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RSR Briefing Paper 1: The Population of Registered Social Landlords, 1989-2005

A Dataspring Briefing Paper on
behalf of the Housing Corporation

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This is the first in a series of Briefing Papers presenting the preliminary findings from a 3-year study of data from the annual Regulatory and Statistical Return (RSR) that social landlords registered with the Housing Corporation are obliged to complete each year. Each Briefing Paper focuses on a particular theme, linked to the data available in specific sections of the RSR. The overall aim of the project is to understand how the Housing Association sector has changed since 1989, what has influenced or driven those changes and the implication of this for future housing regulation policy. This paper focuses on the changes in the population of Housing Associations that are registered with the Housing Corporation.

The role of Housing Associations in England

The social housing sector in England consists of two different tenures, Local Authority (LA) housing, which is part of the public sector, and housing provided by Housing Associations (HAs). These are also supported in part by public funding through grants allocated by the Housing Corporation and, indirectly, through Housing Benefit paid to tenants eligible for assistance with paying their rents. The main difference is that since 1988 HAs have also been able to raise funds privately for development.

Housing Associations have a long history of voluntary and charitable provision of accommodation to rent. Until the latter part of the last century this was mainly for certain groups who could not afford market rents such as the disabled or elderly, while the majority of social rented accommodation was supplied through the local authorities. However, since the mid 1970s policy changes have increasingly emphasised the importance of the HA sector as a provider of general needs social housing, while the Local Authorities have moved towards the role of housing enabler. The Housing Act of 1988 enhanced the role of HAs and gave them the power to raise private sector finance. As a result of this a new financial framework was set and the Housing Corporation’s role was significantly expanded. Thus the monitoring and regulatory role of the RSR took on added importance from that date.

Each year, housing associations that are registered with the Housing Corporation (hereon referred to as Registered Social Landlords, or RSLs) are required to complete, as a regulatory requirement, the Housing Corporation's Regulatory and Statistical Return (RSR)[1]. As well as providing the Housing Corporation with key data used in its approach to regulating the sector, the survey also provides an annual census of the sector. In addition to collecting data about the core rental stock, the survey also brings together information about low cost home ownership activities and leasehold management activities in the wider sense, plus key management information about RSLs such as data on staffing levels and Governing Body members. In 2002, however, the approach to data collection adopted by the RSR changed and as a result, a new time-series of data commenced from that year onwards. This paper focuses on changes in the numbers of RSLs registered with the Housing Corporation, together with those registered and returning valid RSRs between 1989 and 2005.

[1] Not all Almshouses and Abbeyfield HAs are registered with the Corporation. Co-ownership societies, complete a different return.

Main findings

- Between 1989 and 2005 there was a net reduction of 15% in the number of RSLs registered with the Housing Corporation, falling from 2,365 to 2,003.
- Changes in legislation have allowed smaller associations to deregister, and this, combined with the formation of Abbeyfield UK in 2003 to oversee the management of a selection of small local Abbeyfield RSLs means a smaller proportion of all Almshouses and Abbeyfield RSLs will appear in the RSR data.
- The introduction of legislation for the large-scale voluntary transfer (LSVT) of LA stock means that LSVT RSLs have further changed the profile of the RSL sector. Very small RSLs (with fewer than 50 dwellings) accounted for nearly two thirds of all RSLs in 1989, but just under a half by 2005. At the same time, the proportion of RSLs with 2,501-5,000 dwellings (which includes many LSVT RSLs) has increased from 1% to 8%.
- Although RSL numbers have decreased, there is a trend for those remaining to operate more widely. While all regions have experienced an increase in the numbers of RSLs operating within them since 1989, there has been considerable variation in growth rates between the regions. There are now more than double the number of RSLs operating within the East and East Midlands, while Merseyside and the North East, which had the lowest numbers in 1989, only increased those numbers by 42% and 43% respectively.
- Some of the longer-established LSVT RSLs have begun to acquire dwellings in other districts, and are thus beginning to resemble other medium and large mixed-funded (MF) RSLs in terms of stock distribution.

Methodology

Findings in this paper are based on analysis of data from the Housing Corporation Registry and from the RSR and its predecessor, the HAR 10/1, between 1989 and 2005. The RSL type categories are provided by the Housing Corporation Registry. Size bands for the RSLs between 1989 and 2001 are derived by summing the numbers of self-contained rental units and hostel bedspaces (excluding supported accommodation).

From 2002 onward the structure of the RSR form changed considerably. Data from 2004 onwards is only taken from those RSLs filling in Parts A and B. This will exclude some RSLs who, for example, do not own stock and only fill in Part D that records the provision of other services and activities provided by RSLs that are not included in Parts A and B. The size bands are then derived from the total general needs units and bedspaces owned plus total supported units and bedspaces owned plus total non-social housing owned (in 2002, Part A, column E, line 12 + Part A, column E, line 13 + Part B, column E, line 8). Size 0 denotes those RSLs registered but with no stock, for example the 'parent' RSL of a group structure or those that only manage stock.

RSL type code	**RSL type description**
ALMS	Almshouses
ABBS	Abbeyfield
BME	Black and Minority Ethnic
LSVT WHAS	Large Scale Voluntary Transfer: Whole Transfer (All Stock)*
LSVT WHSS	Large Scale Voluntary Transfer : Whole Transfer (Some Stock)**
LSVT PART	Large Scale Voluntary Transfer: Partial Transfer***
MF	Mixed Funded****

* WHAS refers to LSVT areas where all the stock was transferred and all went to one newly created RSL
** WHSS refers to a whole-stock transfer where stock was divided between more than one new RSL
*** PART refers to an RSL set up to take transfer stock in a district where only some of the stock was transferred to the HA sector.
**** These are all other RSLs that receive mixed funding (i.e. from public and private sources) but are not included in the other six categories

RSL size bands	RSL size description
0 units	
1-50 units	small (1-250 units)
51-100 units	small (1-250 units)
101-250 units	small (1-250 units)
251-1,000 units	medium (251-2,500 units)
1,001-2,500 units	medium (251-2,500 units)
2,501-5,000 units	large (2,501-10,000 units)
5,001-7,500 units	large (2,501-10,000 units)
7,501-10,000 units	large (2,501-10,000 units)
over 10,000 units	very large (> 10,000 units)

In order to analyse the data, two relational databases, one covering the years 1989-2001 and the second running from 2002 onwards (when the approach to data collection adopted by the RSR changed) have been constructed from the individual returns for each year. These are supported by linking tables for selected variables available across both datasets, enabling time series analysis from 1989-2005 for those variables. Further information can be found in the Technical Briefing Paper in this series.

Spatial analysis
Many variables collected in the RSR are only available at the national level. However, some key variables are collected at the Local Authority district level. These can then be aggregated up to give regional totals.[2]

Findings

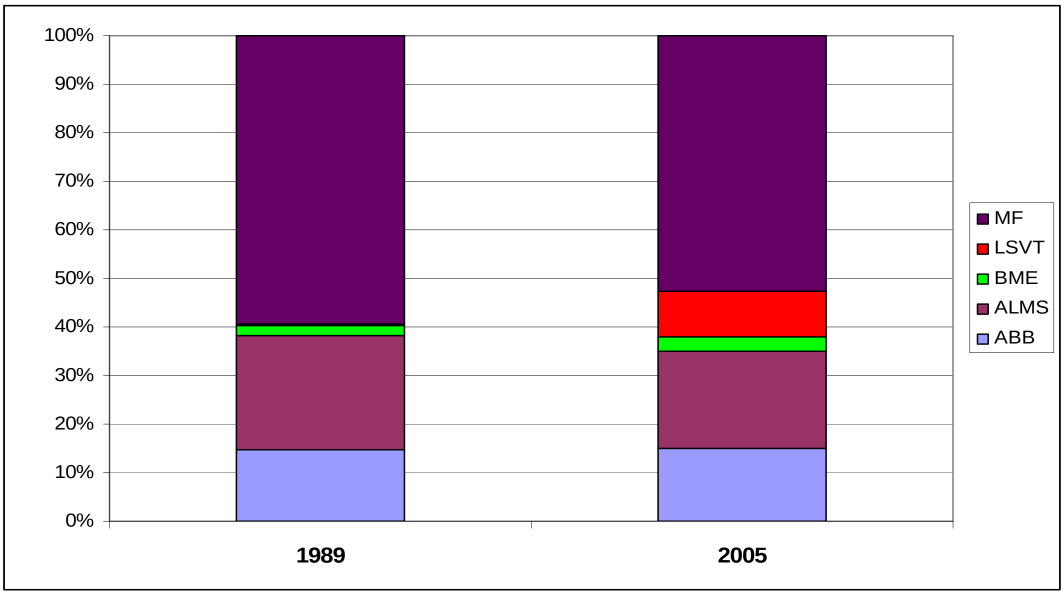
A. RSLs registered with the Housing Corporation[3]

Table 1: Changes in numbers of RSLs registered each year, 1989-2005, by RSLs type
Between 1989 and 2005 the number of RSLs registered with the Housing Corporation fell by 15% from 2,365 to 2,003. The decline in numbers of registrations has occurred mainly amongst the longer established types of RSL types. The number of Almshouses has fallen by 29% during this time, from 562 to 401, although the number of Abbeyfield RSLs only declined by 14% from 345 to 298. Part of the 15% decline in the total number of RSLs registered is accounted for by the deregistration of some small Almshouses following changes in legislation in 1998. Mixed Funded (MF) RSLs have also shown an overall decline in the number of registrations, down 25% from 1,408 in 1989 to 1,056 in 2005. This may be down to mergers, although this cannot be easily identified from the data in the RSR. Black and Minority Ethnic (BME) RSLs have increased in numbers steadily over the years from 48 in 1989 to a peak of 69 in 1995, which dropped to 60 by 2005, still an increase of 25%. This time period also saw the emergence of the new large-scale voluntary transfer (LSVT) LSVT RSLs and their numbers increased from just 2 in 1989 to 188 by 2005.

[2] Only data for districts that are in England are included. District level data have been harmonised to take account of local authority boundary changes that took place during the 1990s. The regions referred to are Housing Corporation Investment Regions.

[3] These are assigned types by the Registry but only those filling in a valid RSR are assigned a sizeband. Analysis here is therefore restricted to national level and RSL type.

Figure 1: Proportion of each RSL type registered in 1989 and 2005



Despite deregistration, Almshouses still account for 20% of all registered RSLs in 2005, only 4% fewer than in 1989. Abbeyfield and BME RSLs have each only changed their proportions of the total RSLs population by less than 1% during this time. The main changes have occurred in the proportions of MF RSLs (down from 60% to 53%) and LSVT RSLs (up from less than 1% to 9%).

Table 2: The number of years registered (between 1989 and 2005) by RSLs type

Half of all RSLs recorded by the HC Registry have been registered throughout the 17 years covered by this time series data. 51% of Almshouses and 75% of Abbeyfield have been registered over the full 13-year period while only 49% of MF RSLs have been registered for the same length of time. 61% of BME RSLs have been registered for the full period. The biggest proportions of RSLs that have been registered between one and three years are the new LSVT and MF RSLs.

B. Registered RSLs filling in the RSR

Over 90% of registered RSLs return a valid RSR form each year[4]. Some very small RSLs fail to submit their return and these account for less than 3% of stock owned. Co-ownership RSLs do not fill in the RSR and their results are excluded from the database.

Table 3: The numbers and proportions of RSLs by type completing the RSR, 1989-2005

In 1989 the 'traditional' Almshouses and Abbeyfield RSLs accounted for 42% of all RSLs recorded in the RSR, while MF RSLs represented just over half (56%). By 2005 the Almshouses and Abbeyfield RSLs only accounted for 33% of all RSLs in the RSR, MF RSLs for 53% and LSVT RSLs for 11%.

[4] Note that data hereon come from the RSR and only include HAs registered *and* returning a valid RSR.

Table 4: The number of RSLs by size
In line with findings in the previous section, there has been a clear decline in the number of small RSLs and an increase in the numbers of large and very large RSLs, influenced at one end by the deregistration of almshouses and at the other by the LSVT programme. There has been a fall of just over a third (471, or 38%) in the number of RSLs with 1 to 50 units. They have decreased their share of all RSLs from 59% in 1989 to 46% in 2005. Meanwhile the number of large and very large RSLs (those owning more than 2,500 units) has increased by 203. In particular, the category owning 2,501-5000 units has increased its share from 1.4% in 1989 to 8.0% by 2005. LSVT RSLs are frequently in this size category. Another reason for the increase in the numbers of large and very large RSLs could be as a result of mergers but this cannot be verified from the data.

Table 5: The number of RSLs by type
The number of Almshouses with valid RSR returns has fallen while the number of LSVT RSLs has risen considerably over the time period, confirming the findings in the previous section. The number of BME RSLs has also increased steadily over the time period, from 43 in 1989 to 57 in 2005. MF RSLs on the other hand have seen a decline in numbers from 1,173 in 1989 to 872 in 2005, a decrease of 26%. Again, some of this change could be as a result of mergers but this is not captured by the data.

As a result of these numerical changes, the proportion of Almshouse RSLs with valid RSR returns has decreased from 26% in 1989 to 22% by 2005; the proportion of Abbeyfield decreased from 16% to 11%; BME RSL proportions increased from 2% to 3%. LSVT RSLs increased their proportion from less than 1% in 1989 to 11% by 2005 while the proportion of MF RSLs fell from 56% to 52.5% in 2005.

Changes to the LSVT programme are captured in the numbers of the different types of LSVT RSL recorded (from 2004, however, this separate recording ceased). In 1989 only full-stock LSVTs were taking place, where all LA stock in a district went to one newly-created LSVT RSL. The transfer of stock into two or more new RSLs was first recorded in 1995, while the transfer of only a part of an LA's stock, usually poorer stock needing more rehabilitation, was first recorded in 1998.

Tables 6 and 7: Changes in sizeband within each RSL type, 1989 and 2005:
While the majority of Almshouses and Abbeyfield RSLs still own less than 51 units/bedspaces each, both have seen a slight increase since 1989 in the percentage now owning over 50 units.

A quarter of all BME RSLs were in the 1-50 unit band in 1989, but by 2005 nearly half were in the 251-1,000 unit size band.

Due to the small numbers of LSVT WHAS RSLs in 1989 (n=2) it is not possible to analyse the trends. One was of size 2,501-5,000 and the other in the 5,001-7,500 sizeband. In 2005 the largest proportion of LSVT RSLs (all types) was in the 2,501-5,000 size band (41%), with a further 23% in the 5,001-7,500 size band and 15% were in the top two size bands.

MF RSLs continue to cover all size bands but the percentage of small RSLs (from 1 and 250 units) has decreased slightly while the percentage of large and very large RSLs (over 2,500 units) has increased from 4% to 12%.

Table 8: The geographic spread of RSLs
While all regions have seen a rise in the number of RSLs operating within them since 1989, the growth (percentage change) has varied considerably. The East and East Midlands more than doubled their numbers of RSLs between 1989 and 2005, while Merseyside and the North East, which had the lowest numbers in 1989, only increased those numbers by 42% and 43% respectively. The total in the table gives an indication of the spreading influence of RSLs in terms of how many different districts they operate in. Although the number of RSLs has fallen and clearly the number of regions is unchanged, the total figure in the table has increased by 70%, indicating that more RSLs are now working in multiple districts and the number of districts in which they are working has increased since 1989.

Table 9: Spatial distribution by RSL size
RSLs in the smaller size bands (fewer than 2,501 units) have tended to remain static in the number of districts and hence regions they operate in – the average number remains fairly constant. However, RSLs in the larger size bands (except the very largest) are on average operating in fewer districts and regions now than they were in 1989. However, the very largest (10,000+ units), whilst operating on average in 1.8 less regions, were operating on average in slightly more districts in 2001 (n=76.8) than they were in 1989 (n=74.5), yet by 2005 this had dropped back to below the 1989 level (n=67.7). The largest average number of LA districts per RSL for this sizeband was in 1997 (n=92.6).

The other major change is the number of districts in which RSLs with no stock have a presence – increasing from an average of 2.3 in 1989 to an average of 19.9 in 2005. These may be 'parent' RSLs of groups, but that cannot be ascertained from the data.

Tables 10a and b: Spatial distribution by RSL type; average numbers of districts per RSL
On average all RSL types operate in more districts than they did in 1989, although for the more 'local' Abbeyfield and Almshouses the change is negligible. In particular, some of the older LSVT RSLs, which were set up in one district only, have started to acquire dwellings in other LAs. BME RSLs have also increased the number of districts in which they operate. However, most of these increases take place in nearby LAs and there is little change in the average number of regions in which each RSL type operates.

Summary
Using data from seventeen years of regulatory statistical returns provided by the Housing Corporation and unified into two relational databases by researchers at Dataspring, this paper provides a statistical overview of the changes in the numbers of RSLs operating in England, together with details of changes in the profile of the RSL sector.

The number of RSLs registered with the Housing Corporation has declined by 15% since 1989. However, the size profile has also changed, with more RSLs in the bigger size bands (see Briefing Paper 2 for stock details and overall changes in the size of the sector). The influence of legislative and policy changes that allowed small associations to deregister can be seen in the decline in the number of Almshouses and other small RSLs now registered. While mergers and development will have had some influence on the rise in numbers of large and very large RSLs, the biggest shaper of the sector has been the promotion of the large scale transfer of stock from the Local Authorities to the RSL sector. This is seen in the increasing numbers of the new LSVT RSLs and in the distribution and balance between RSL type and size. By 2005 LSVT RSLs (all types) accounted for 9% of all RSLs registered.

While the majority of RSLs continue to operate in just one district, more RSLs are now working in multiple districts than in 1989. Some LSVT RSLs now operate in multiple districts and are thus beginning to behave like other medium-sized MF RSLs. While some regions have retained a stable proportion of RSL activity the East, South East and South West increased their proportion by 2005 while the North East and Merseyside now have a smaller proportion of RSL activity than in 1989. Further analysis of RSL stock can be found in Briefing Paper 2: 'Changes in RSL stock numbers and the flow of stock