

**Comparison of stock, rents and  
service charges among different  
types of social landlords**

**Baseline study: 2007/08**

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August 2009

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## Summary

### 1. Objectives

A series of social housing policies over the past two decades have changed the picture of rental sub-markets in England by offering four types of landlords – traditional or mixed funded Registered Social Landlords (RSLs) (non-Large Scale Voluntary Transfer (LSVT) RSLs), RSLs who have taken over council housing stock (LSVT RSLs), Local Authorities (LAs) retaining council housing and related operations (retention LAs) and those outsourcing housing management (Arms Length Management Organisations (ALMO) LAs).

As a baseline study in this context, the first objective is to clarify the quality and availability of relevant data and then go on to draw basic comparisons of the latest net rents and service charges between these four types of social landlords to investigate whether or not substantial differences among them are observable and the extent to which coherence has developed.

### 2. Key Findings

#### Data quality

Although the datasets used in this study are the most suitable and comprehensive among the available materials, there are some limitations when using them for comparative purposes:

- RSL rents are a snapshot as at 31 March 2008, while LA rents are estimations for the period 1 April 2007 to 31 March 2008.
- Service charge data are not available for LA stock. For the purposes of this paper, we have therefore used average service charges of 'young' home LSVT RSLs as a proxy<sup>1</sup>.
- While RSL stock can be broken down by general and special needs stock, there is no equivalent breakdown for LA stock. There is also a year lag between the two sectors' survey points (31 March 2008 for RSL stock and 1 April 2007 for LA stock).
- Stock transferred into RSL ownership via 'partial' LSVT were received by traditional RSLs over the observation period and are therefore included as belonging to non-LSVT RSLs.
- LA data quality is questionable and the figures contain errors, inconsistencies and omissions. These data have been modified using the methodology adopted in the Guide to Local Rents 2007 Part I, Social landlord rents.

#### LAs by council housing ownership and management style

- The LSVT option has been taken by 176 LAs – almost half of all LAs in England.
- 112 LAs (32%) retained their housing stock and the related operations, while 59 LAs (17%) chose to outsource their housing management (ALMO).
- Among nine regions, LSVT was most popular in the North West in terms of proportion – 28 LAs took the option, which equated to 65% in the region.
- By contrast, only four LAs (12%) in London opted for LSVT.
- Of 178 rural LAs, 115 took LSVT. The proportion (65%) was much larger than that for any other option..
- Generally, urban LAs were evenly distributed between LSVT (61 LAs, 35%), retention (63 LAs, 36%) and ALMO (45 LAs, 26%).

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<sup>1</sup> 'Young' represents five years or less from completion of transfer.

### **Housing stock**

- Non-LSVT RSLs had the largest stock of 1,095,000 units in total.
- LSVT RSLs had around 833,000 units, of which 756,000 (91%) were located in home<sup>2</sup> LA areas.
- 1,035,000 units were owned and managed by LAs. Of those, 854,000 were within retention LAs and 181,000 were out of the partial LSVT packages and remained as council housing.
- 780,000 units were managed by ALMOs.

### **Average Weekly Net rent**

- For all property sizes, non-LSVT RSLs had the highest average net rent at £71.54.
- At a close level to it, away<sup>3</sup> LSVT RSLs' average was £70.80.
- Home LSVT RSLs' average, £63.93, was proximate to the retention LAs' level of £63.66.
- The average net rent of ALMO LAs was £58.20.
- The difference between the averages of non-LSVT RSLs and home LSVT RSLs was £7.61 (or 10.6% of the former average).
- The gap between home and away LSVT RSLs was £6.87, which equates to 10.7% of the home standard.
- Retention LAs' average was £5.46 above the ALMO LAs' equivalent – the margin was 8.6% of the former average.
- In all nine regions, away LSVT RSLs showed the highest averages.
- The second highest were non-LSVT RSLs across all regions except in the North East where home LSVT RSLs were marginally higher.
- The lowest averages were held by the two LA landlord types in all regions except Yorkshire and the Humber.
- Home LSVT RSLs' averages were close to those of LA landlords in Yorkshire & the Humber, the West Midlands, the East of England and the East Midlands.
- In the South West, the North East, London, the South East and the North West, home LSVT RSLs' averages were close to those of non-LSVT RSLs' equivalents.

### **Service charge**

- For all property sizes, non-LSVT RSLs had the highest average service charge at £9.24.
- Away LSVT RSLs showed the second highest of £7.58.
- Home LSVT RSLs had the lowest of £4.48.
- LA landlords' average estimated by young home LSVT RSLs' figures was £5.21.

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<sup>2</sup> 'Home' refers to a RSL's original LA area - see page 6 for further explanation

<sup>3</sup> 'Away' refers to anything outside a RSL's original LA area – see page 6 for further explanation

## 1. Introduction

In the early days, from the introduction in December 1988 until the early 1990s, the Large Scale Voluntary Transfer (LSVT) – a scheme in which registered social landlords (RSLs) take over council housing stock from local authorities (LAs) – had been undertaken by the limited number of LAs as a means of streamlining their housing departments and potentially raising extra revenue from housing stock sales. On average only four transfer packages were completed per year between 1988 and 1994.

Since the mid-1990s, however, the Government has encouraged LAs to consider the programme in a more positive way, for example, by providing financial assistance for a recipient RSL or setting out a quantitative target of transferred housing stock. Together with the arm's length management organisation (ALMO) scheme, where commissioned companies manage council housing stock, LSVT was specified by the Government as an option for LAs to make their housing stock meet the Decent Homes Standard, which was introduced in the Housing Green Paper 2000, *Quality and Choice*.

Consequently, a series of social housing policies over the past two decades have changed the picture of rental sub-markets in England by offering four types of landlords – traditional or mixed funded RSLs (non-LSVT RSLs), RSLs taking over council housing stock (LSVT RSLs), LAs retaining council housing and the related operations (retention LAs) and those outsourcing housing management (ALMO LAs).

As a baseline study, the first objective is to clarify the quality and availability of relevant data and then draw basic comparisons of the latest net rents and service charges between these four types of social landlords to investigate whether or not substantial differences among them are observable and to what extent coherence has developed. More accurately, comparisons will be made between five groups, as performances of LSVT RSLs will be bisected by stock location, home or away area – i.e. the replacement of an LA housing department in its original locality and an RSL with its own business strategy beyond the geographical restraint.

To achieve these objectives, the paper is structured as follows. Section 2 identifies available datasets and presents their sources and definitions as well as providing some caveats when comparing these datasets. To outline development of LSVT and ALMO, section 3 briefly looks at LAs opting for these programmes by the regional and urban/rural classifications. Drawing on the categorisation, section 4 profiles social rented housing stock in RSL and LA sectors across England. Section 5 compares net rents charged by different types of social landlords at the national and regional levels. Similarly, section 6 carries out comparisons on service charges. The final section provides a summary and discussion drawn from the analyses.

## 2. Data sources and definitions

The datasets used in this paper come from different sources. In order to ensure appropriate comparisons we use self-contained housing stock – bedspaces are not included. All rent and service charge data are expressed in pounds per week.

### 2.1 Housing Association (RSL) sector

The source of the RSL sector's data is the long version of the Regulatory and Statistical Return (RSR) 2008, which contains registered social landlord (RSL) stock and rent levels as at 31 March 2008. RSLs that completed the RSR are those that own or manage 1,000 or more dwellings and/or bedspaces, including shared ownership dwellings. The data used include general needs housing (assured and secure tenancies) as well as supported housing and housing for older people (henceforth, special needs housing). Where necessary, however, statistics will be disaggregated by housing needs.

Net rents to be examined in this paper are rents charged before any service charges are applied. Service charges, which are separately analysed, are those eligible for housing benefit. The averages of net rents or service charges are calculated as stock-weighted averages for the corresponding area, but their stock base might not necessarily be equal, as some dwellings are not accompanied with service charges. For details of the data see *Guide to Local Rents 2008 Part II: Social Landlord Rents*.<sup>4</sup>

### 2.2 Local authority (LA) sector

The local authority (LA) sector's net rent and stock data are derived from the returns made annually to the Department for Communities and Local Government (CLG). Rents in this sector are estimates (made by each local authority) for a year from 1 April 2007 to 31 March 2008 based on quantity of stock reported by LAs as at 1 April 2007. Unlike the RSL sector, no service charge data are reported, and there is no demarcation of housing stock between general and special needs. The average net rents are stock-weighted.

The dataset from CLG is unaudited, and thus the figures are bound to contain errors or inconsistencies. However, they will be adjusted where necessary to present acceptable comparisons. For details of the data, including the error correction, see *Guide to Local Rents 2007 Part I: Social Landlord Rents*.

### 2.3 Definition of LSVT RSLs, non-LSVT RSLs, retention LAs and ALMO LAs

LSVT RSLs in this paper are RSLs which took over council housing under the whole LSVT scheme and completed at least one whole financial year at the end of March 2008. The list of LSVT RSLs is derived from CLG.<sup>5</sup> Furthermore, LSVT RSLs are disaggregated to 'home' and 'away' LSVT RSLs. The former group shows LSVT RSLs' performances in their original LA areas (i.e. areas where transferred stock is located), while the latter sets out their activities outside of their home areas. The geographical information of stock is from the RSR 2008. The rest of RSLs in the analyses are categorised as 'non-LSVT' RSLs. Therefore, non-LSVT RSLs could own former council housing through partial LSVT packages.<sup>6</sup>

<sup>4</sup> Available at Dataspring's website (<http://www.dataspring.org.uk/Outputs/detail.asp?OutputID=183>).

<sup>5</sup> Available from <http://www.communities.gov.uk/documents/housing/xls/completedlsvts.xls>.

<sup>6</sup> The definition of LSVT RSLs in this paper might not exactly match that in our previous research paper such as Dataspring (2008) '*Housing associations and the movement to target rents, 2007 to 2008*', but the difference would not be substantial.

The categorisation of the retention LAs and the ALMO LAs is drawn from the UK parliament report, which aggregates LAs by approach to the Decent Homes standard (DHS), that is, 'whole LSVT', 'retention', 'ALMO' and 'mixed approach' as at 1 May 2008.<sup>7</sup> The report refers to all the English LAs including those which had implemented whole LSVTs before the introduction of the DHS – such LAs are categorised as 'whole LSVT'.<sup>8</sup>

## 2.4 Data quality issues

Although the datasets presented above are the most comprehensive among the available materials, they are not free from caveats and limitations for comparative purposes. The issues are summarised below:

### Rent:

RSL rents are a snap shot as at 31 March 2008, while LA rents are estimation for the period of 1 April 2007 to 31 March 2008.

### Service charge:

Service charges for LA stock are not available from the CLG data. As a proxy, we use an average for 'young' home LSVT RSLs in Section 6 – 'young' represents five years or less from completion of transfer. In terms of net rents, however, the national averages of LA landlords and young home LSVT RSLs failed to have statistical significance in equality. Therefore, readers are advised to use the substitute as reference but not as a perfect alternative.

### Stock:

There is no demarcation between general needs and special needs for LA stock. There is also a year lag between the two sectors' survey points – as at 31 March 2008 for RSL stock and as at 1 April 2007 for LA stock.

### Treatment of ALMO LAs and LAs with mixed ownership and management style:

As all the former council housing transferred through partial LSVT schemes were received by traditional RSLs for the observation period, data on such stock belong to non-LSVT RSLs. For council housing stock retained by LAs with the mixed style, information on rents and stock quantity is included in a category of 'retention LAs' in Sections 4 and 5 – this means there is a possibility, although it can be negligible, of the data containing LA stock managed under partial ALMO schemes. In the Annexes, however, such information is separated from retention LAs and included in a 'mixed LAs' category. Stock for ALMO LAs could contain that which is to be managed by ALMOs although not at the survey point date.

### LA data quality:

The original data from the CLG is unaudited, and the figures contain errors, inconsistencies and omissions. For some LAs the total and average figures for all property sizes do not agree with a sum or average derived from the constituent property sizes' figures. For the modification of such disagreement, we follow the methodology taken in *Guide to Local Rents 2007 Part I: Social Landlord Rents*. There are a few LAs reporting stock without any rent information, even though they are not 'LSVT LAs'. Such stock is excluded from the corresponding totals and average rents at regional levels.

<sup>7</sup> Available from [www.parliament.uk/deposits/depositedpapers/2008/DEP2008-1437.doc](http://www.parliament.uk/deposits/depositedpapers/2008/DEP2008-1437.doc). All LAs which have council housing stock at that point are required by the Government to improve to the DH Standard by 2010. Prior to that, they were required to undertake an option appraisal by July 2005 to show how to meet the standard.

<sup>8</sup> Retention LAs includes four LAs which have not finalised due to failed tenant ballots as at May 2008. Of those, three proposed LSVT and one intended ALMO. Of non-LSVT LAs, 14 have decided to also use a Private Finance Scheme (PFI) scheme for part of their stock. The scheme came into being in 1992.

### 3. LAs by council housing ownership and management style

Table 3.1 sets out the number of LAs undertaking or having decided to undertake whole LSVT or ALMO programme as at 1<sup>st</sup> May 2008.

- LSVT was taken by 176 LAs – almost half of the English LAs.
- 112 LAs (32%) retained their housing stock and relevant operations, while 59 LAs (17%) chose ALMO.
- A relatively minor presence of ALMO LAs is due partly to that fact that this option came into effect much later than LSVT – in 2002 and 1988 respectively.
- Among nine regions, LSVT was most popular in the North West in terms of proportion – 28 LAs took the measure, which equals to 65% of all LAs in the region.
- Also in the South West and the West Midlands, LSVT was frequently chosen – the proportions were 62% and 56% respectively.
- By contrast, only four LAs in London opted for LSVT – the proportion (12%) was the smallest.
- Retention was most common in the South East (45%), the East Midlands and the East of England (40% for each), but the proportions were not greater than those of LSVT.
- Only four LAs each in the North West and in the North East retained council housing stock – the proportions were 9% and 17% respectively.
- ALMO was most popular only in London. 15 LAs (or 45%) took this measure – the proportion was significantly high compared to those in other regions.
- On the contrary, only two LAs in the South East (3%) opted for the measure.
- LAs with mixed measure were observed only in London and the North West – five and two LAs respectively.

**Table 3.1 No. of LAs by LA housing ownership and management style and region: May 2008 (% in parentheses)**

	LSVT	retention	ALMO	mixed	Total
<b>England</b>	<b>176</b> <b>(50)</b>	<b>112</b> <b>(32)</b>	<b>59</b> <b>(17)</b>	<b>7</b> <b>(2)</b>	<b>354</b> <b>(100)</b>
East Midlands	16 (40)	16 (40)	8 (20)	0 (0)	40 (100)
East of England	25 (52)	19 (40)	4 (8)	0 (0)	48 (100)
London	4 (12)	9 (27)	15 (45)	5 (15)	33 (100)
North East	12 (52)	4 (17)	7 (30)	0 (0)	23 (100)
North West	28 (65)	4 (9)	9 (21)	2 (5)	43 (100)
South East	35 (52)	30 (45)	2 (3)	0 (0)	67 (100)
South West	28 (62)	12 (27)	5 (11)	0 (0)	45 (100)
West Midlands	19 (56)	12 (35)	3 (9)	0 (0)	34 (100)
Yorkshire & the Humber	9 (43)	6 (29)	6 (29)	0 (0)	21 (100)

Source: Author's creation based on the information described in Section 2.



In the early days, LSVTs were undertaken mainly in rural or suburban areas, and thus, the measure was reportedly more popular in such LAs. Table 3.2 confirms this argument by reorganising the previous table with LA's urban/rural classification.<sup>9</sup>

- Of 178 rural LAs, 115 opted for LSVT. The proportion (65%) was much larger than that of any other measure.
- It was significantly popular in the most rural LAs (rural 80) – 54 LAs (74%) took the measure. In fact, as the degree of rurality increased so too did the proportion of LSVT.
- Retention was selected by 49 rural LAs (28%) while 14 LAs (8%) chose ALMO. Both proportions appeared modest compared to those for urban LAs.
- Urban LAs were evenly distributed between three unmixed measures – LSVT, retention and ALMO.
- Of 176 urban LAs, 61 took LSVT, which equates to 35% of all urban LAs.
- With a small margin, however, retention appeared most popular – 63 LAs or 36%.
- ALMO was taken by fewer LAs (45) but had noticeable presence of 26%.
- This measure was most commonly selected in the most urban LAs (major urban) – 29 LAs (38%).
- The major urban is also unique in that only this sub-group had LAs with mixed measure – seven LAs opted for this. Of those, five were in London, and the rest were Manchester and Salford.

**Table 3.2 No. of LAs by LA housing ownership and management style and by urban/rural classification: May 2008 (% in parentheses)**

	LSVT	retention	ALMO	mixed	Total
<b>Urban</b>	<b>61</b>	<b>63</b>	<b>45</b>	<b>7</b>	<b>176</b>
	<b>(35)</b>	<b>(36)</b>	<b>(26)</b>	<b>(4)</b>	<b>(100)</b>
major urban	22	18	29	7	76
	<b>(29)</b>	<b>(24)</b>	<b>(38)</b>	<b>(9)</b>	<b>(100)</b>
large urban	20	18	7	0	45
	<b>(44)</b>	<b>(40)</b>	<b>(16)</b>	<b>(0)</b>	<b>(100)</b>
other urban	19	27	9	0	55
	<b>(35)</b>	<b>(49)</b>	<b>(16)</b>	<b>(0)</b>	<b>(100)</b>
<b>Rural</b>	<b>115</b>	<b>49</b>	<b>14</b>	<b>0</b>	<b>178</b>
	<b>(65)</b>	<b>(28)</b>	<b>(8)</b>	<b>(0)</b>	<b>(100)</b>
significant rural	30	19	4	0	53
	<b>(57)</b>	<b>(36)</b>	<b>(8)</b>	<b>(0)</b>	<b>(100)</b>
rural 50	31	14	7	0	52
	<b>(60)</b>	<b>(27)</b>	<b>(13)</b>	<b>(0)</b>	<b>(100)</b>
rural 80	54	16	3	0	73
	<b>(74)</b>	<b>(22)</b>	<b>(4)</b>	<b>(0)</b>	<b>(100)</b>

Source: As Table 3.1. Note: Urban/rural classification is base on the DEFRA definition. From upper to lower rows, sub-groups are presented in descending order of being urbanised.

<sup>9</sup> Based on the DEFRA definition.

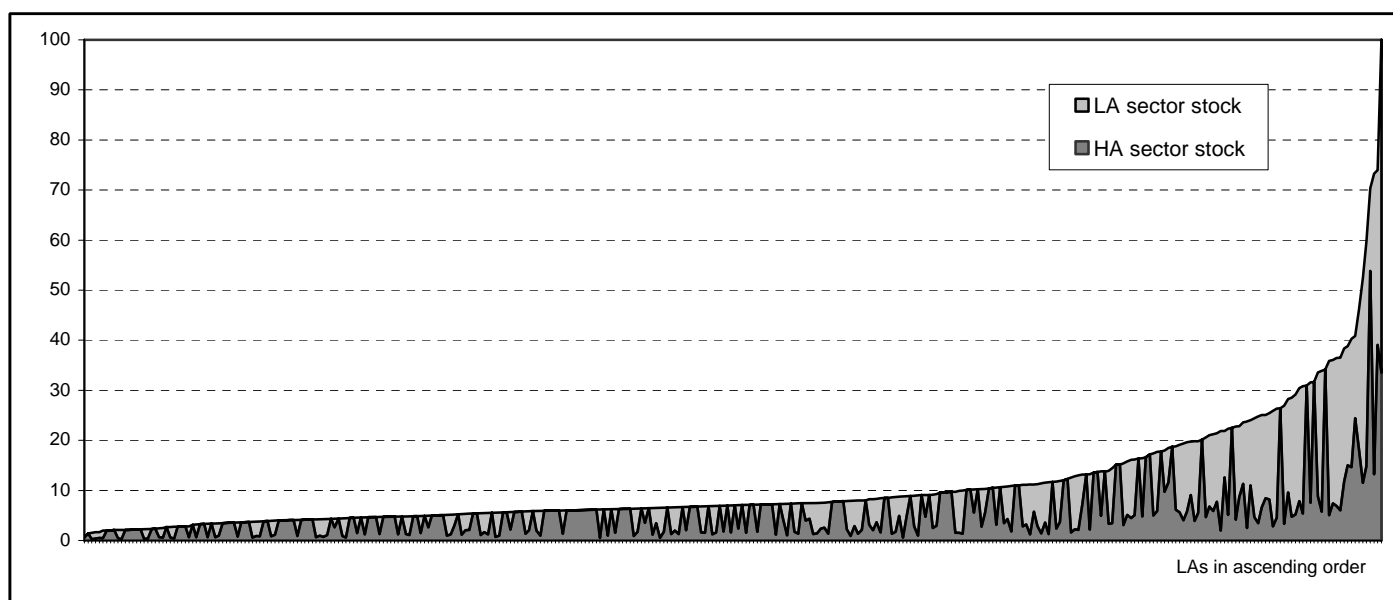
#### 4. Social rented housing stock

This section reports social rented housing stock by sector and landlord type respectively. Due to the difference of the stock survey points between the two sectors (see Section 2), we need to be cautious about the interpretation of national figures. For more details of stock by sector, LA housing ownership and management style, and RSL type, see Annex 1.

Figure 4.1 illustrates total social rented housing stock in each LA – LAs are placed in ascending order of stock volume. The RSL sector's stock level in the chart is displayed in shade, and thus LSVT LAs appear totally shaded.

- Generally, LAs with small housing stock were more likely to be LSVT LAs.
- LAs with the largest social housing stock, in particular those with more than 20,000 units, appeared less likely to choose whole LSVT.
- This would be related to the fact that LSVT was chosen by rural LAs more frequently than populous urban LAs.

**Figure 4.1 Quantity of social rented housing stock in each LA area ('000 units)**

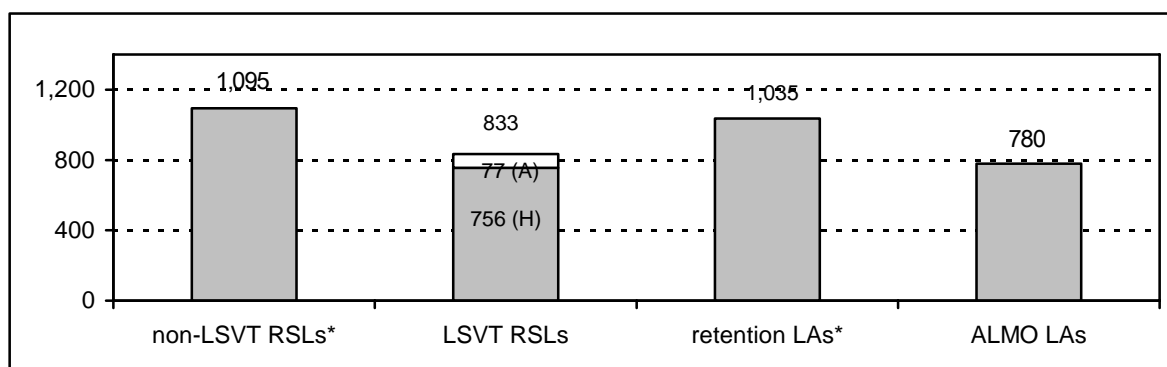


Source: As described in Section 2.

Figure 4.2 sets out total quantity of social rented housing stock of each social landlord type in England.

- Non-LSVT RSLs had the largest stock of 1,095,000 units.
- LSVT RSLs had 833,000 units, of which 756,000 (91%) were located in home LA areas. Due to time lag between the completion of transfer and the survey point, a further 126,000 units waiting to be transferred are not reflected in this chart (see Table A.1.2 in Annex 1).
- LSVT RSLs had 77,000 units in away areas, which are presumably post-transfer investment.
- 1,035,000 units were owned and managed by LAs. Of those, 854,000 were in the retention LAs and 181,000 were out of the partial LSVT packages and remained as council housing (Table A.1.2).
- 780,000 units were managed by ALMOs.

**Figure 4.2 Quantity of social rented housing stock by social landlord type: all sizes, England ('000 units)**



Note: \* Stock for 'retention LAs' include council housing units of 'mixed' LAs, which means (a) the remaining council housing units after partial transfers, (b) units subject to a partial transfer but the programme was not implemented yet at the survey point and (c) units subject to a partial ALMO programme. The stock does not contain units which were subject to whole LSVT and were not transferred yet at the survey point. Such dwellings were not included in LSVT RSLs' stock either – the quantity is presented in Table A.1.2 in Annex 1. Stock consists of housing for general and special needs. Non-LSVT RSLs might have former council housing stock transferred through partial transfer packages. There is a one-year-lag of survey points between RSL and LA sectors as explained in Section 2. Sources: As described in Section 2.

Tables 4.1 to 4.3 are breakdowns of the previous figure by region, urban/rural classification and property size respectively.

- Between regions, the stock proportion of non-LSVT RSLs ranged from 43.6% in the North West to 15.4% in the North East.
- LSVT RSLs' stock share was significantly small in London – 2.4% and 0.5% for their home and away stock respectively.
- The percentage of retention LAs was diminutive in the North West – 2.5%.
- Nearly half of social housing stock was held by ALMO LAs in Yorkshire & the Humber. By contrast their proportion was only 2.3% in the South East.
- Comparisons between urban LAs and rural LAs set out that the share of LSVT RSLs was relatively large in the rural group (44.1%) while being moderate in the urban area (14.3%).
- On the other hand, the urban LAs showed large proportions of retention LAs and ALMO LAs – 30.8% and 24.6% respectively. The equivalents in the rural LAs were 19.0% and 10.5%.
- Between property sizes, two-bedroom and three-bedroom set out reasonably similar patterns across the social landlord types.
- The stock distributions of the smallest and the largest size categories appeared close to one another – non-LSVT RSLs shared over 30% while ALMO LAs proportioned less than 20%.

**Table 4.1 Quantity of social rented housing stock by social landlord type and region: all sizes ('000 units, % in parentheses)**

	non-LSVT RSLs	LSVT RSLs home	away	retention LAs	ALMO LAs	total
<b>East Midlands</b>	<b>62.7</b>	<b>33.5</b>	<b>5.1</b>	<b>98.5</b>	<b>81.5</b>	<b>281.3</b>
	(22.3)	(11.9)	(1.8)	(35.0)	(29.0)	(100.0)
<b>East of England</b>	<b>110.1</b>	<b>89.3</b>	<b>10.1</b>	<b>125.6</b>	<b>32.4</b>	<b>367.6</b>
	(29.9)	(24.3)	(2.8)	(34.2)	(8.8)	(100.0)
<b>London</b>	<b>269.5</b>	<b>17.1</b>	<b>3.7</b>	<b>253.5</b>	<b>171.3</b>	<b>715.1</b>
	(37.7)	(2.4)	(0.5)	(35.4)	(24.0)	(100.0)
<b>North East</b>	<b>48.4</b>	<b>65.2</b>	<b>13.1</b>	<b>89.8</b>	<b>97.7</b>	<b>314.3</b>
	(15.4)	(20.8)	(4.2)	(28.6)	(31.1)	(100.0)
<b>North West</b>	<b>213.0</b>	<b>151.2</b>	<b>4.9</b>	<b>12.3</b>	<b>107.7</b>	<b>489.1</b>
	(43.6)	(30.9)	(1.0)	(2.5)	(22.0)	(100.0)
<b>South East</b>	<b>138.5</b>	<b>115.9</b>	<b>16.1</b>	<b>173.4</b>	<b>10.4</b>	<b>454.4</b>
	(30.5)	(25.5)	(3.5)	(38.2)	(2.3)	(100.0)
<b>South West</b>	<b>61.9</b>	<b>98.6</b>	<b>9.7</b>	<b>80.6</b>	<b>21.8</b>	<b>272.6</b>
	(22.7)	(36.2)	(3.6)	(29.6)	(8.0)	(100.0)
<b>West Midlands</b>	<b>125.3</b>	<b>92.4</b>	<b>2.3</b>	<b>145.0</b>	<b>65.8</b>	<b>430.6</b>
	(29.1)	(21.4)	(0.5)	(33.7)	(15.3)	(100.0)
<b>Yorks &amp; H</b>	<b>66.0</b>	<b>93.0</b>	<b>12.1</b>	<b>55.9</b>	<b>191.1</b>	<b>418.1</b>
	(15.8)	(22.3)	(2.9)	(13.4)	(45.7)	(100.0)

Notes: As Figure 4.2. Due to rounding, .01-errors might be allowed. Source: As Section 2.

**Table 4.2 Quantity of social rented housing stock by social landlord type and U/R classification: all sizes ('000 units, % in parentheses)**

	non-LSVT RSLs	LSVT RSLs home	away	retention LAs	ALMO LAs	total
<b>Urban</b>	<b>831.2</b>	<b>349.5</b>	<b>43.0</b>	<b>844.5</b>	<b>674.7</b>	<b>2742.8</b>
	(30.3)	(12.7)	(1.6)	(30.8)	(24.6)	(100.0)
<b>MU</b>	<b>580.9</b>	<b>160.1</b>	<b>15.5</b>	<b>454.0</b>	<b>482.0</b>	<b>1692.4</b>
	(34.3)	(9.5)	(0.9)	(26.8)	(28.5)	(100.0)
<b>LU</b>	<b>126.4</b>	<b>100.3</b>	<b>12.9</b>	<b>184.5</b>	<b>122.9</b>	<b>546.9</b>
	(23.1)	(18.3)	(2.4)	(33.7)	(22.5)	(100.0)
<b>OU</b>	<b>123.9</b>	<b>89.1</b>	<b>14.6</b>	<b>206.1</b>	<b>69.8</b>	<b>503.5</b>
	(24.6)	(17.7)	(2.9)	(40.9)	(13.9)	(100.0)
<b>Rural</b>	<b>264.3</b>	<b>406.9</b>	<b>34.1</b>	<b>190.1</b>	<b>105.1</b>	<b>1000.5</b>
	(26.4)	(40.7)	(3.4)	(19.0)	(10.5)	(100.0)
<b>SR</b>	<b>110.2</b>	<b>131.5</b>	<b>10.3</b>	<b>85.0</b>	<b>53.3</b>	<b>390.4</b>
	(28.2)	(33.7)	(2.7)	(21.8)	(13.7)	(100.0)
<b>R50</b>	<b>72.7</b>	<b>127.5</b>	<b>9.4</b>	<b>65.3</b>	<b>44.9</b>	<b>319.9</b>
	(22.7)	(39.9)	(2.9)	(20.4)	(14.0)	(100.0)
<b>R80</b>	<b>81.4</b>	<b>147.8</b>	<b>14.3</b>	<b>39.7</b>	<b>6.9</b>	<b>290.2</b>
	(28.0)	(50.9)	(4.9)	(13.7)	(2.4)	(100.0)

Notes: As Table 4.1 and Table 3.2. Sources: As Section 2.

**Table 4.3 Quantity of social rented housing stock by social landlord type and size: England ('000 units, % in parentheses)**

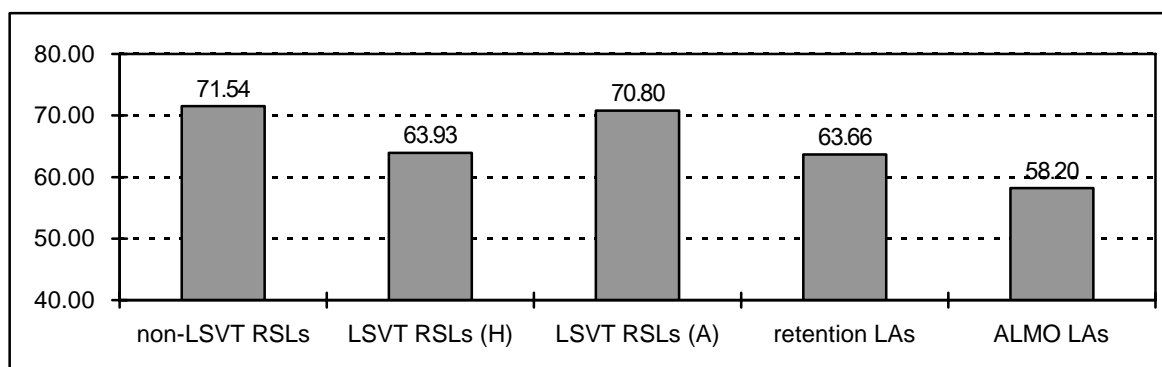
	non-LSVT RSLs	LSVT RSLs home	away	retention LAs	ALMO LAs	total
<b>bedsit</b>	<b>42.1</b> (38.3)	<b>15.8</b> (14.3)	<b>1.6</b> (1.5)	<b>31.2</b> (28.4)	<b>19.3</b> (17.5)	<b>110.0</b> (100.0)
<b>1-bed</b>	<b>351.2</b> (32.5)	<b>198.6</b> (18.4)	<b>17.7</b> (1.6)	<b>286.2</b> (26.5)	<b>225.4</b> (20.9)	<b>1079.0</b> (100.0)
<b>2-bed</b>	<b>365.4</b> (29.3)	<b>250.6</b> (20.1)	<b>31.1</b> (2.5)	<b>343.1</b> (27.5)	<b>258.7</b> (20.7)	<b>1248.8</b> (100.0)
<b>3-bed</b>	<b>296.9</b> (24.8)	<b>275.1</b> (23.0)	<b>24.2</b> (2.0)	<b>340.7</b> (28.5)	<b>258.7</b> (21.6)	<b>1195.7</b> (100.0)
<b>4-bed or larger</b>	<b>39.9</b> (36.9)	<b>16.3</b> (15.0)	<b>2.5</b> (2.3)	<b>32.1</b> (29.7)	<b>17.4</b> (16.1)	<b>108.2</b> (100.0)

Notes: As Table 4.1. The original data contains marginal disagreements between the all stock and the totals of the constituent sizes' stock. Source: As Section 2.

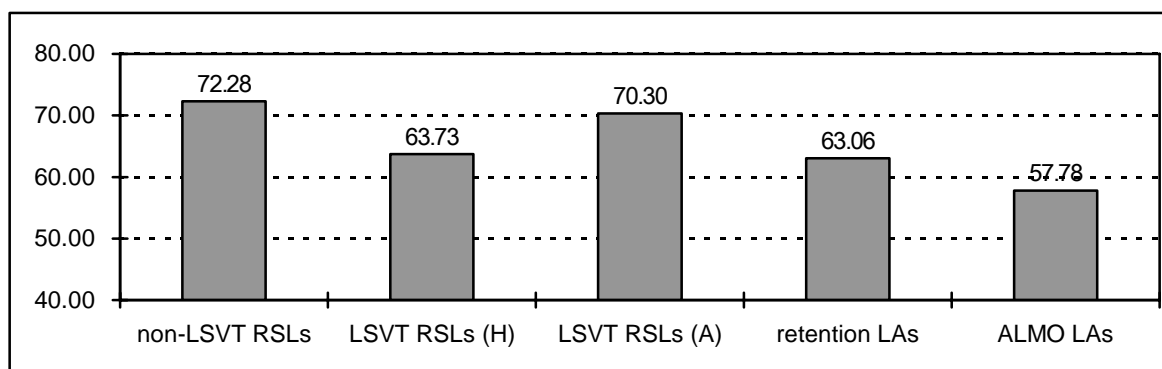
## 5. Net Rent

Figures 5.1 and 5.2 set out the average net rent of each social landlord type in England for all property sizes and two-bedroom properties respectively. The landlord types consist of mixed funded RSLs (represented by non-LSVT RSLs), LSVT RSLs with stock in their home areas (home LSVT RSLs), those with stock in away areas (away LSVT RSLs), LAs retaining their housing and pertinent operations (retention LAs) and those using ALMOs (ALMO LAs). For more details by LA housing ownership and management style and by RSL type, see Annexes 2 and 3 respectively.

- For all property sizes, non-LSVT RSLs had the highest average net rent at £71.54.
- At a close level to it, away LSVT RSLs had an average of £70.80.
- On the other hand, home LSVT RSLs' average, £63.93, was proximate to the retention LAs' level of £63.66.
- The average net rent of ALMO LAs was £58.20.
- While the difference in average net rents between non-LSVT RSLs and away LSVT RSLs was not particularly significant – £0.74 or 1.0% of the reference level, the differences between the other social landlord types and non LSVT RSLs were rather noticeable: Home LSVT RSLs had a gap of £7.61 (10.6%), while the equivalents for retention LAs and ALMO LAs were £7.88 (11.0%) and £13.34 (18.6%) respectively.
- The home and away LSVT RSLs distinguished their averages by £6.87 (10.7% of the home standard).
- Retention LAs' average was £5.46 above the ALMO LAs' equivalent – the margin was 8.6% of the former average.
- Two-bedroom properties, overall, set out a similar pattern.
- Roughly speaking the five social landlord types could be categorised into two groups – a group with relatively high rents made up of landlords in the RSL sector, except home LSVT RSLs and a low group consisting of LA landlords and home LSVT RSLs.

**Figure 5.1 Average net rent by social landlord type: all sizes, England (£)**

Note: As Figure 4.2. Source: Author's calculation based on datasets described in Section 2.

**Figure 5.2 Average net rent by social landlord type: 2-b properties, England (£)**

Note & Source: As Figure 5.1.

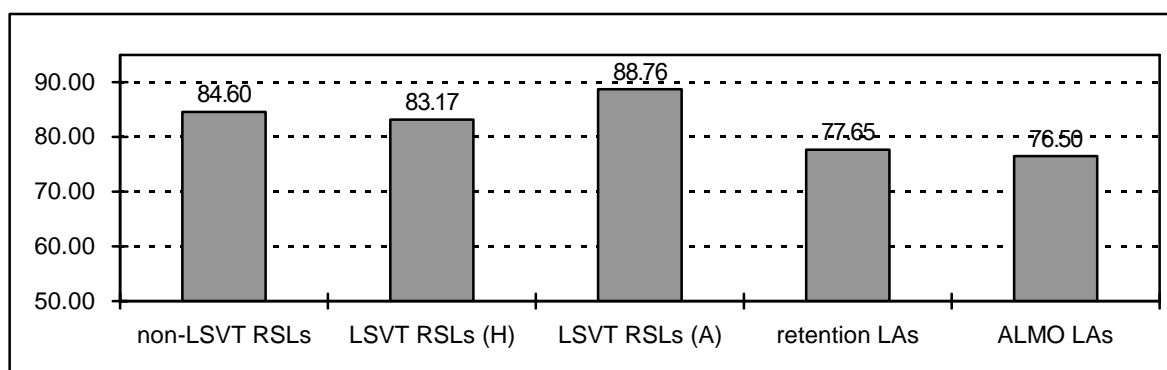
Figures 5.3 to 5.11 are the regional versions of the previous table (4.3) for all property sizes.

- In all the nine regions, away LSVT RSLs showed the highest averages.
- The second highest were non-LSVT RSLs across all regions except in the North East where home LSVT RSLs were marginally higher.
- The lowest averages were held by the two LA landlord types in all regions except Yorkshire & the Humber.
- ALMO LAs had the lowest averages in five regions (London, the South East, the East Midlands, Yorkshire & the Humber and the North West) while the remaining four regions had lowest averages from retention LAs.
- As seen in the national picture, home LSVT RSLs' averages were close to those of LA landlords to some extent, but not unanimously across the regions.
- Yorkshire & the Humber followed the national pattern – the difference between home LSVT RSLs and retention LAs (measured by the latter minus the former) was insignificant; -£0.87 (or -1.6% of retention LAs' average). One possible explanation is that LSVTs in the region were less mature – of nine LSVT RSLs, four were less than five years old.
- The West Midlands and the East of England also had small differences; £2.97 (5.2%) and £3.42 (6.0%) respectively. The East Midlands showed a relatively narrow gap of £4.70 (8.6%).
- The remaining five regions made home LSVT RSLs proximate to non-LSVT RSLs.
- In the South West, the difference between home LSVT RSLs and non-LSVT RSLs (measured by latter – former) was marginal, -£0.37 (or -0.5% of non-LSVT RSLs'

average), mainly because the region's LSVTs were relatively mature. Of 28 LSVT RSLs, 23 completed transfers more than five years ago.

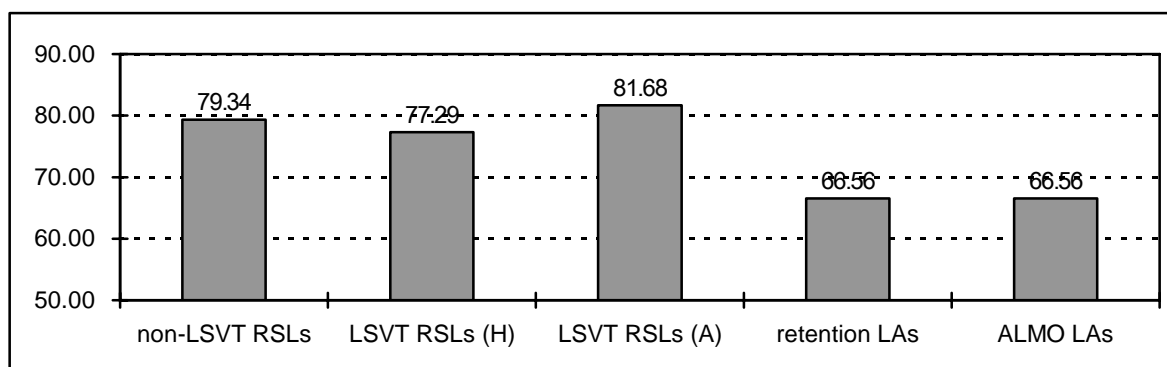
- In the North East, home LSVT RSLs were marginally higher than non-LSVT RSLs; the gap was £1.30 or 2.3%.
- London (-£1.43 or -1.7%), the South East (-£2.05 or 2.6%) and the North West (-£2.17 or 3.5%) also showed minor gaps.
- The differences between home and away LSVT RSLs were relatively large in the four regions, which made home LSVT RSLs close to LA landlords.
- The largest difference was held by Yorkshire & the Humber; £10.59 (or 19.7% of the home average).
- This was followed by those of the West Midlands, the East of England and the East Midlands; £9.29 (15.4%), £8.08 (12.1%) and £7.29 (12.3%) respectively.
- The smallest difference was observed in North East; £1.30 or 2.2%.
- The North West, the South East, the South West and London also showed relatively minor gaps; £2.43 (4.1%), £4.39 (5.7%), £4.78 (7.0%) and £5.59 (6.7%) respectively.
- Only in Yorkshire & the Humber and London were retention LAs higher than ALMO LAs by more than £3; £4.86 and £3.79 respectively.

**Figure 5.3 Average net rent by social landlord type: all sizes, London (£)**



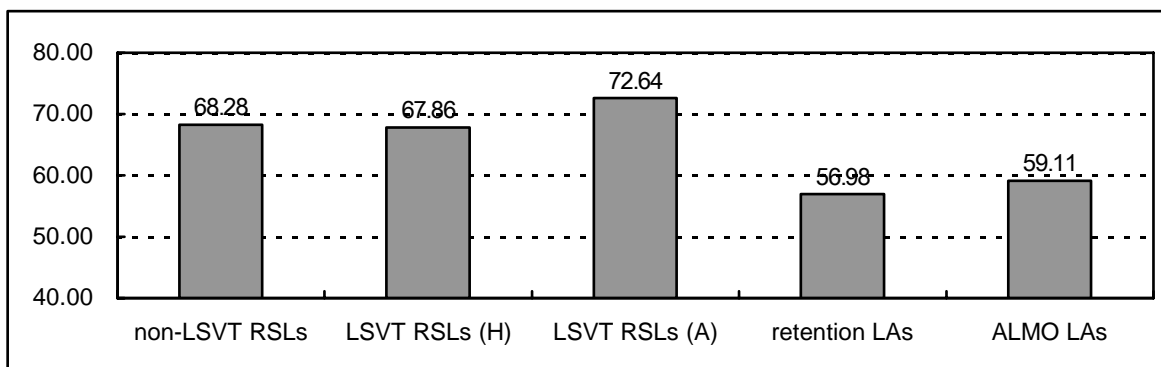
Note & Source: As Figure 5.1.

**Figure 5.4 Average net rent by social landlord type: all sizes, South East (£)**



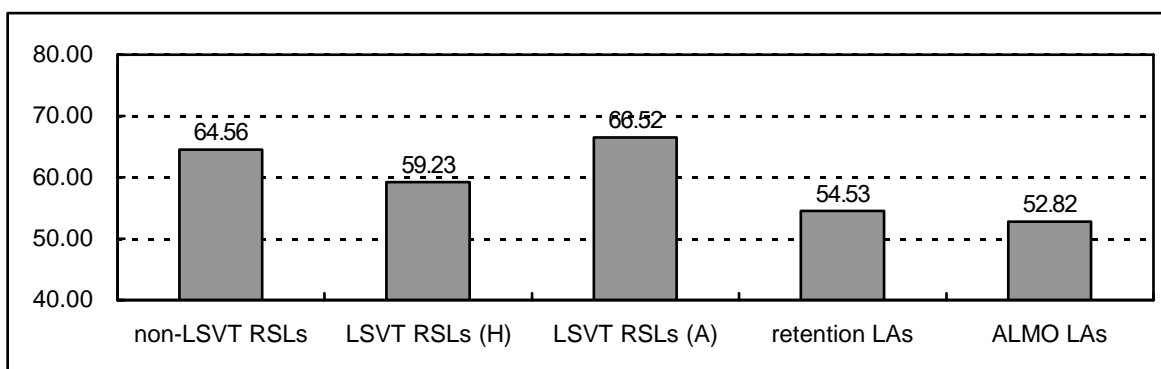
Note & Source: As Figure 5.1.

**Figure 5.5 Average net rent by social landlord type: all sizes, South West (£)**



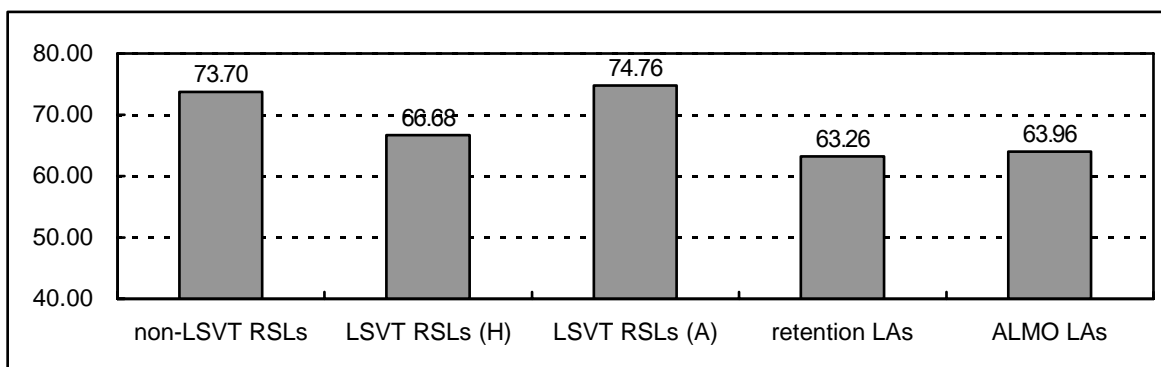
Note & Source: As Figure 5.1.

**Figure 5.6 Average net rent by social landlord type: all sizes, East Midlands (£)**



Note & Source: As Figure 5.1.

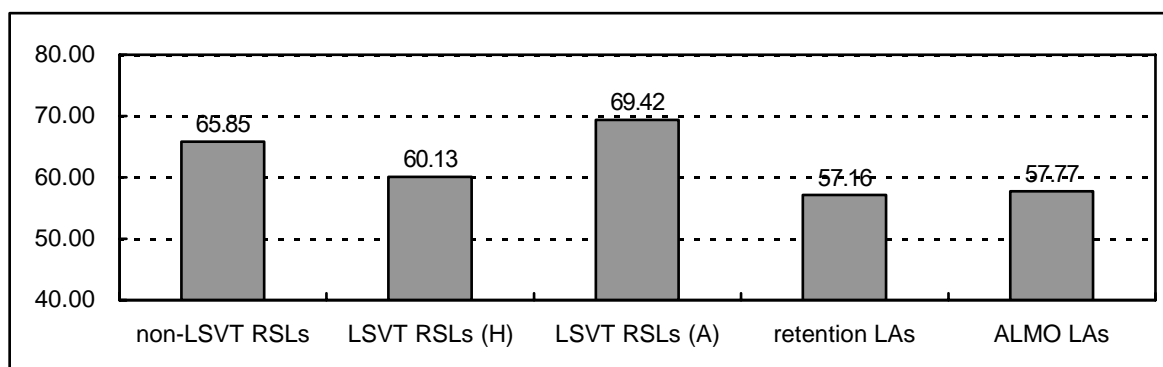
**Figure 5.7 Average net rent by social landlord type: all sizes, East of England (£)**



Note & Source: As Figure 5.1.

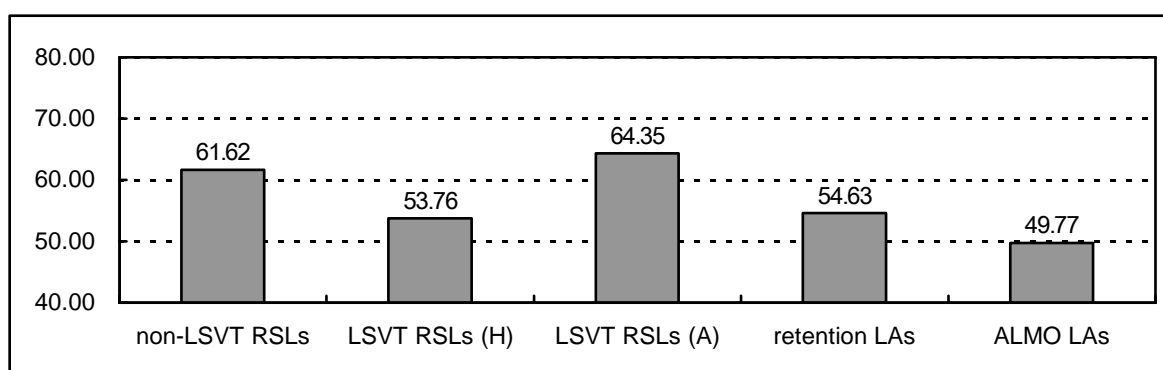


**Figure 5.8 Average net rent by social landlord type: all sizes, West Midlands (£)**



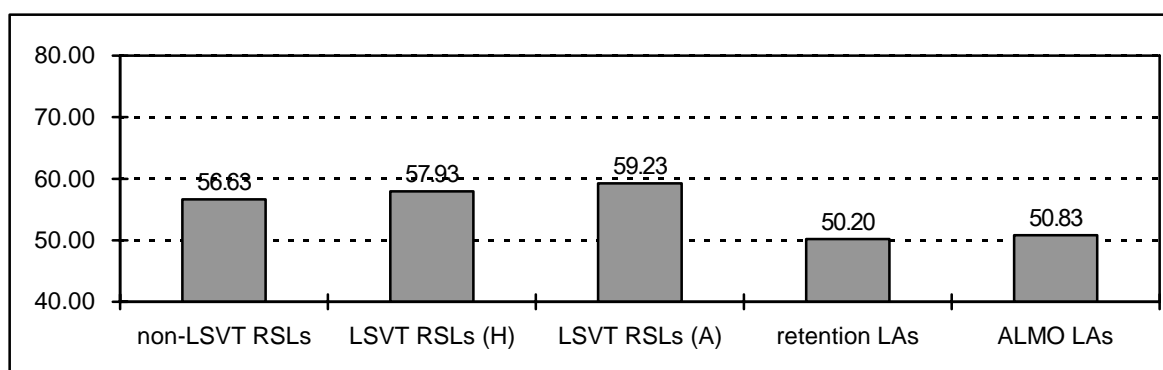
Note & Source: As Figure 5.1.

**Figure 5.9 Average net rent by social landlord type: all sizes, Yorkshire & the Humber (£)**

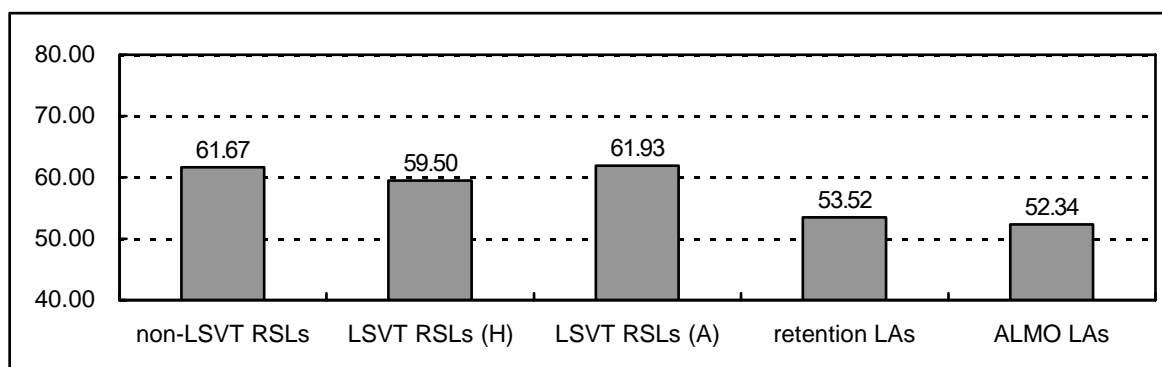


Note & Source: As Figure 5.1.

**Figure 5.10 Average net rent by social landlord type: all sizes, North East (£)**



Note & Source: As Figure 5.1.

**Figure 5.11 Average net rent by social landlord type: all sizes, North West (£)**

Note & Source: As Figure 5.1.

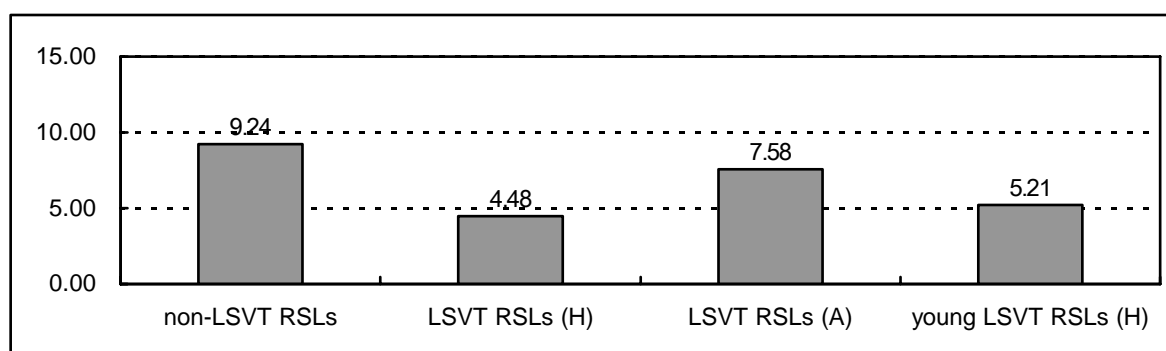
## 6. Service Charge

Figures 6.1 and 6.2 set out the average service charge of each social landlord type in England for all property sizes and two-bedroom properties respectively. Unlike net rents, the LA sector's service charges are not available from the data released by CLG. As a proxy (although as discussed previously, it is not without some caveats)<sup>10</sup>, an average for 'young' home LSVT RSLs will be presented – 'young' represents five years or less from completion of transfer.<sup>11</sup> For more details of service charges by housing needs, see Annex 3.

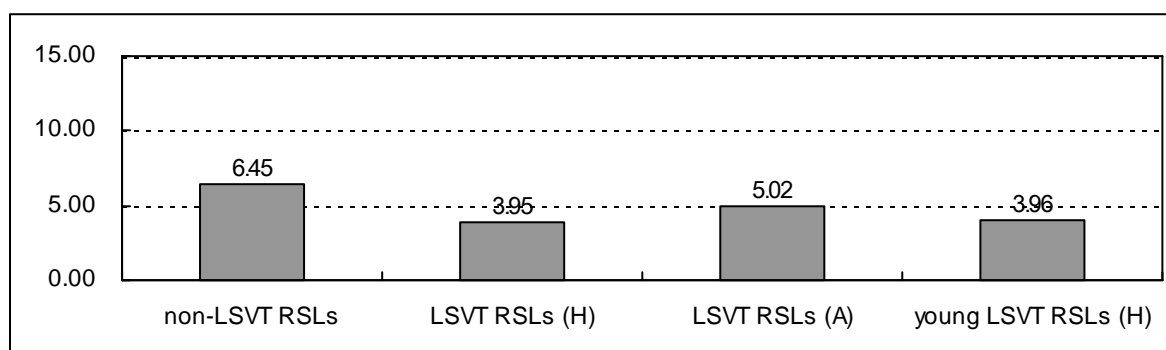
- For all property sizes, non-LSVT RSLs had the highest average at £9.24.
- Away LSVT RSLs showed the second highest of £7.58.
- Home LSVT RSLs had the lowest of £4.48.
- LA landlords' average estimated by young LSVT RSLs' service charges was £5.21.
- The difference from non-LSVT RSLs was relatively small for away LSVT RSLs, £1.68 or 18.1% of the standard.
- The differences between the other two social landlord types and non-LSVT RSLs were more noticeable, £4.76 (51.5%) for home LSVT RSLs and £4.03 (43.6%) for young LSVT RSLs.
- Two-bedroom properties set out a similar pattern, but with relatively low averages across social landlord types the differences between them were less significant.

<sup>10</sup> See section 2, *Data sources and definitions*.

<sup>11</sup> The criterion is drawn from the fact that a so-called 'rent-guarantee' period is normally five years. For the period, rents and service charges of transferred dwellings have remained around those which a former landlord would have set. In terms of net rents, however, the national averages of LA landlords (£61.23) and young LSVT RSLs (£58.75) failed to have statistical significance in equality. Therefore, readers would be advised to use the substitute as reference but not as a perfect alternative.

**Figure 6.1 Average net rent by social landlord type: all sizes, England (£)**

Note: General and special needs housing. Source: Author's calculation based on datasets described in Section 2.

**Figure 6.2 Average net rent by social landlord type: 2-b properties, England (£)**

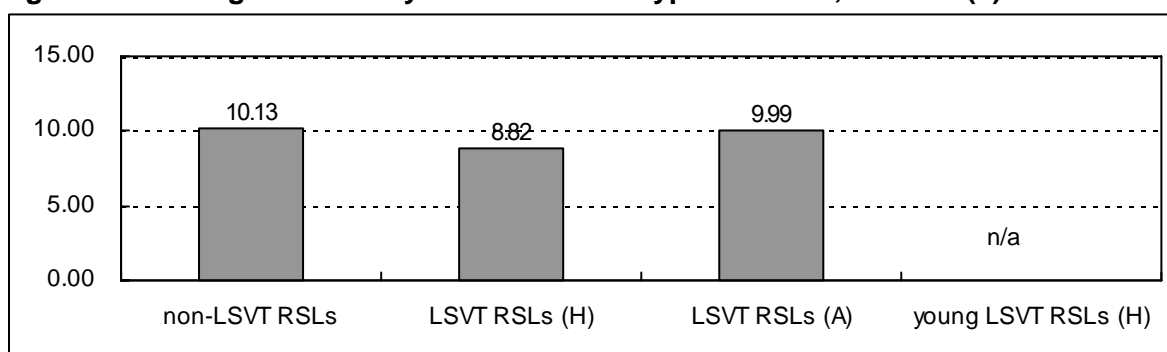
Note & Source: As Figure 6.1.

Figures 6.3 to 6.11 are the regional versions of the previous table for all property sizes.

- Among four social landlord types, non-LSVT RSLs showed the highest averages of over £8 in all the nine regions except the West Midlands.
- Even in the exceptional region, non-LSVT RSLs showed an average above £8, but away LSVT RSLs were significantly higher at £15.23, which is owing largely to special needs housing (see Annex 3).
- Away LSVT RSLs always had the second highest across the regions except the West Midlands.
- Of seven regions with young LSVT RSLs, three made this social landlord type the lowest, whereas the rest saw home LSVT RSLs at the bottom.
- The difference between non-LSVT RSLs and home LSVT RSLs (measured by home LSVT – non-LSVT) was the largest in the East Midlands, -£6.03 (or -62.7% of non-LSVT average).
- This was followed by that in Yorkshire & the Humber, -£5.63 (57.7%). The North West and the West Midlands also had substantial gaps of over -£5.
- The smallest difference was held by London, -£1.31 (57.7%). The East of England also had relatively a minor gap of -£2.59 (31.7%)
- Away LSVT RSLs' margins from non-LSVT RSLs were relatively narrow. Except in the West Midlands where away LSVT RSLs appeared substantially high, the regional margins ranged from -£0.14 in London to -£3.34 in the North West.
- By contrast, young LSVT RSLs' gaps from non-LSVT RSLs were rather apparent with the exception of the North East. For the remaining eight regions, the gaps expanded from -£3.92 in the North West to -£5.86 in the South East.

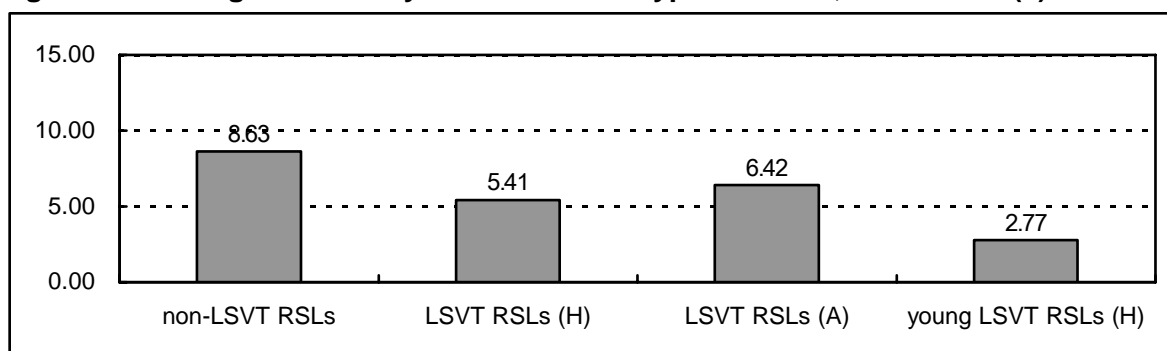
- The difference between home and away LSVT RSLs (measured by away – home) was the largest in the West Midlands, again, by the inflated away average. The difference of £11.64 means that the away average was more than triple of the home equivalent.
- Yorkshire & The Humber (£4.48), the East Midlands (£4.18) and the North West (£3.55) also saw relatively large differences – the away averages were twice the levels.
- On the other hand, the South East, London and the North East had small gaps, £1.01 (or 18.7% of the home average), £1.17 (13.3%) and £1.31 (27.0%) respectively.

**Figure 6.3 Average net rent by social landlord type: all sizes, London (£)**



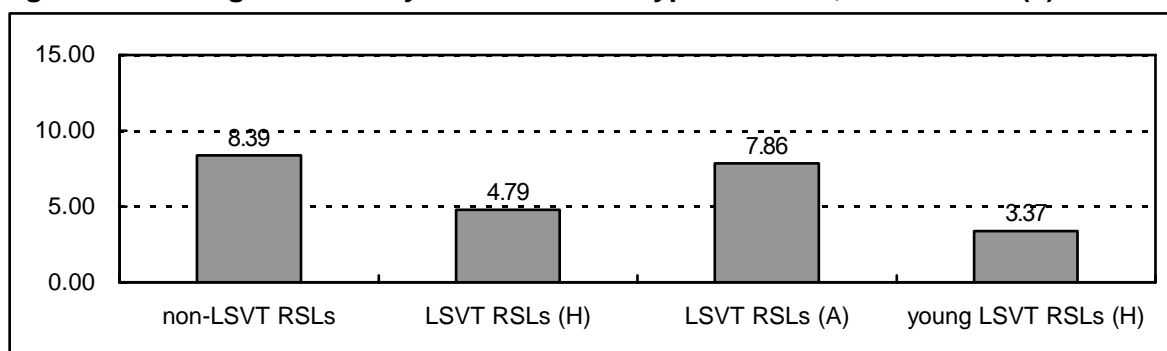
Note & Source: As Figure 6.1.

**Figure 6.4 Average net rent by social landlord type: all sizes, South East (£)**



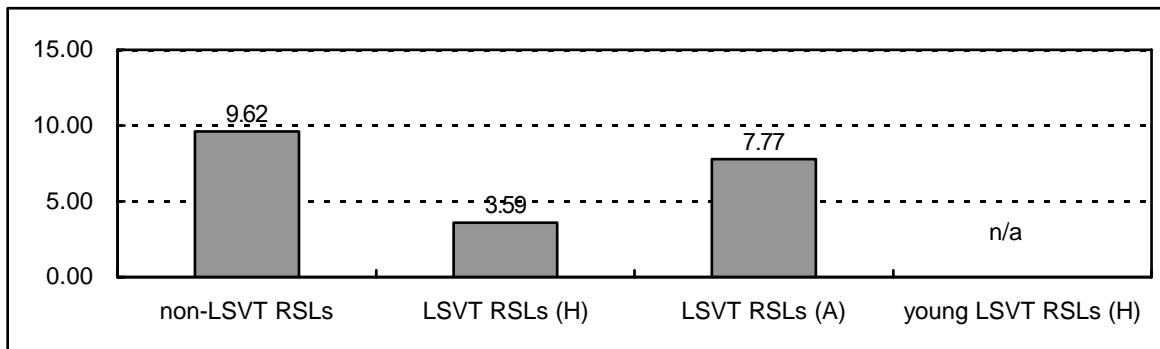
Note & Source: As Figure 6.1.

**Figure 6.5 Average net rent by social landlord type: all sizes, South West (£)**



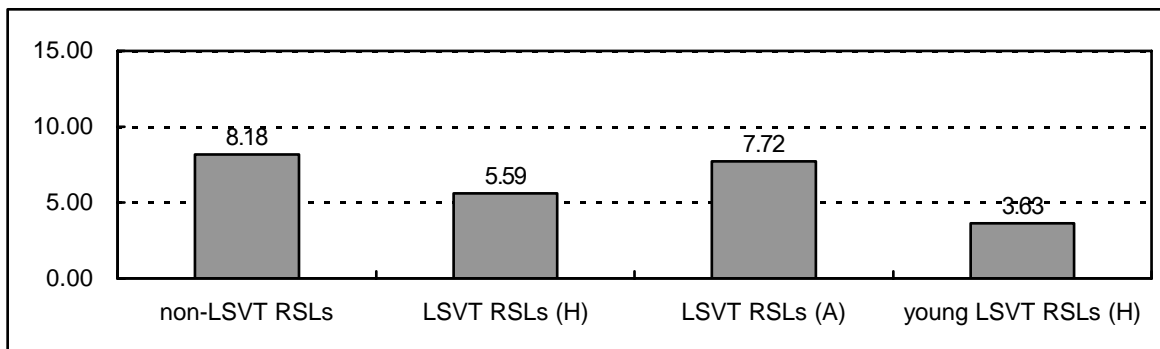
Note & Source: As Figure 6.1.

**Figure 6.6 Average net rent by social landlord type: all sizes, East Midlands (£)**



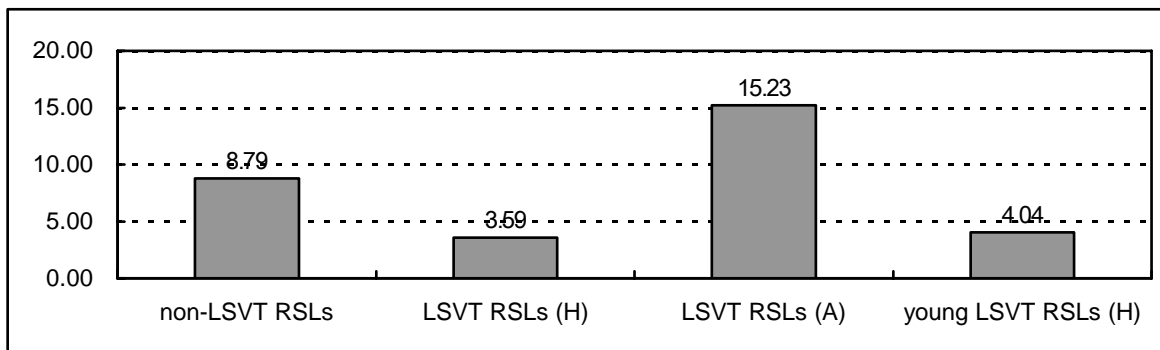
Note & Source: As Figure 6.1.

**Figure 6.7 Average net rent by social landlord type: all sizes, East of England (£)**



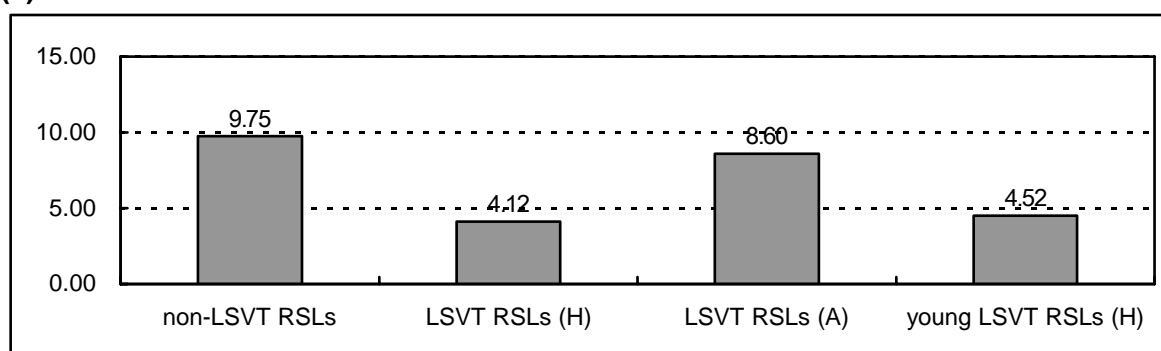
Note & Source: As Figure 6.1.

**Figure 6.8 Average net rent by social landlord type: all sizes, West Midlands (£)**



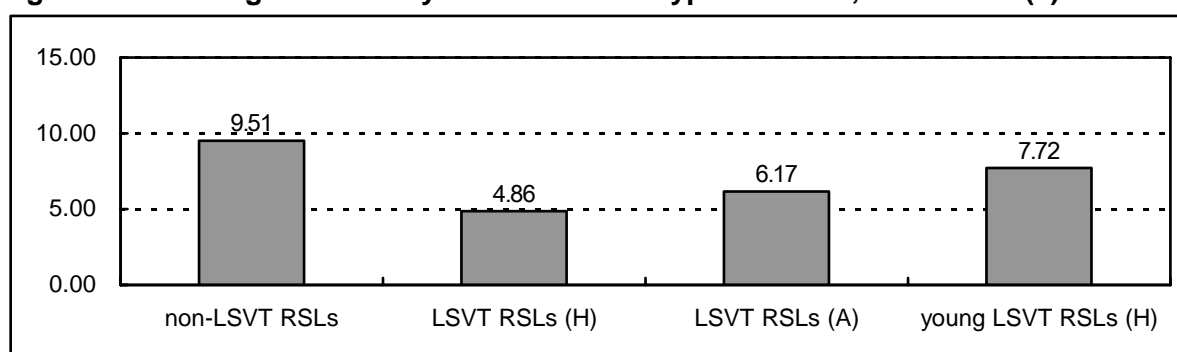
Note & Source: As Figure 6.1.

**Figure 6.9 Average net rent by social landlord type: all sizes, Yorkshire & the Humber (£)**



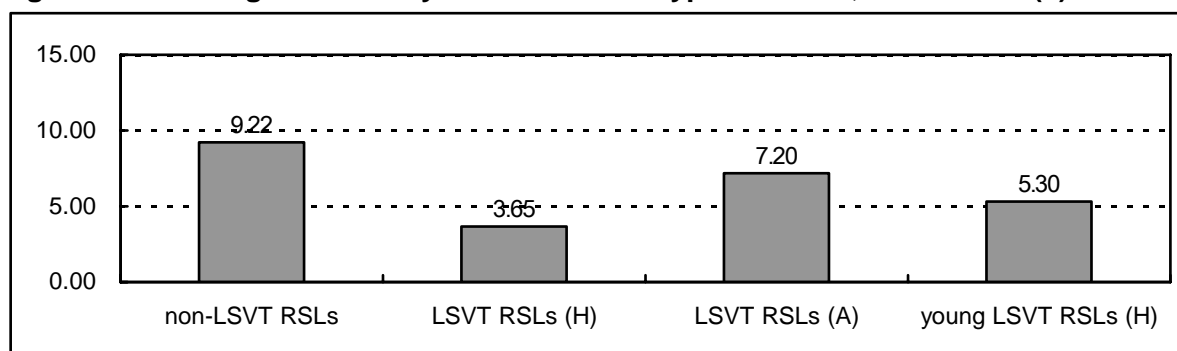
Note & Source: As Figure 6.1.

**Figure 6.10 Average net rent by social landlord type: all sizes, North East (£)**



Note & Source: As Figure 6.1.

**Figure 6.11 Average net rent by social landlord type: all sizes, North West (£)**



Note & Source: As Figure 6.1.

## 7. Summary and Discussion

This paper has compared housing stock, net rents and service charges between traditional social landlords and those newly introduced in the RSL and LA sectors over the past decades – non-LSVT RSLs, LSVT RSLs (home or away), retention LAs and ALMO LAs. It has also outlined possible issues in the quality and consistency of the relevant datasets.

The net rent comparison showed that social landlords in England were split roughly into two subsets – a high rent group made up of landlords in the RSL sector except home LSVT RSLs and a low rent group consisting of LA landlords (including home LSVT RSLs). In the former group, away LSVT RSLs, who are operating with post-transfer business strategies, showed net rents at a level close to those of non-LSVT RSLs, while in the latter group

retention LAs and ALMO LAs had similar average net rents to each other. Taking into account that home LSVT RSLs function as replacements of LA housing departments, particularly at the early stage after transfer, the disparity in rent levels between these and away LSVT RSLs could be said to represent nothing more than the conventional difference between the RSL and LA sectors.

In some regions, the bisection had a slightly different shape. Regions with more mature LSVTs saw home LSVT RSLs moving away from LA landlords' rent levels and almost closing the gap on non-LSVT RSLs. This is presumably because as the maturity of LSVT extends, there is less downward pressure inherited from a former landlord on rents for transferred housing stock.

Taking into account the Government's rent restructuring regime which is currently accelerating rent coherence between the RSL and LA sectors, we should see a smaller gap between the social landlord types in the future. Also, home-and-away difference within LSVT RSLs, if it remains, will be explained by factors other than sectoral matters – for example, by relative newness of lettings or dwellings materialised by post-transfer investment in away areas.

Service charges showed a similar pattern to net rents among landlords in England overall. However, the future path of the gap is rather complicated to predict, firstly in that the regional evidence failed to show that maturity of LSVTs necessarily drove home LSVT RSLs towards non-LSVT RSLs. Moreover, as service charges are not regulated (although they are guided to some extent) by the rent restructuring regime, they are relatively free from coherence between the RSL and LA sectors. Also they do not have target levels in the regulatory framework. Service charges of ALMO LAs, which were not examined in this baseline study, may have some implications for other landlords who do not separate service operations from ownership functions.

In terms of the quality of the data used, while it is clear that while the Regulatory and Statistical Return provides comprehensive data relating to the activities of RSLs, we do not have a similarly robust source for LA data. Furthermore, with different survey points and potential errors and omissions in the unaudited LA dataset, it is difficult to make meaningful comparisons across the social tenures. Therefore any conclusions drawn in this paper should be subject to this caveat.

This paper raises some issues to be addressed in future studies including a breakdown by property size and impact of partial LSVT and group structures of LSVT RSLs. More fundamentally, in that this is a baseline study with static analyses, it will be necessary to carry out follow-up studies to monitor the extent to which coherence between social landlords is developing across England.

## Annex 1 Social rented housing stock by sector, by council housing ownership and management style, and by RSL type

### *Social rented housing stock per LA by sector*

Table A.1.1 sets out social rented housing stock per LA in RSL and LA sectors.

- The average quantity of the housing stock per LA was slightly over 10,000 units.
- RSL and LA sectors almost equally shared the average with around 5,500 units for each.

**Table A.1.1 Social rented housing stock per LA**

	Average	Minimum	Maximum	Range	S. D.	N	total
Social housing stock	10,930	33	100,044	100,011	11,679	354	3,869,083
LA sector	5,575	0	66,522	66,522	8,765	348*	1,940,225
RSL sector	5,449	33	53,867	53,834	5,997	354	1,928,858
RSL general needs	4,572	26	49,778	49,752	5,408	354	1,618,480
RSL special needs	877	7	5,585	5,578	801	354	310,378

Source: As described in Section 2. Note: \* LAs which chose retention but did not report the sector's stock were excluded.

### *Average stock volume per LA by council housing ownership and management style*

Table A.1.2 sets out the average quantity of social rented housing per LA in England. LAs in the table are aggregated by council housing ownership and management style as presented in Table 2.1. Due to time lag between the approach selection and completion of transfer, several LSVT LAs still reported LA housing stock as at the survey point.

- With respect to social housing stock overall, LAs taking LSVT had the smallest stock on average, nearly 8,000 units, partly because they are more likely to be rural and have lesser demand of housing rented at sub-market levels.
- The average stock for retention LAs was around 10,000 units, and ALMO LAs' equivalent was 8,000 above the level.
- Mixed LAs showed the largest average of over 44,000 units, because all the LAs in this group are 'major urban' with large population.
- For RSL sector stock, LSVT LAs had the largest average among three groups of non-mixed measure – over 7,000 units.
- By contrast, retention LAs and ALMO LAs had modest RSL sector stock on average – 2,500 and 4,500 units respectively, reflecting that the RSL sector is not a sole supplier of social rented housing in these LAs.
- Mixed LAs showed sizable RSL stock of over 18,000 units.
- LA owned stock was hardly observed among LSVT LAs.<sup>12</sup>
- The average LA sector stockholding of retention LAs was around 8,000 units, and ALMO LAs stood at just over 13,000 units.
- The mixed LAs, again, showed the largest stock of around 26,000 units.

<sup>12</sup> Exceptionally, however, there is a case where a small quantity of council housing stock is still owned by LAs (eg. some shelters or stock in highly run-down areas) even after completion of LSVT.



**Table A.1.2 Social rented housing stock per LA – LAs are grouped by council housing ownership and management style**

	LSVT	retention	ALMO	mixed
<b>Social housing overall*</b>				
average	7,844	10,517	18,041	44,185
min.	649	1,643	4,109	30,799
max.	70,315	100,044	73,294	73,962
range	69,666	98,401	69,185	43,163
s.d.	7,150	12,887	12,706	13,903
<i>total</i>	<i>1,380,592</i>	<i>1,125,293</i>	<i>1,046,405</i>	<i>309,292</i>
<b>RSL</b>				
average	7,130	2,480	4,542	18,330
min.	287	33	573	5,344
max.	53,867	33,522	14,816	39,044
range	53,580	33,489	14,243	33,700
s.d.	6,388	3,623	3,481	10,821
<i>total</i>	<i>1,254,798</i>	<i>277,791</i>	<i>267,962</i>	<i>128,307</i>
<b>LA*</b>				
average	715	7,978	13,445	25,855
min.	0	1,269	3,216	16,443
max.	16,448	66,522	60,063	34,918
range	16,448	65,253	56,847	18,475
s.d.	2,240	8,799	10,384	5,493
<i>total</i>	<i>125,794</i>	<i>853,621</i>	<i>779,825</i>	<i>180,985</i>
<i>N</i>	<i>176</i>	<i>112 (107)*</i>	<i>59(58)*</i>	<i>7</i>

Source: As described in Section 1. Note: \* For overall stock and LA stock, retention LAs which did not report the sector's stock were excluded.

### **RSL sector stock by RSL type**

Table A.1.3 disaggregates the nearly two million units of RSL housing stock by RSL type and housing need.

- Stock of LSVT RSLs was over 800,000 units, which accounted for 43.2 % of the total RSL sector stockholding.
- Of those, 756,000 units (nearly 40%) were in their home LA area, and the vast majority of them are likely to be former council housing.
- The remaining 77,000 units (4%) were located away from their home LA areas, and they were presumably post-transfer investment.
- Stock of non-LSVT RSLs were over a million units, which accounted for 57% of all RSL stock.
- Stock composition by housing need shows that that non-LSVT RSLs had the highest proportion of special needs housing (17.0%).
- The equivalents of home and away LSVT RSLs were 15.3% and 12.0% respectively.
- This hints that LSVT RSLs' post-transfer investment was more inclined to general needs housing.

**Table A.1.3 RSL sector stock by RSL type (% in parentheses)**

<b>Overall</b>	<b>1,928,858</b>	<b>(100.0)</b>	<b>GN</b>	<b>1,618,480</b>	<b>(83.9)</b>
			<b>SP</b>	<b>310,378</b>	<b>(16.1)</b>
LSVT (H)	756,344	(39.2)	GN	640,875	(84.7)
			SP	115,469	(15.3)
LSVT (A)	77,076	(4.0)	GN	67,844	(88.0)
			SP	9,232	(12.0)
non-LSVT	1,095,438	(56.8)	GN	909,761	(83.0)
			SP	185,677	(17.0)

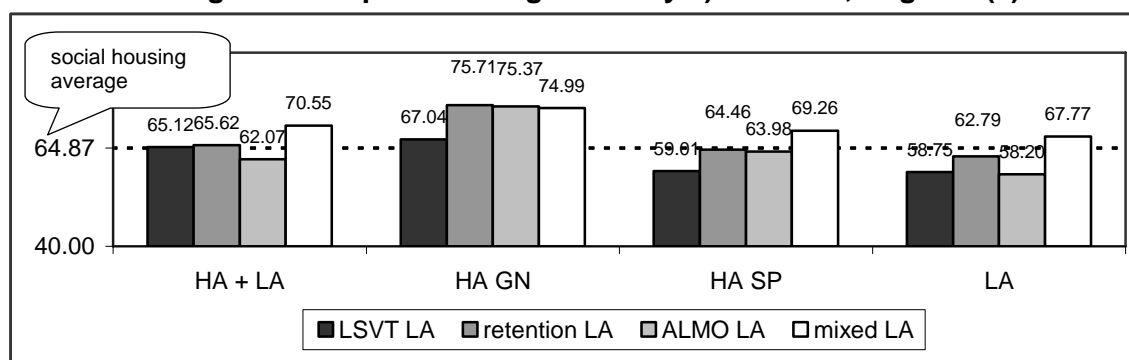
Source: As described in Section 2.

## Annex 2 Average net rent per LA – LAs are grouped by council housing ownership and management style<sup>13</sup>

Figure A.2.1 and A.2.2 set out average net rents of social rented housing stock per LA in England for all property sizes and two-bedroom properties respectively.<sup>14</sup> LAs in the charts are aggregated by council housing ownership and management style as presented in Table 2.1.

- Within the social housing sector overall (i.e., combination of LA and RSL sectors), the average net rent charged by LAs choosing LSVT (henceforth, LSVT LAs) was £65.12.
- This was marginally below the level of retention LAs at £65.62.
- ALMO LAs had the relatively low average of £62.07.
- Mixed LAs showed the highest average (£70.55), presumably because the group consists of major urban LAs, such as those in London and Manchester.
- Looking at RSL stock for general needs, the average net rent for LSVT LAs was considerably low (£67.04), perhaps due to downward pressure from former council stock.
- The other three groups kept their averages at around £75.
- The difference between LSVT LAs and retention LAs was £8.67 (or 12.9% of LSVT LAs' average).
- Special needs stock also kept LSVT LAs' average at the lowest (£59.01).
- The average net rent for both retention LAs and ALMO LAs was around £65.
- Mixed LAs showed the highest average net rent at £69.26 – again, this might be owing to the major urban effect.
- In terms of LA sector stock, apart from LSVT LAs, which will exit from this sub-rental market in the very near future (in fact, Yorkshire & The Humber has completed this process), retention LAs' average was £62.79.
- ALMO LAs had a considerably low average (£58.20), which is below their average for RSL special needs stock.
- Mixed LAs had the highest of £67.77 also in this stock category.
- Overall, two-bedroom properties showed a similar picture.
- Uniquely for mixed LAs, their average of RSL special needs stock (£78.42) was higher their general needs equivalent (£74.10).

**Figure A.2.1 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, England (£)**

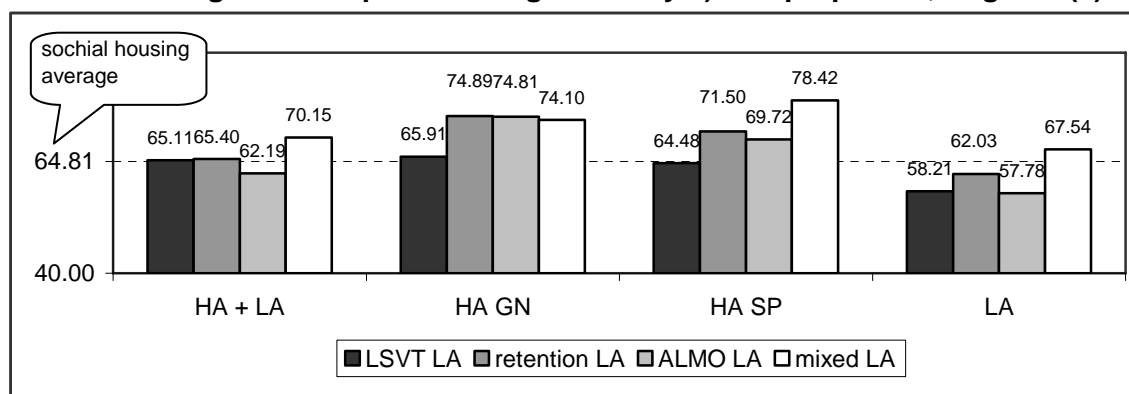


Source: Author's calculation based on datasets described in Section 2.

<sup>13</sup> Within the figures in Annex 2, HA (housing association) refers to RSLs

<sup>14</sup> Stock weighted averages. Recall that there was a year lag between HA and LA stock survey points (see Section 2).

**Figure A.2.2 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): 2-b properties, England (£)**



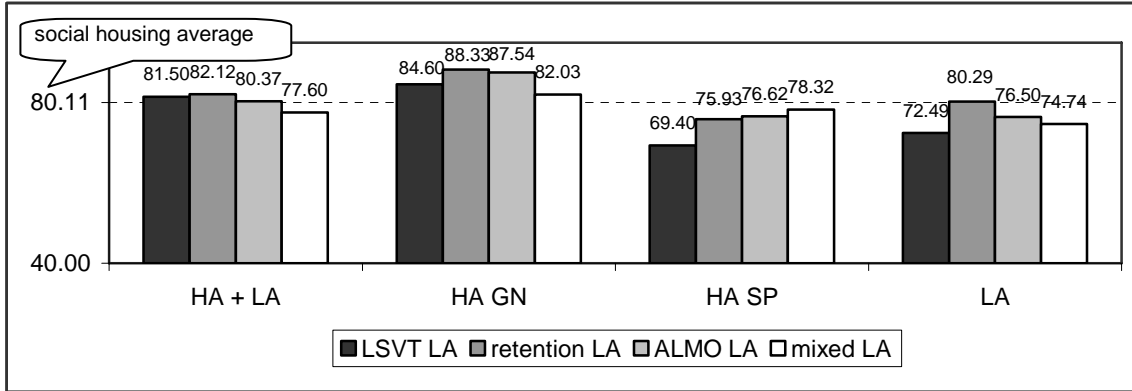
Source: As Figure A.2.1.

Figures A.2.3 to A.2.11 are the regional versions of the previous table for all property sizes.

- In the social housing sector as a whole, LSVT LAs showed the highest averages for all regions except London and Yorkshire & the Humber.
- In the exceptional regions, retention LAs showed the highest average net rents.
- The difference between the average of LSVT LAs and retention LAs (measured by retention – LSVT) was largest in the South East (-£8.36 or -10.6% of LSVT LAs average).
- London had the smallest gap of £0.62 (0.8%).
- ALMO LAs' averages were more or less close to those of retention LAs across the regions.
- Unlike the national picture, the average net rents of mixed LAs were moderate in two regions – London and the North West. This means that without the regional factors, mixed LAs would not show high averages in the national figure.
- For RSL general needs stock, LSVT LAs had the lowest average among three groups of LAs choosing an unmixed measure in all regions but the South East.
- In the exceptional region, retention LAs held the lowest average but the margin from LSVT LAs' level was insignificant (-£1.13 or -1.4%).
- Generally, ALMO LAs averages were relatively close to those of retention LAs across the regions.
- The East of England and Yorkshire & the Humber, however, showed noticeable gaps between the groups: £5.99 and -£5.80 respectively (measured by ALMO – retention).
- In London and the North West, the only two regions with mixed LAs, this category had the lowest average net rents– excluding this category, however, LSVT LAs would show the lowest rents in both regions.
- To some extent, RSL special needs stock displayed similar regional pictures with those for general needs RSL stock.
- LSVT LAs had the lowest averages across all regions other than the South East and North West.
- The average gap between LSVT LAs and retention LAs was the largest in London (£6.53 or 9.4%).
- The South East and the North West showed the smallest differences but with an opposite sign – -£0.76 (-1.1%) and £0.98 (1.8%) respectively.
- ALMO LAs had their averages reasonably close to those of retention LAs across the regions.
- In the South East, however, the average was below the retention LAs' level by £7.05, while the West Midlands placed the average £8.71 above the retention LAs' standard.

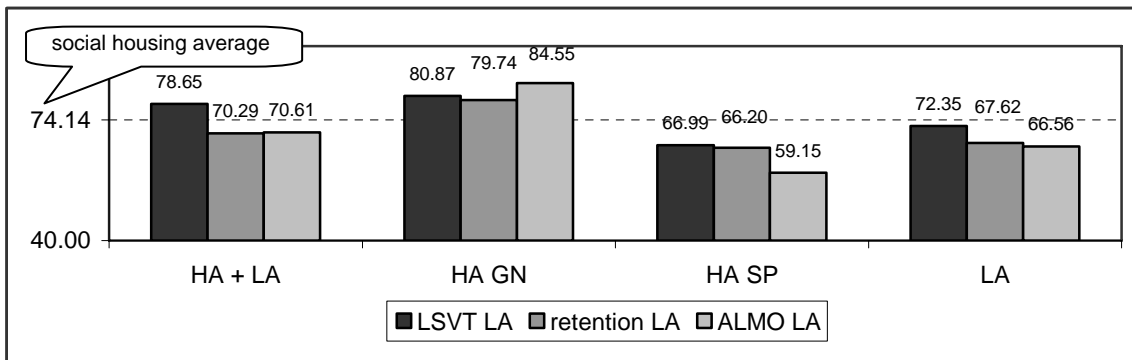
- The West Midlands' high average net rent of ALMO LAs (£69.90) was also unique in that it was higher than the general needs' equivalent (£68.39).<sup>15</sup>

**Figure A.2.3 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, London (£)**



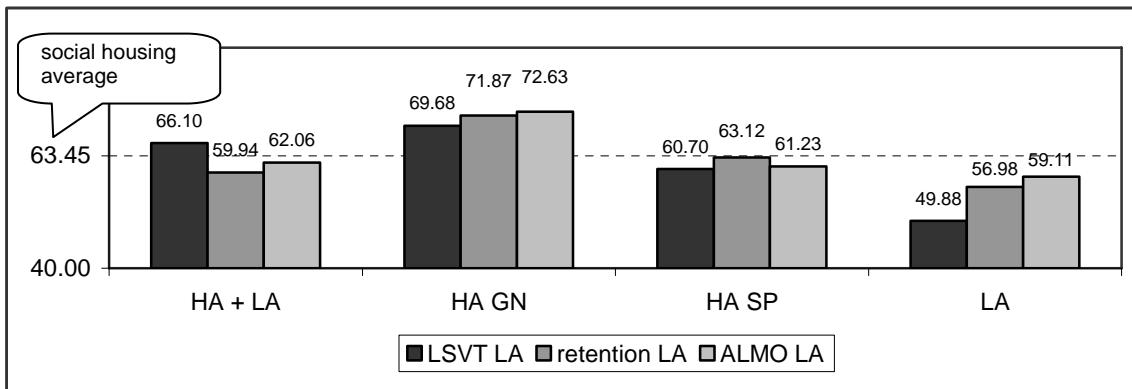
Source: As Figure A.2.1.

**Figure A.2.4 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, South East (£)**



Source: As Figure A.2.1.

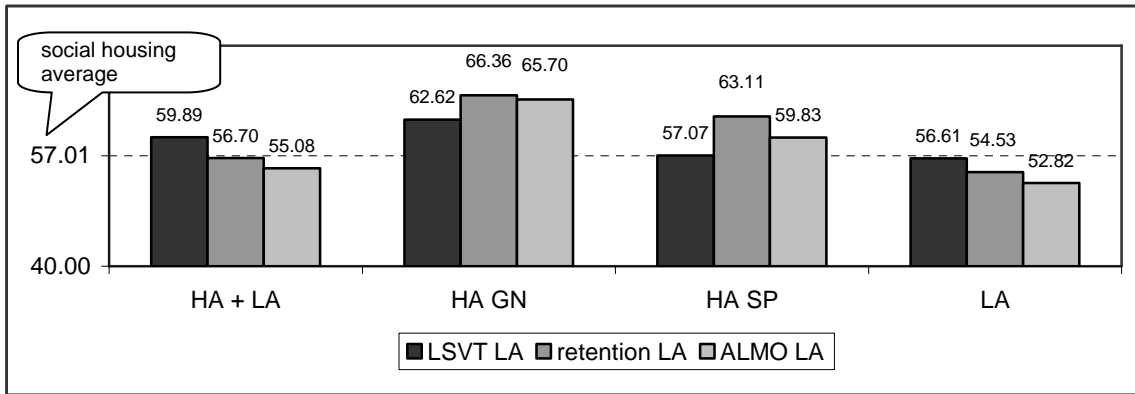
**Figure A.2.5 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, South West (£)**



Source: As Figure A.2.1.

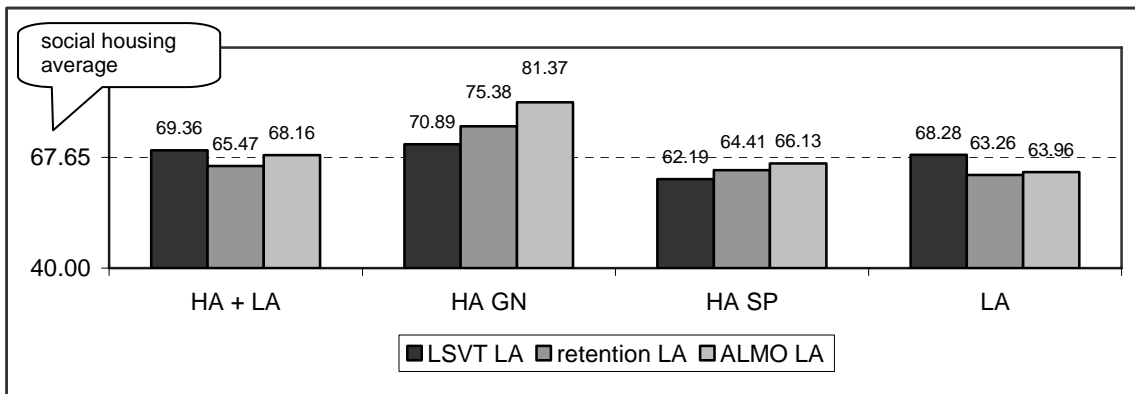
<sup>15</sup> Of three ALMO LAs in the West Midlands, Wolverhampton appeared owing to this pattern – its averages were £67.09 for general needs and £75.40 for special needs.

**Figure A.2.6 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, East Midlands (£)**



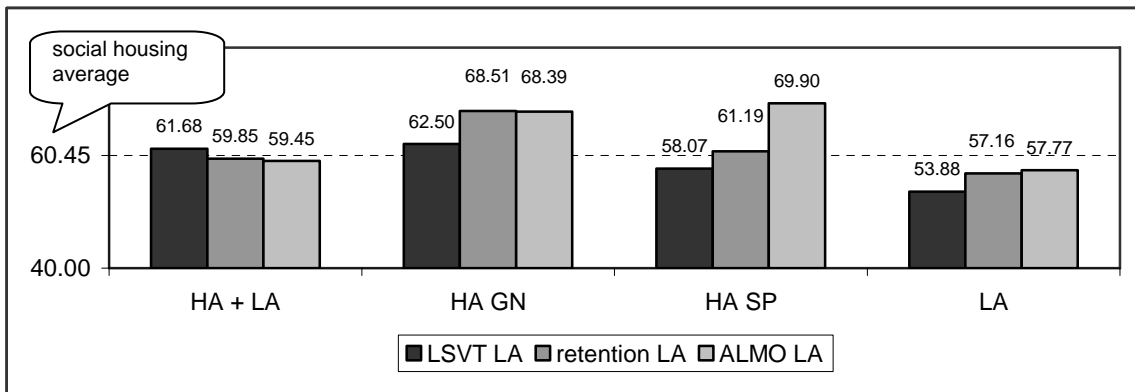
Source: As Figure A.2.1.

**Figure A.2.7 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, East of England (£)**



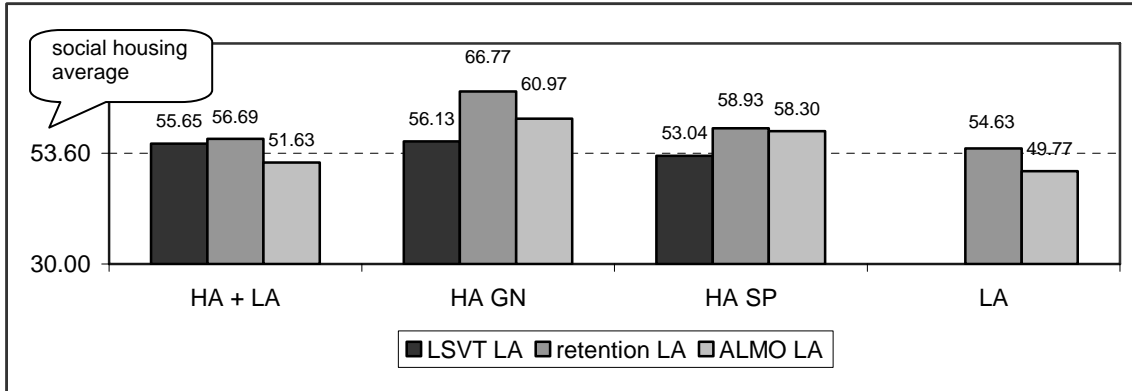
Source: As Figure A.2.1.

**Figure A.2.8 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, West Midlands (£)**



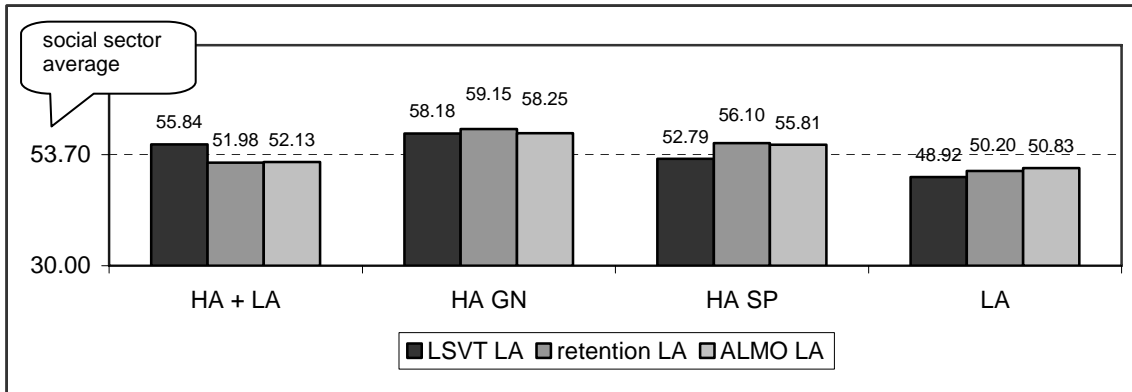
Source: As Figure A.2.1.

**Figure A.2.9 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, Yorkshire & The Humber (£)**



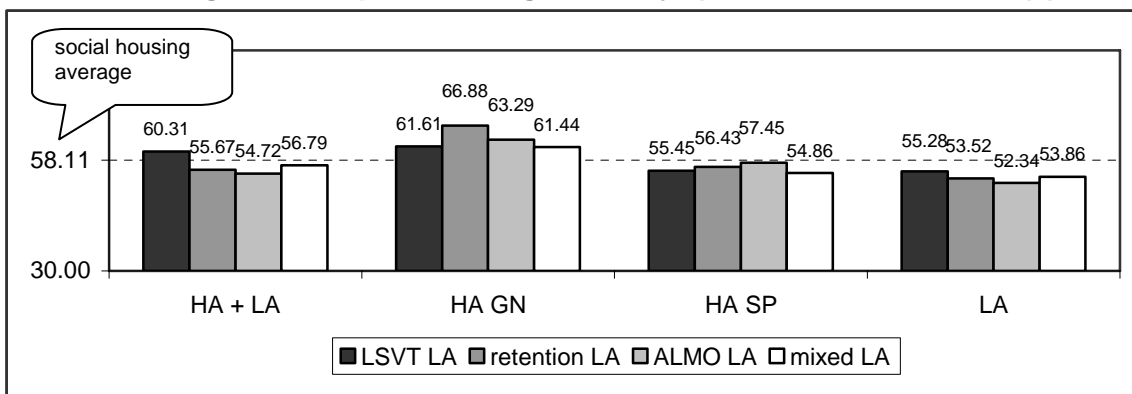
Source: As Figure A.2.1.

**Figure A.2.10 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, North East (£)**



Source: As Figure A.2.1.

**Figure A.2.11 Average net rents of social rented housing stock per LA (grouped by council housing ownership and management style): all sizes, North West (£)**



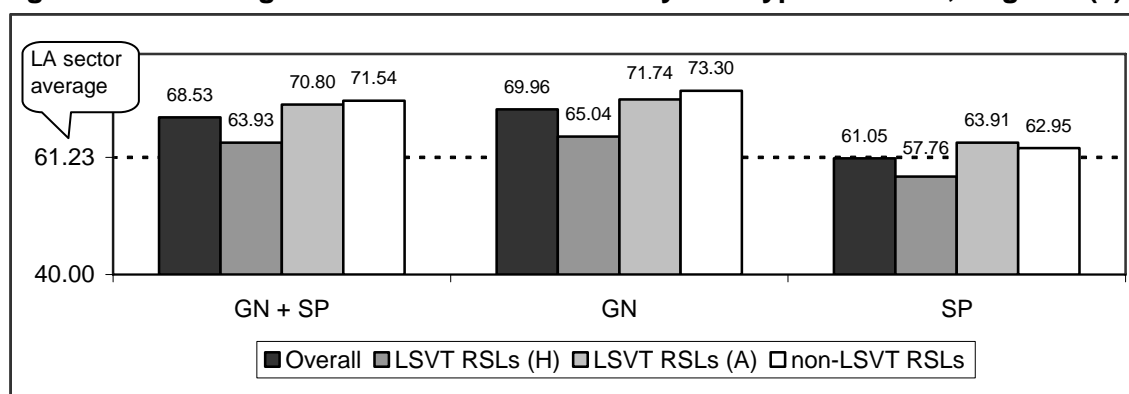
Source: As Figure A.2.1.

### Annex 3 Average net rent by RSL type

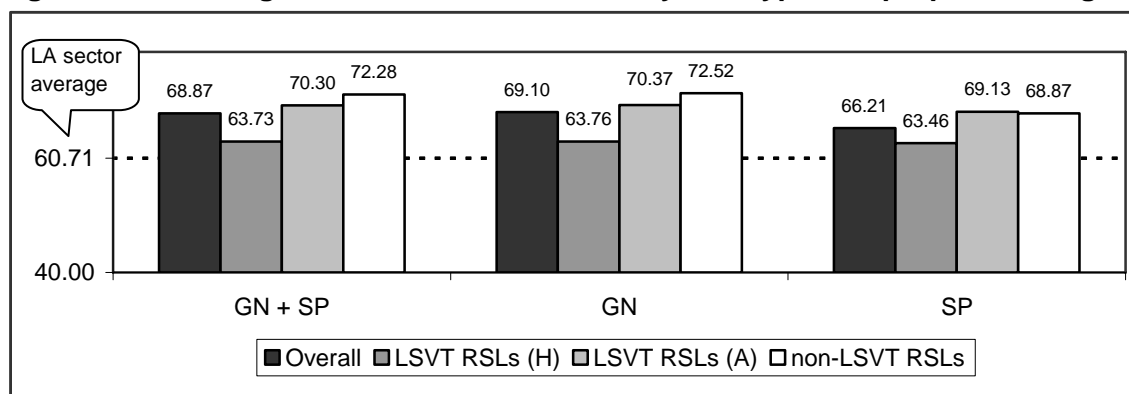
Figures A.3.1 and A.3.2 set out the RSL sector averages by RSL type in England for all property sizes and two-bedroom properties respectively. Each bar chart features LA sector's average as a reference line to the Y-axis.

- For all property sizes, the combined average of general and special needs stock in the RSL sector was £68.53 – £7.30 above the LA sector average.
- By RSL type, home LSVT RSLs showed the lowest average at £63.93, which was the closest to LA sector level among three RSL types, implying impacts of rent levels inherited from former landlords.
- Away LSVT RSLs (£70.80) were close to non-LSVT RSLs (£71.54).
- The difference between home and away LSVT RSLs was £6.87 (or 10.7% of home LSVT RSLs' average).
- Both general and special needs stock showed that the home LSVT RSLs' averages were the lowest among the three RSL types – £65.04 and £57.76 respectively.
- The latter was below the LA sector's average by £3.47.
- Away LSVT RSLs' averages (£71.74 for general needs and £63.91 for special needs) were fairly close to the non-LSVT RSLs' equivalents (£73.30 and £62.95).
- The home-and-away gaps in LSVT RSLs' averages were £6.70 (or 10.3% of the home average) and £6.15 (10.6%) for general and special needs respectively.
- Two-bedroom properties overall displayed a similar pattern.
- Home LSVT RSLs had the lowest averages – £63.73 for combined, £63.76 for general needs and £63.46 for special needs.
- However, none of them was below the LA sector's standard (£60.71).
- The differences between home and away LSVT RSLs were £6.61 (or 10.4% of the home average) for general needs, £5.67 (8.9%) for special needs, and £6.57 (10.3%) for total.

**Figure A.3.1 Average net rents for RSL sector by RSL type: All sizes, England (£)**



Source: Author's calculation based on datasets described in Section 2.

**Figure A.3.2 Average net rents for RSL sector by RSL type: 2-b properties, England (£)**

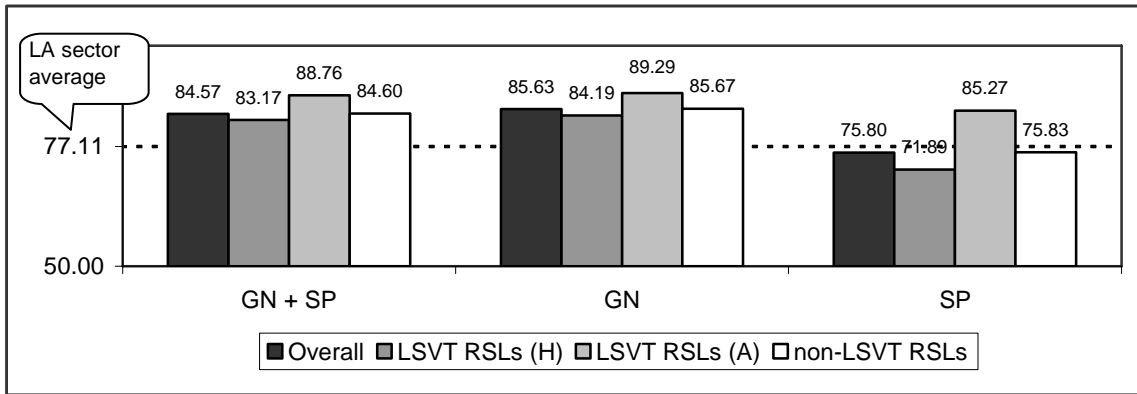
Source: As Figure A.3.1.

Figures A.3.3 to A.3.11 are the regional versions for all property sizes.

- For combined stock, home LSVT RSLs' averages were the lowest in all regions apart from the North East.
- Unlike the national picture, away LSVT RSLs average net rents were higher than the non-LSVT RSLs in all regions. In London and the South West in particular, their averages were above the non-LSVT levels by £4.36 and £4.16 respectively.
- In terms of a home-and-away gap among LSVT RSLs, Yorkshire & the Humber showed the largest of £10.59, followed by the West Midlands (£9.29), the East of England (£8.08) and the East Midlands (£7.29). The North East, by contrast, held a modest gap of £1.30.
- Both for general and special needs stock, home LSVT RSLs showed the lowest averages across all regions except for special needs stock in the South West and General Needs stock in the North East.
- The differences between home and away LSVT RSLs varied from £1.34 (or 2.2% of the home average) in the North West to £11.74 (19.3%) in the West Midlands for general needs stock.
- The range for special needs stock was -£2.12 (-3.5%) in the South West to £12.99 (26.0%) in the Yorkshire & the Humber.
- For special needs stock, five regions (London, the South East, the East of England, the West Midlands and Yorkshire & the Humber) kept the home LSVT RSLs averages below the LA sector's averages.
- Of those, three regions (London, the South East and the East of England) also had non-LSVT RSLs' averages lower than the LA sector standards.

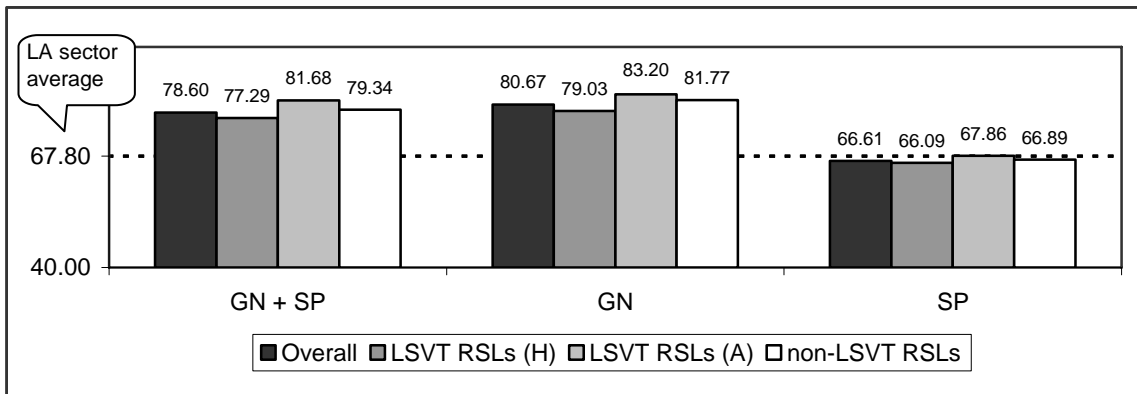


**Figure A.3.3 Average net rents for RSL sector by RSL type: All sizes, London (£)**



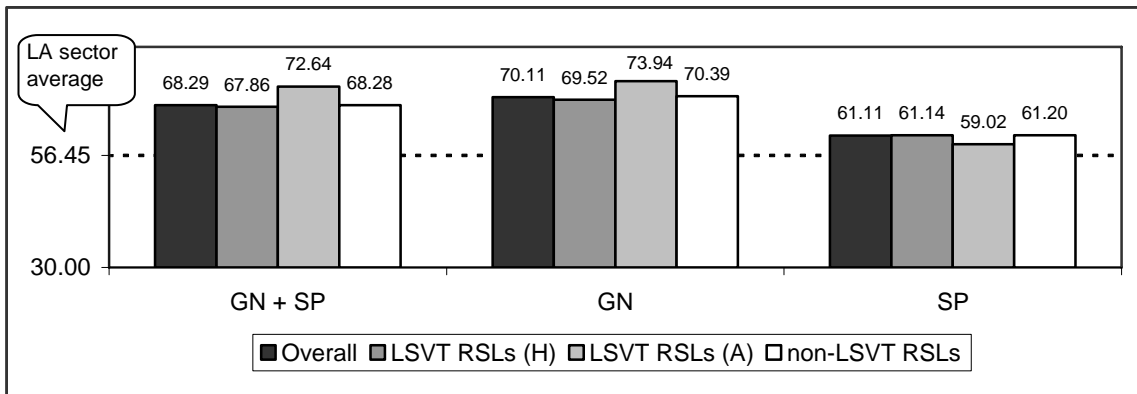
Source: As Figure A.3.1.

**Figure A.3.4 Average net rents for RSL sector by RSL type: All sizes, South East (£)**



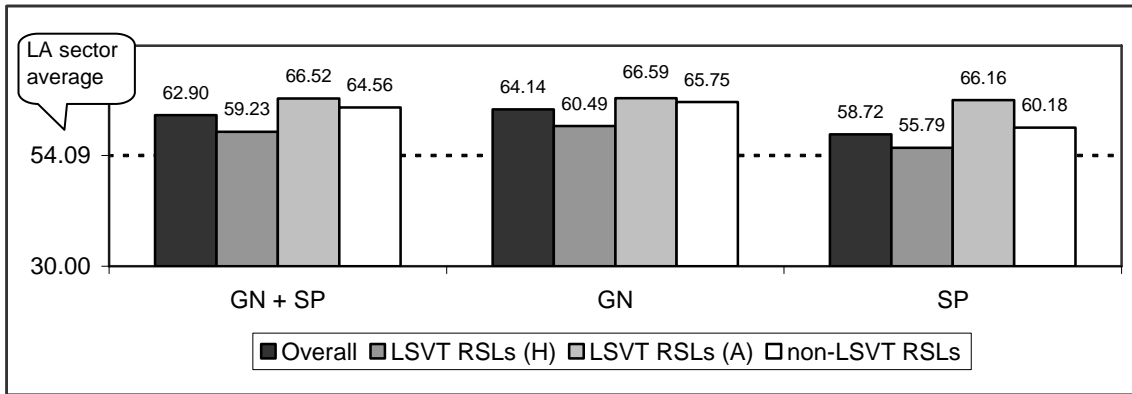
Source: As Figure A.3.1.

**Figure A.3.5 Average net rents for RSL sector by RSL type: All sizes, South West (£)**



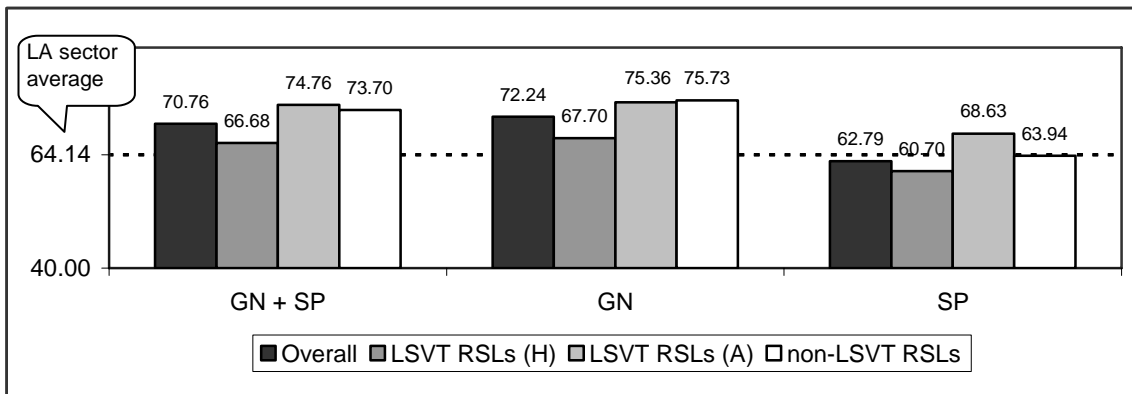
Source: As Figure A.3.1.

**Figure A.3.6 Average net rents for RSL sector by RSL type: All sizes, East Midlands (£)**



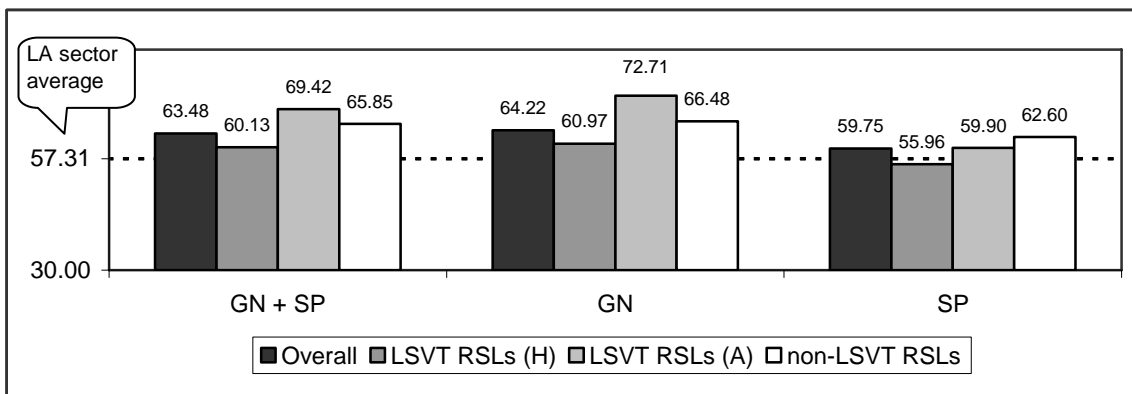
Source: As Figure A.3.1.

**Figure A.3.7 Average net rents for RSL sector by RSL type: All sizes, East of England (£)**



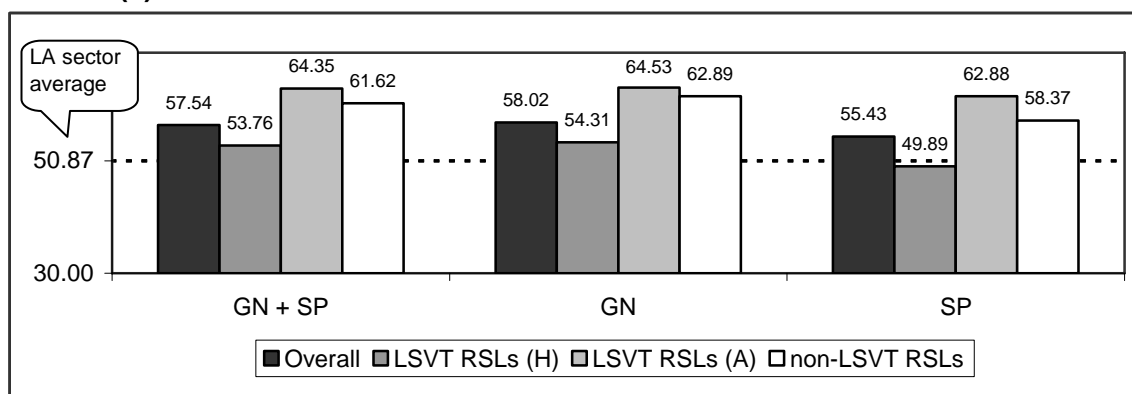
Source: As Figure A.3.1.

**Figure A.3.8 Average net rents for RSL sector by RSL type: All sizes, West Midlands (£)**



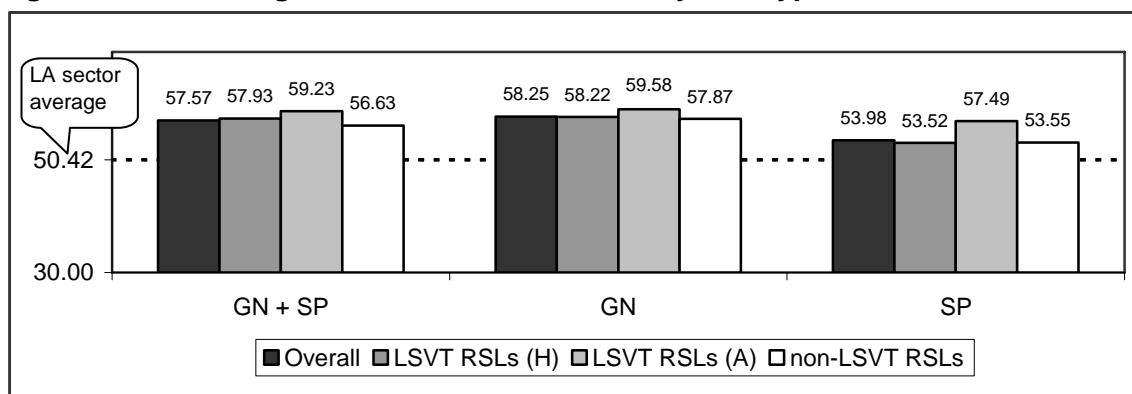
Source: As Figure A.3.1.

**Figure A.3.9 Average net rents for RSL sector by RSL type: All sizes, Yorkshire & the Humber (£)**



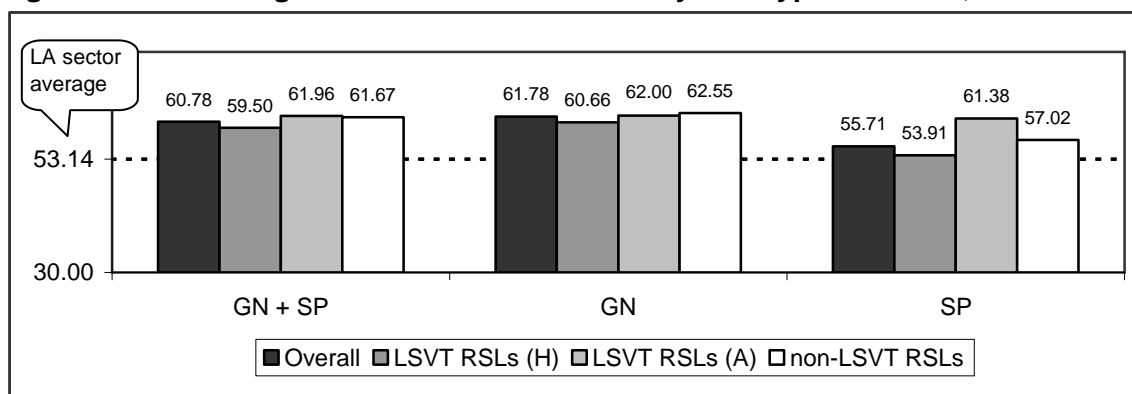
Source: As Figure A.3.1.

**Figure A.3.10 Average net rents for RSL sector by RSL type: All sizes, North East (£)**



Source: As Figure A.3.1.

**Figure A.3.11 Average net rents for RSL sector by RSL type: All sizes, North West (£)**



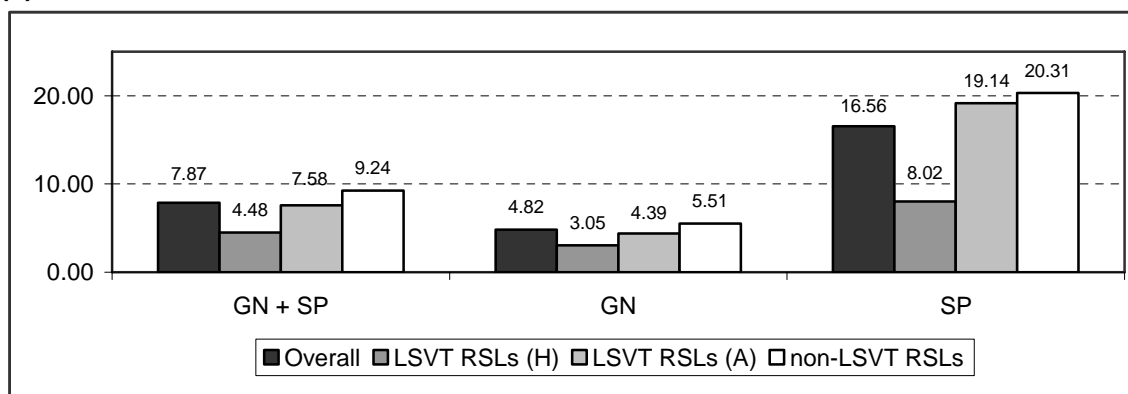
Source: As Figure A.3.1.

## Annex 4 Average service charges by RSL type

Figures A.4.1 and A.4.2 set out RSL sector service charges by RSL type in England for all property sizes and two-bedroom properties respectively. Unlike net rents, the LA sector's service charges are unavailable and thus young home LSVT RSLs' averages are noted for reference.

- For all property sizes, the combined average service charge of general and special needs stock for RSL sector overall was £7.87.
- By RSL type, home LSVT RSLs showed the lowest at £4.48.
- Away LSVT RSLs (£7.58) approached non-LSVT RSLs' level of £9.24.
- The difference between home and away LSVT RSLs was £3.10 (or 69.2% of home LSVT RSLs' average).
- The overall pattern of average service charges was similar for both general and special needs stock, although special needs stock had higher service charges.
- For special needs stock, the average service charge of home LSVT RSLs (£8.02) was less than half of the away equivalent (£19.14).
- The away LSVT RSLs' average was fairly close to the non-LSVT RSLs' level of £20.31.
- Two-bedroom properties overall displayed similar figures.
- Home LSVT RSLs had the lowest averages both for general and special needs stock (£3.49 and £6.31 respectively), and thus, for combined stock as well (£3.95).
- The average of away LSVT RSLs' special needs stock (£9.03) showed a wider gap from non-LSVT RSLs' level (£14.16) than in the case of all property sizes.

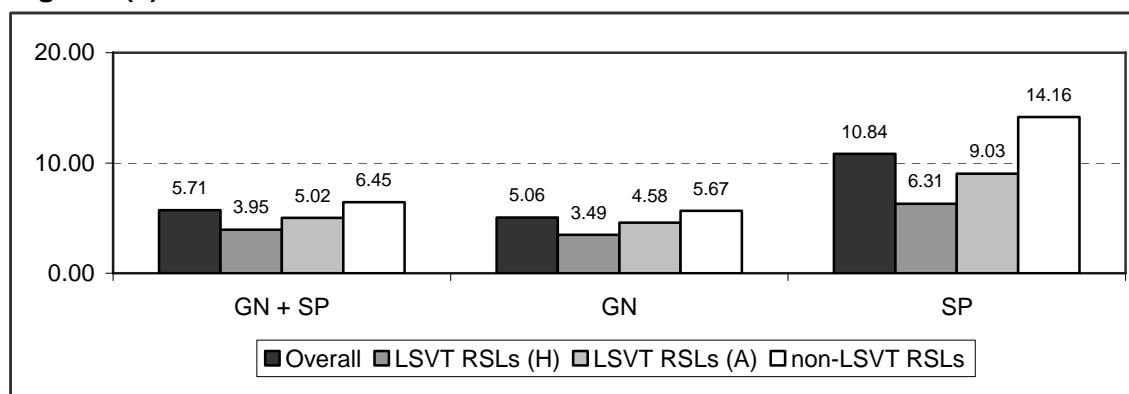
**Figure A.4.1 Average service charge for RSL sector by RSL type: All sizes, England (£)**



Note: Average service charge for home stock of recent LSVT RSLs was £5.21.

Source: Author's calculation based on datasets described in Section 2.

**Figure A.4.2 Average service charge for RSL sector by RSL type: 2-b properties, England (£)**

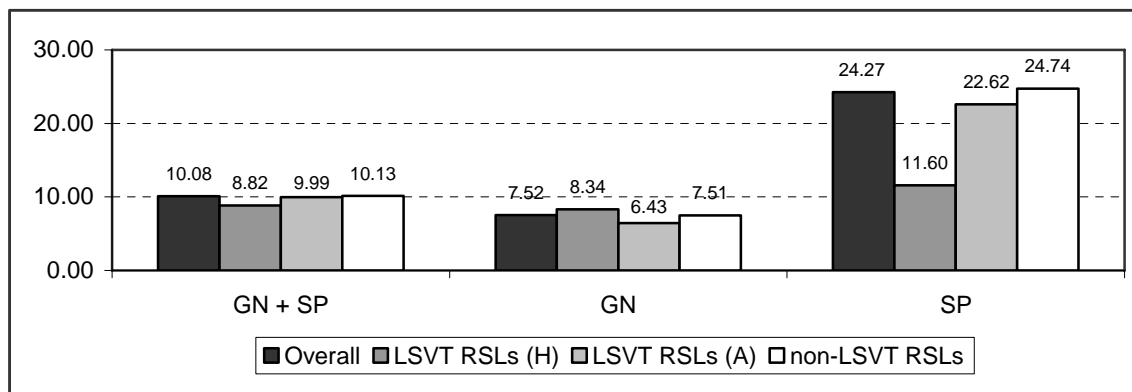


Note: Average service charge for home stock of recent LSVT RSLs was £3.96. Source: As Figure A.4.1.

Figures A.4.3 to A.4.11 are the regional versions for all property sizes.

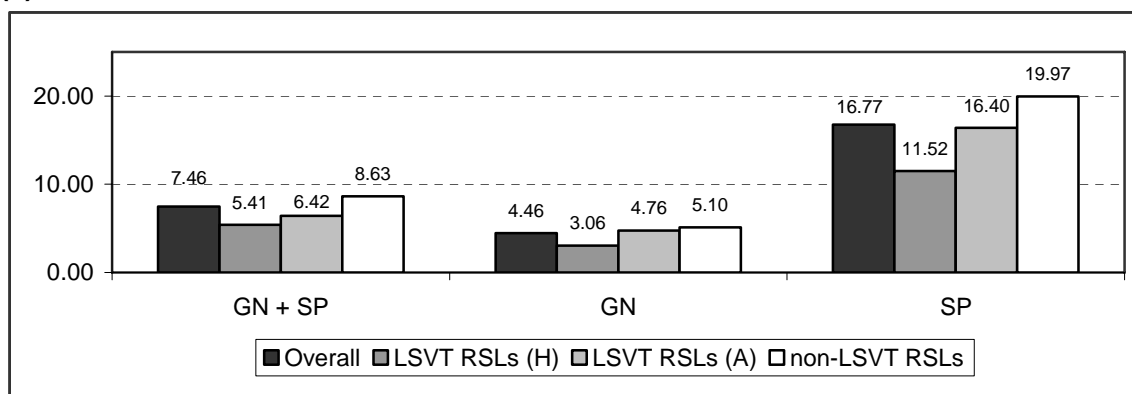
- In all regions, for combined stock, home LSVT RSLs' average service charges were the lowest.
- In comparison, the averages of away LSVT RSLs approached non-LSVT RSLs' levels, except in the West Midlands.
- In this region, away LSVT RSLs (£15.23) were significantly higher than non-LSVT RSLs (£8.79).
- In terms of home-and-away gaps, therefore, the West Midlands had the greatest (£11.64 or 324.2% of the home average).
- This is presumably because of a larger amount of special needs stock in that region which usually charge greater service charges than general needs stock.
- For general needs stock, three regions (London, the North East and the North West) showed unique patterns where home LSVT RSLs' averages were not the lowest.
- In these regions, away LSVT RSLs were at the bottom – the averages were £6.43, £2.02 and £1.77 respectively, and the difference from the home averages were £1.91, £2.63 and £0.83 for each.
- Of the remaining six regions, three (the South West, the East Midlands and Yorkshire & the Humber) saw away LSVT RSLs with higher averages than non-LSVT RSLs.
- The East Midlands had the largest difference between home and away LSVT RSLs of £3.61 (or 237.5% of the home average).
- In all regions, in terms of special needs stock, home LSVT RSLs' averages were lowest.
- By contrast, away LSVT RSLs were either much closer to non-LSVT RSLs or beyond them.
- Five regions (the South West, the East of England, the West Midlands, Yorkshire & the Humber and the North West) saw away LSVT RSLs average service charges exceeding non-LSVT RSLs.
- The difference between home and away LSVT RSLs ranged from £4.88 (or 42% of the home average) in the South East to £26.16 (359.8%) in the North West.

**Figure A.4.3 Average service charge for RSL sector by RSL type: All sizes, London (£)**



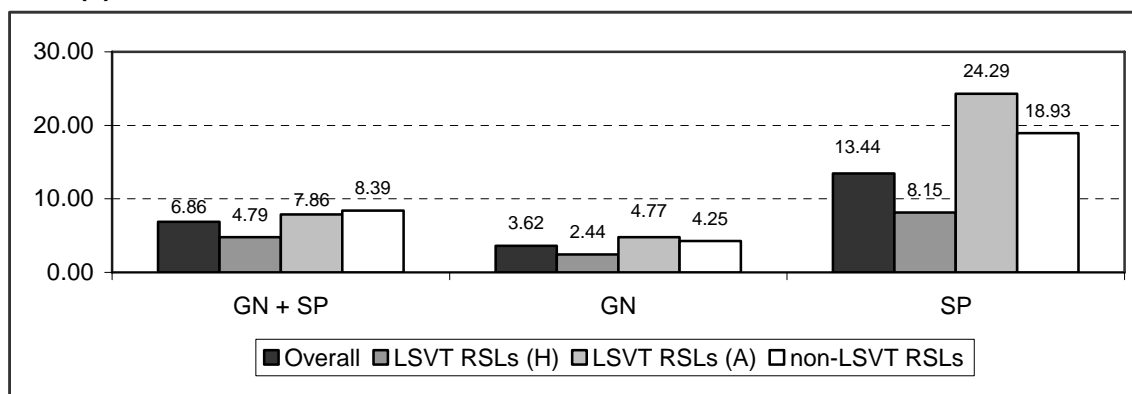
Note: The benchmark level was not available. Source: As Figure A.4.1.

**Figure A.4.4 Average service charge for RSL sector by RSL type: All sizes, South East (£)**



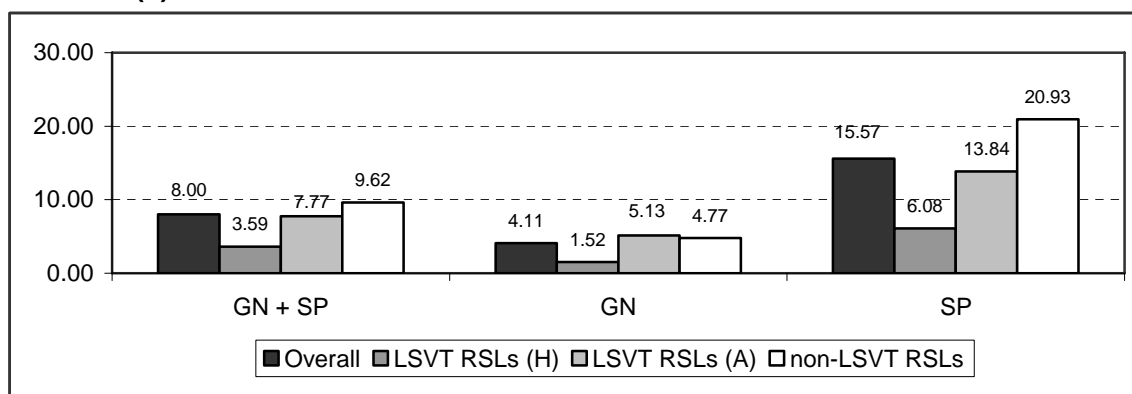
Note: Average service charge for home stock of recent LSVT RSLs was £2.77. Source: As Figure A.4.1.

**Figure A.4.5 Average service charge for RSL sector by RSL type: All sizes, South West (£)**



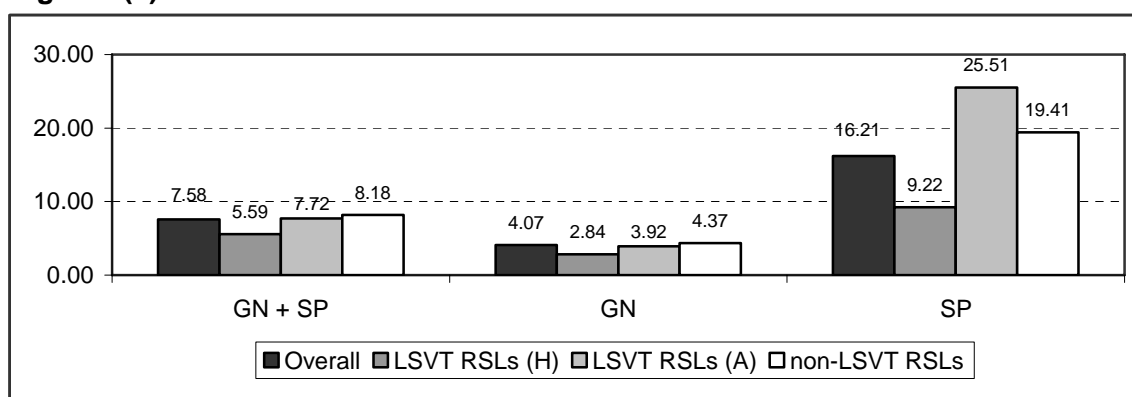
Note: Average service charge for home stock of recent LSVT RSLs was £3.37. Source: As Figure A.4.1.

**Figure A.4.6 Average service charge for RSL sector by RSL type: All sizes, East Midlands (£)**



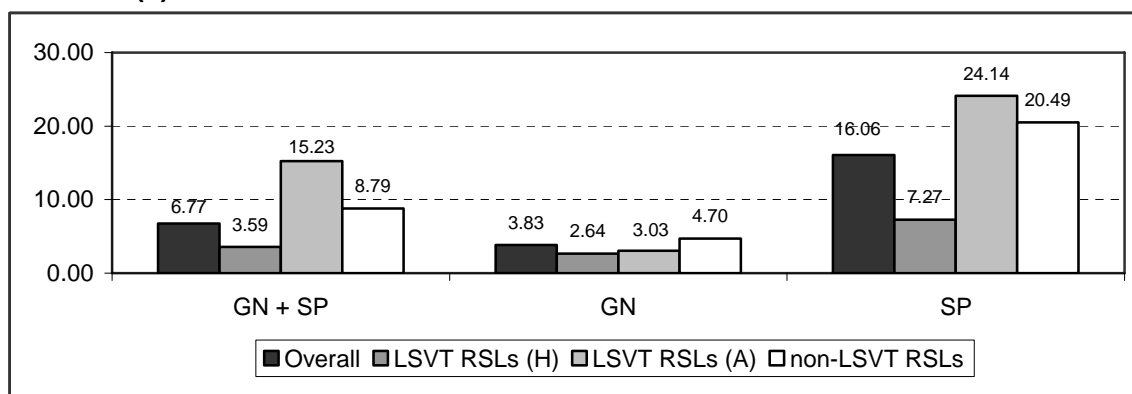
Note: The benchmark level was not available. Source: As Figure A.4.1.

**Figure A.4.7 Average service charge for RSL sector by RSL type: All sizes, East of England (£)**



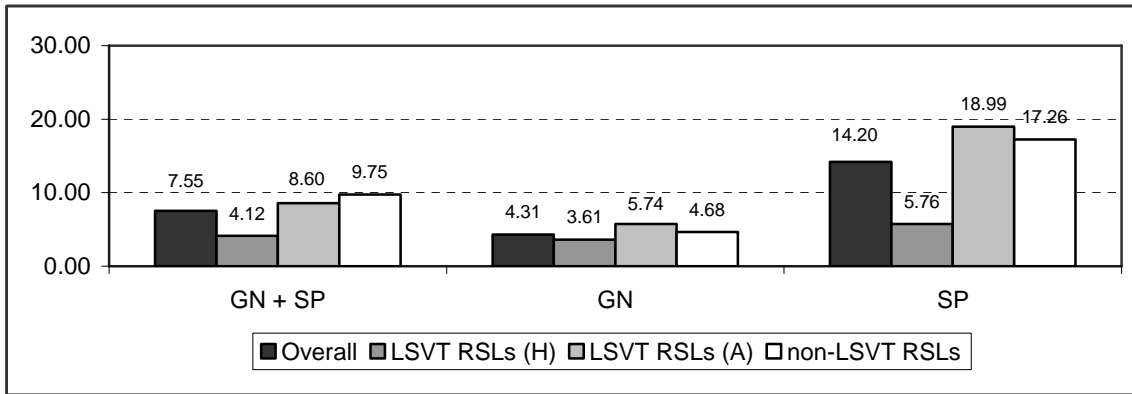
Note: Average service charge for home stock of recent LSVT RSLs was £3.63. Source: As Figure A.4.1.

**Figure A.4.8 Average service charge for RSL sector by RSL type: All sizes, West Midlands (£)**



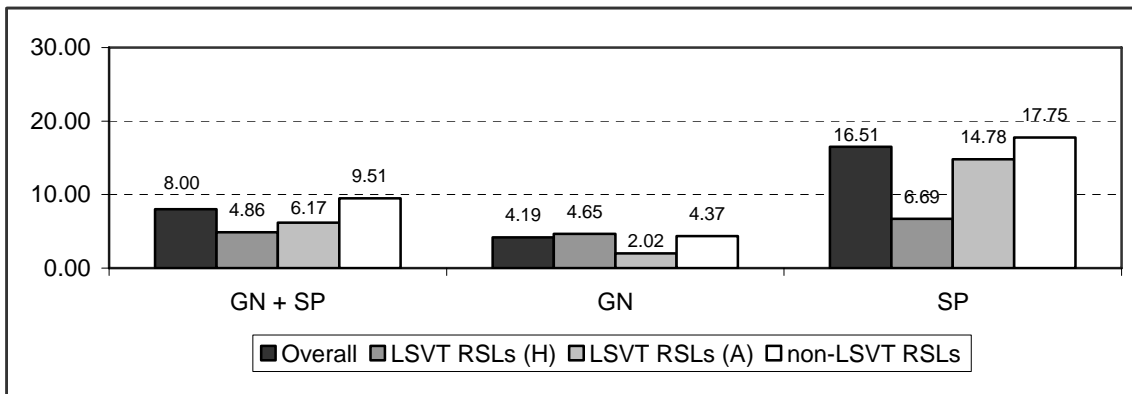
Note: Average service charge for home stock of recent LSVT RSLs was £4.04. Source: As Figure A.4.1.

**Figure A.4.9 Average service charge for RSL sector by RSL type: All sizes, Yorkshire & the Humber (£)**



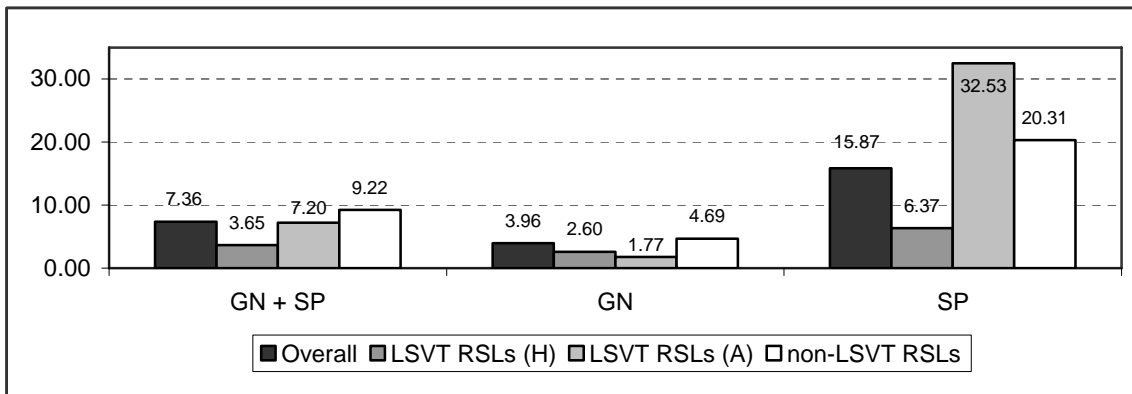
Note: Average service charge for home stock of recent LSVT RSLs was £4.52. Source: As Figure A.4.1.

**Figure A.4.10 Average service charge for RSL sector by RSL type: All sizes, North East (£)**



Note: Average service charge for home stock of recent LSVT RSLs was £7.72. Source: As Figure A.4.1.

**Figure A.4.11 Average service charge for RSL sector by RSL type: All sizes, North West (£)**



Note: Average service charge for home stock of recent LSVT RSLs was £5.30. Source: As Figure A.4.1.