43,000 private renting households were allocated a social rent home in 2017/18.³ Private renters in need of a social rent home therefore had only a 9% chance of receiving one last year.

Context

For decades, housebuilding in England of any type has not kept pace with demand. Persistent failure to build the number of homes needed, coupled with the high cost of housing to rent or buy, has contributed to year on year increases in homelessness and declining home ownership.

More people are staying in the private rental sector - forming families and growing older in insecure and often unaffordable tenancies. Affordability pressures mean many more households need help with housing costs.

Local Housing Allowance, designed to support people on low incomes in the private rented sector, has been frozen since 2016. Our analysis shows that the LHA rates set for 2019/20 do not cover the cost of renting a two-bedroom home at the 30th percentile of the local market in 97% of BRMAs in England.⁴

Despite the clear need for more low-cost homes, social housing continues to be sold off more quickly than it is replaced. Last year, only 6,434 new homes for social rent were completed⁵, but sales through Right to Buy, demolitions and conversions resulted in a net loss of over 15,000 social homes.⁶ Because of a severe lack of social housing, there are more than 1.1 million households on local authority waiting lists.⁷

Research aims

This research aims to determine the chance of a social home for households on social housing waiting lists, at an England-wide and regional level. The analysis is based on two calculations:

1. the chance of a social rent home for all households on the waiting list
2. the chance of a social rent home for private renters on the waiting list.

¹ MHCLG, Live tables on rents, lettings and tenancies, Table 600: numbers of households on local authorities' housing waiting lists.

² According to the English Housing Survey 2017/18 Private Rented Sector Report, Annex Table 3.14, 42% (468,080) of households on social housing waiting lists are privately renting households.

³ The number of new social rent lettings allocated to private renting households is from Social housing lettings in England, 2017/18: COntinuous REcording (CORE) data, Summary Tables, Table 3f: Previous housing situation of tenant, for new social housing lettings.

⁴ Shelter, (2019) [From the frontline: Universal Credit and the broken housing safety net](#)

⁵ MHCLG, Live tables on affordable housing supply, Table 1006C: Additional social rent dwellings provided by local authority.

⁶ The net loss of social housing was calculated by comparing reported social rented stock figures in the Local Authority Housing Statistics data return 2017/18 for local authority-owned stock and the Statistical Data Return 2017/18 for Private Registered Provider-owned stock with the stock reported in the previous year.

⁷ MHCLG, Live tables on rents, lettings and tenancies, Table 600: numbers of households on local authorities' housing waiting lists.

Data sources and methodology

Waiting list data

The numbers of households on social housing waiting lists are from MHCLG, [Live tables on rents, lettings and tenancies](#), Table 600: numbers of households on local authorities' housing waiting lists.

While these provide an estimate of social housing need in different areas, it is important to note the limitations of the data. The Localism Act 2011 gave local authorities much greater freedom to decide who should qualify to go on the waiting list for social housing in their area. Under this act, several local authorities – especially in London – changed their criteria and shortened their lists, disqualifying some who had been waiting.

Statutory guidance encourages local authorities to include a residency test requiring applicants to have lived in the area for at least two years. This reduces the likelihood that applicants are on more than one waiting list at the same time.

Some local authorities, such as Milton Keynes, Allerdale and Eastbourne, do not maintain social housing waiting lists and have been excluded from the regional analysis.

Number of private renters on the waiting list

According to the [2017/18 English Housing Survey](#), 42% of households on social housing waiting lists are private renters.⁸ Our analysis applies this proportion to the total number of households on the waiting list to estimate the number of privately renting households in need of a social home in each area.

Number of new social housing lettings

The number of new social rent lettings in 2017/18 is from [Social Housing Lettings in England: COntinuous REcording \(CORE\) data](#).⁹

Social rent is the combined total of:

- General Needs Social Rent Local Authority
- General Needs Social Rent Private Registered Provider
- Supported Housing Social Rent Local Authority
- Supported Housing Social Rent Private Registered Provider

Number of social housing lettings to private renters

The number of new social rent lettings to private renters in each area is from the [CORE Local Authority level tables](#), Housing situation immediately before letting: Private sector tenancy.¹⁰

⁸ English Housing Survey 2017/18, Private Rented Sector Report, Annex Table 3.14: Whether anyone in household is on social housing waiting list, by tenure.

⁹ Social housing lettings in England, 2017/18: COntinuous REcording (CORE) data, Summary Tables, Table 1d: Reported new social housing lettings by local authority.

¹⁰ Social housing lettings in England, 2017/18: COntinuous REcording (CORE) data, Local Authority level tables, Housing situation immediately before letting: Private sector tenancy.

CORE data: Housing situation immediately before letting

- LA General Needs tenancy
- PRP General Needs tenancy
- **Private sector tenancy**
- Tied housing or renting with job
- Supported Housing
- Direct access hostel
- Housing for older people
- Residential care home
- Bed & breakfast
- Any other temporary accommodation
- Rough sleeping
- Mobile home/ caravan
- Owner occupation (private)
- Owner occupation (low-cost home ownership)
- Living with friends or family
- Other

As this is a comprehensive code list, a high proportion of lettings with previous tenure categorised as 'other' signals a potential data quality issue. This doesn't have consequences for the England-level analysis as MHCLG weights the statistics to account for non-responses by local authorities and carries out other data checks.

However, for the regional analysis we excluded local authorities with concerns regarding data quality. We identified eight 'outlier' local authorities where:

- the total proportion of previous tenure coded as 'other' was greater than 40%
- the proportion of previous tenure coded as 'other' in any of the individual tenures (General needs – LA, General needs – PRP, Supported Housing – LA, Supported Housing – PRP) was greater than 50%.

This impacts the regional analysis as follows:

London: 17.3% of lettings in London were in authorities flagged as potentially having data quality issues. The regional average is based on 83% of lettings in London – affected authorities are Southwark, Hammersmith, Enfield and Hounslow.

South West: 12.7% of lettings in the South West were in authorities flagged as potentially having data quality issues. The regional average is based on 87% of lettings in the South West – affected authorities are the City of Bristol.

East of England: 2.3% of lettings in the East were in authorities flagged as potentially having data quality issues. The regional average is based on 98% of lettings in the East – affected authorities are Epping Forest.

South East: 1.3% of lettings in the South East were in authorities flagged as potentially having data quality issues. The regional average is based on 99% of lettings in the South East – affected authorities are Fareham and Tandridge.

Three local authorities that do not maintain social housing waiting lists (Milton Keynes, Allerdale and Eastbourne) were also excluded from the regional analysis.

Results

Chance of a social home for all households on the waiting list

There are 1.1 million households on social housing waiting lists, but only 270,000 social rent homes were made available in 2017/18 – a difference of more than 800,000 homes.

This gives a 24% chance (1 in 4) of being offered a social rent home for households on waiting lists in England last year.

Region	Households on waiting lists 2018	New social rent lettings	Chance of a social rent home
England	1,114,477	272,806	24%
East of England	101,692	21,508	21%
East Midlands	65,807	22,857	35%
London	228,118	18,980	8%
North East	51,503	23,496	46%
North West	194,072	42,549	22%
South East	123,673	23,698	19%
South West	93,506	19,262	21%
West Midlands	94,038	35,144	37%
Yorkshire and the Humber	142,306	35,635	25%

Chance of a social home for private renters on the waiting list

Shelter estimates there are nearly 500,000 (468,080) private renters on social housing waiting lists in England, but only 42,869 private renters were allocated a social rent home in 2017/18.

This gives a 9% chance (1 in 10) of being offered social rent home for private renters on waiting lists last year.

Region	Estimated private renters on waiting lists 2018	New social rent lettings to private renters	Chance of a social rent home for private renters
England	468,080	42,869	9%
East of England	42,711	3,037	7%
East Midlands	27,639	3,793	14%
London	95,810	1,795	2%
North East	21,631	4,349	20%
North West	81,510	7,446	9%
South East	51,943	3,639	7%
South West	39,273	3,503	9%
West Midlands	39,496	5,265	13%
Yorkshire and the Humber	59,769	6,412	11%