



Department for Levelling Up,
Housing & Communities



Statistical release

Housing

Housing supply: indicators of new supply, England: April to June 2021

In this release:

Building control figures (seasonally adjusted):

- The number of dwellings where - according to building control figures - building work has started on site was 42,900 in April to June 2021. This is a 5 per cent decrease when compared to last quarter and is more than double the level in the same quarter of the previous year.
- The number of dwellings completed - according to building control figures - was 43,660 in April to June 2021. This is a 10 per cent decrease when compared to last quarter and is more than double the level in the same quarter a year ago.

Other housing supply indicators:

- There were 243,770 net additional dwellings between April 2019 and March 2020, a 1 per cent increase on the net additional dwellings created between April 2018 and March 2019.
- There were 59,590 new dwelling EPCs lodged in England in the quarter ending June 2021, over double the level in the same quarter last year. In the 12 months to June 2021, new dwelling EPCs totalled 250,990, an increase of 16 per cent on the 12 months to June 2020.
- There was a net increase of 201,850 in the number of domestic properties with a council tax band in England between April 2020 and March 2021. This represents a 17 percent decrease compared to the same period in the previous year

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Introduction

The purpose of this release is to provide an indication of the levels of and trends in new housing supply in England (please refer to the Technical Notes document for information on statistics in Scotland, Wales, and Northern Ireland). This statistical release presents National Statistics on building control reported estimates of housing supply in England up to 30 June 2021. The figures also show estimates of housing supply in England using other, additional, data sources.

The ‘new build dwelling’ figures are based on building control inspection data, submitted to the Department by local authorities, the National House Building Council (NHBC) and other independent approved building control inspectors. This series began in 1946 based solely on Local Authority building control. NHBC data were added from 1985 and, after 2007, legislation allowed data from independent approved inspectors.

The Department for Levelling Up, Housing and Communities (DLUHC) also publishes an annual release entitled ‘Housing supply: net additional dwellings’, which is the primary and most comprehensive measure of housing supply. The indicators of new supply release should be regarded as a leading indicator of overall housing supply. The next release of ‘Housing supply: net additional dwellings’ will be in November 2021.

Changes to this release

DLUHC published a consultation, on 26 March 2020, on proposed changes to further improve the house building statistics. The consultation is available at the following link:

<https://www.gov.uk/government/consultations/house-building-statistics-proposed-changes>

Building control reported new build starts and completions

It is estimated that the building control sourced data currently provides information on about 80% of house building in England, further details are available in the technical notes that support this release. These figures should therefore be used as a leading indicator of trends in total housing supply which is published in the net additional dwelling release in November.

Building control – latest quarterly update

Quarterly figures for new build dwelling starts and completions are given on a seasonally adjusted basis. These should be used for quarterly comparisons to see trends.

Starts – June quarter 2021

Seasonally adjusted new build dwelling starts in England are estimated at 42,900 (seasonally adjusted) in the June quarter 2021, a 5 per cent decrease compared to the March quarter 2021. Compared to a year ago, starts this quarter are up by 150 per cent. This increase is an anomaly reflecting the restrictions on construction in the June quarter 2020.

Starts are 12 per cent below their March quarter 2007 peak and are 149 per cent above the previous trough in the June quarter of 2009. This quarter's figure is the first decrease in starts since the June quarter 2020.

Completions – June quarter 2021

Completions were estimated at 43,660 (seasonally adjusted) in the June quarter 2021, a 10 per cent decrease from the previous quarter and 167 per cent above the same quarter a year ago. This increase is an anomaly reflecting the restrictions on construction in the June quarter 2020.

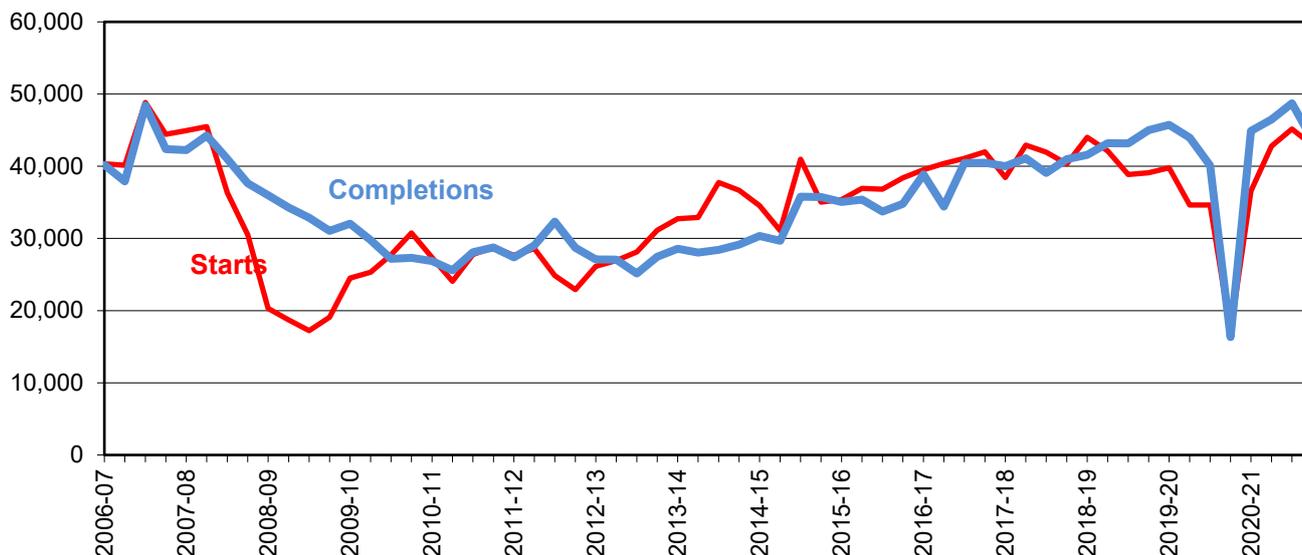
Completions are 10 per cent below their peak in the March quarter 2021 and 74 per cent above their trough in March quarter 2013. This quarter's figure is the first decrease since the June quarter 2020.

Long term trends

Looking at Figure 1, trends in starts and completions were similar up to 2008. Completions fell more slowly than starts during the downturn but over a longer period. From 2009 starts began to recover and during the next two years both series converged and levelled out. From 2013 to 2018, starts

and completions grew again gradually. Since 2019, completions continued to grow, but there was a sustained decrease in starts and more recently a steep fall in starts and completions reflecting UK government COVID-19 national restriction measures in early 2020. Following a sharp uptick in the September quarter of 2020, starts and completions both continued to increase up to March 2021, and have decreased in the June quarter 2021.

Figure 1: Seasonally adjusted trends in quarterly building control reported new build dwelling starts and completions, England



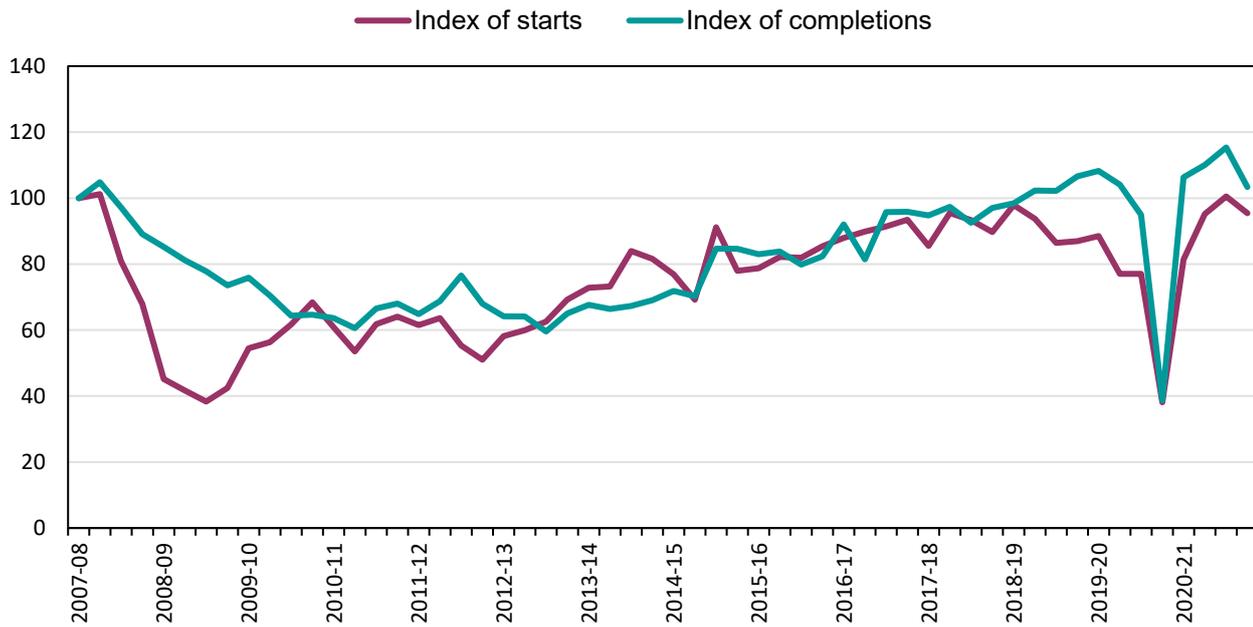
¹ The chart includes data from independent approved inspectors from June quarter 2007.

Quarterly Index

The chart below shows the quarterly trends of starts and completions as an index starting at 100 in June 2007. This should be used when looking at the rate of change of starts and completions rather than the numeric change. The index shows a similar pattern to the quarterly estimates with the continued recent increase in starts and completions evident.

The sharp decrease in starts and completions seen in the beginning of the 2020-21 period reflects the national restrictions imposed by the Government at the beginning of 2020. The sharp increase at the end of 2020 reflects the relaxation of the national restrictions. Starts and completions continued to increase to the March quarter of 2021, to their highest levels since the beginning of the index in 2007. The decrease in starts and completions to the June quarter of 2021 is the first decrease since the same quarter in the previous year.

Figure 2: Index of building control reported new build dwelling starts and completions, quarterly (seasonally adjusted), England

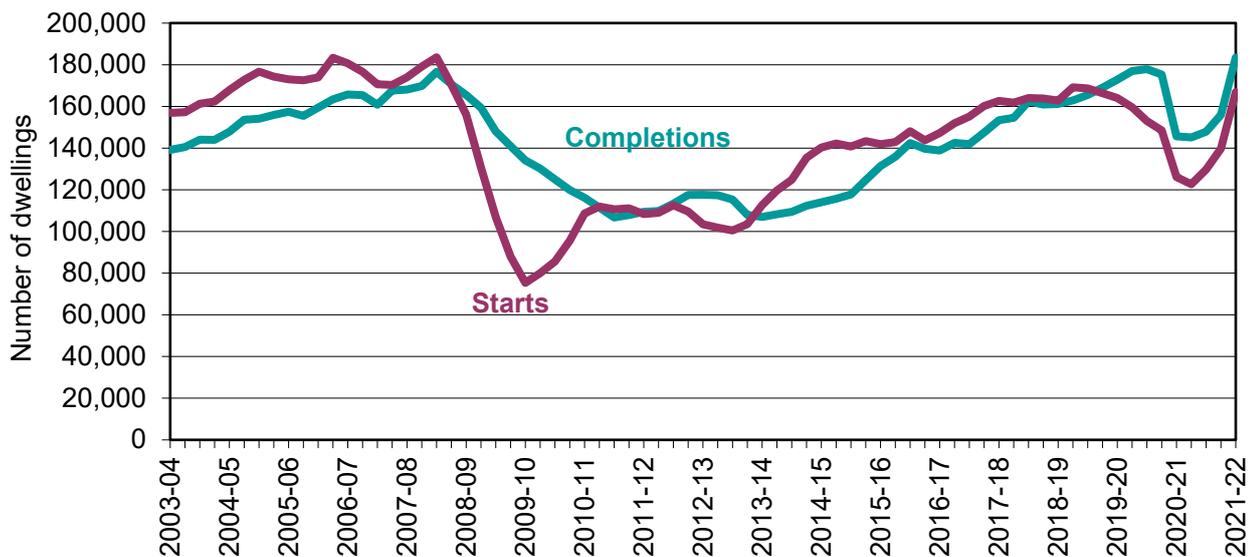


This chart begins in the June quarter of 2007 as data from independent approved inspectors was included as an additional source from this point onward.

Building control – latest 12 months update

These figures are not seasonally adjusted and give annual estimates for house building over rolling 12-month periods. These data can be used to make year on year comparisons.

Figure 3: Trends in building control reported estimates of starts and completions, England, 12 month rolling totals



The chart includes data from independent approved inspectors from June quarter 2007.

Long term annual trends

Annual new build dwelling starts were increasing from 2003-04 until reaching a peak of 183,600 in 2007. Starts fell sharply during the downturn to a low of 75,350 in the year ending June 2009. Since then, starts have experienced some periods of growth, levelling off and now an increase, averaging around 146,000 for the past two years.

Similarly, annual completions increased from 2003-04, reaching a peak of 176,650 in the year ending December 2007. Completions then fell gradually through 2008 - 2010. Despite fluctuations, completions had increased gradually from 2013 to 2019 before decreases at the beginning of 2020, then increasing to the June 2021 quarter, averaging around 165,000 for the past two years.

Starts – year ending June 2021

There were 166,860 estimated new build dwellings starts in the year to June 2021, a 32 per cent increase compared to the year to June 2020.

Completions – year ending June 2021

An estimated 183,450 new build dwellings were completed in the year to June 2021, an increase of 26 per cent compared to the year to June 2020.

Table 1: Estimated annual total new building control reported build dwelling starts and completions, England, not seasonally adjusted¹

Year Ending			All Starts		All Completions	
			Starts in previous 12 months	% change on previous year	Completions in previous 12 months	% change on previous year
2008	Apr-Jun		156,090	-10%	165,520	-2%
2009	Apr-Jun		75,350	-52%	134,110	-19%
2010	Apr-Jun		108,640	44%	116,160	-13%
2011	Apr-Jun		108,370	0%	109,450	-6%
2012	Apr-Jun		103,420	-5%	117,650	7%
2013	Apr-Jun		112,660	9%	106,960	-9%
2014	Apr-Jun		140,330	25%	114,060	7%
2015	Apr-Jun		141,940	1%	131,430	15%
2016	Apr-Jun		147,250	4%	138,840	6%
2017	Apr-Jun		162,680	10%	153,400	10%
2018	Apr-Jun	R	162,830	0%	161,210	5%
2019	Apr-Jun	R	164,060	1%	172,880	7%
2020	Apr-Jun	R	126,120	-23%	145,660	-16%
2021	Apr-Jun	P	166,860	32%	183,450	26%

Further indicators of supply

This section of the release provides analysis of other indicators of housing supply. It is intended that these indicators along with the building control data provide a suite of information which give a rounded estimate of the current trends in housing supply and what the more complete estimate of supply (Net additional dwellings) will show when it becomes available in November.

Energy Performance Certificates

The Department for Levelling Up, Housing and Communities publishes quarterly experimental official statistics on the Energy Performance of Buildings¹ which includes statistics on Energy Performance Certificates (EPCs) lodged for new dwellings. These can be compared to the previously mentioned annual 'Housing supply: net additional dwellings' release, which is the primary measure of housing supply.

EPCs provide a very close estimate to net additions. As with the net additions figures, those from the EPC data include new builds, conversions and change of use etc. They are not a direct comparison with the building control figures shown earlier in this release. This is the reason for the use of other sources to estimate new build completions.

DLUHC started publishing Weekly EPC data in 2020 because they were judged to be of immediate value to interested parties to meet demands for statistics to measure the impact of the COVID-19 pandemic. Weekly data is more timely than the quarterly statistics, but differ from quarterly figures due to overlaps of weekly figures. For example, the week commencing 28 December 2020 contains days in December 2020 as well as January 2021.

Quarterly comparison: new dwelling EPCs and new build completions

There were 59,490 new dwelling EPCs lodged in England in the quarter ending June 2021, representing a 104 per cent increase compared to the same quarter last year.

Quarterly figures on EPCs lodged for new dwellings have followed a similar trend to quarterly new build dwelling completions since 2009-10. The number of new dwelling EPCs lodged are higher than quarterly new build completions as they comprise of new build dwellings plus dwelling conversions (for example a house into flats) and change of use of an existing building (for example a shop into a house or a barn conversion). One of the reasons for the difference between the two sets of figures is partly due to an increase in the number of new dwellings created through change of use.

¹ While the EPBC statistical release covers England and Wales, the accompanying tables also have data for England and Wales separately. Energy Performance of Buildings Statistics, <https://www.gov.uk/government/collections/energy-performance-of-buildings-certificates>

Annual comparison: new dwelling EPCs and net additional dwellings

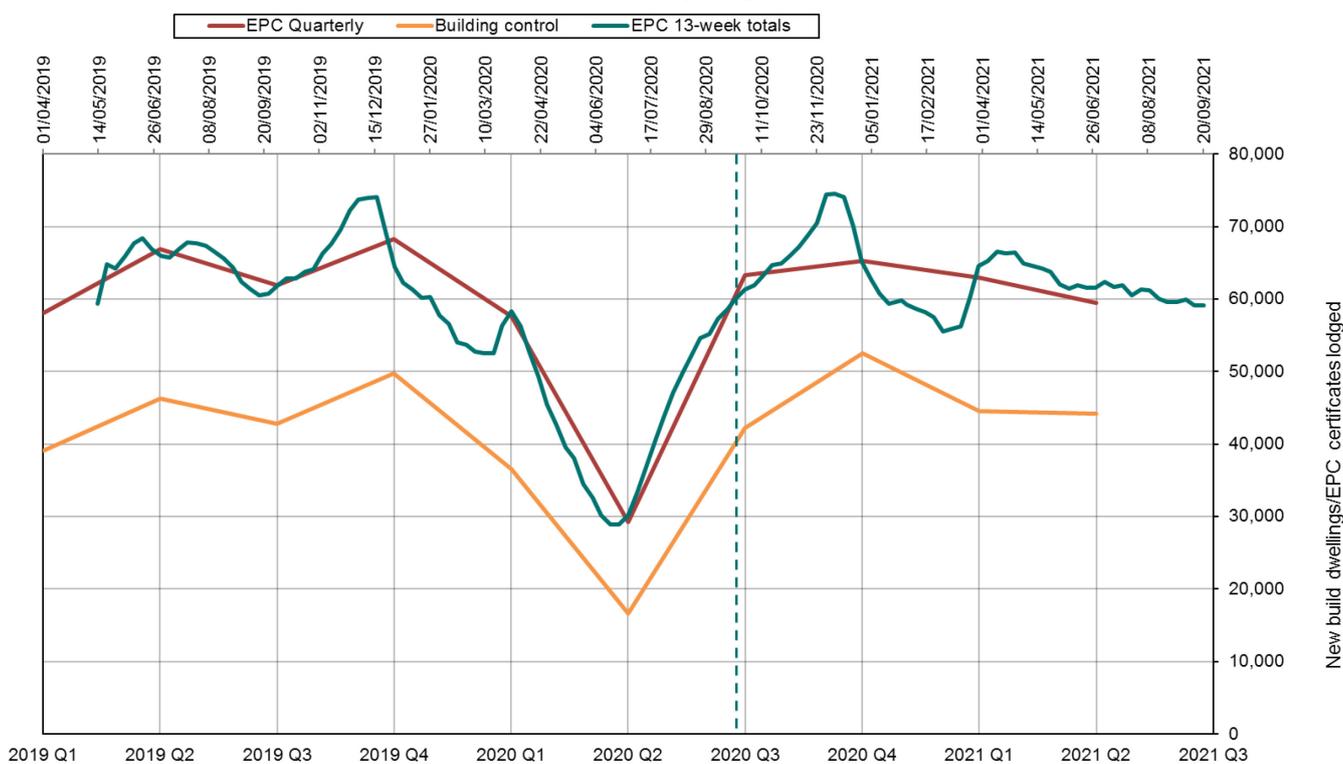
Both net additional dwellings and EPCs lodged for new dwellings in England have been steadily increasing since 2012-13, the low point following the economic downturn. In 2019-20, net additions reached 243,770 and new dwelling EPCs totalled 254,720. In 2020-21, new dwelling EPCs fell to 220,730, a decrease of 13 per cent from 2019-20.

New dwelling EPCs: Weekly and quarterly data

There were 59,090 EPCs lodged in the 13 weeks to the week commencing 20 September 2021, a 2 per cent decrease on the 13 weeks to the week commencing 21 September 2020.

Figure 4 below shows a comparison of EPCs lodged for new dwellings from the quarterly series and the weekly series. The weekly series is presented with 13-week rolling totals. The vertical dashed line represents the 13-week total EPCs in week commencing 20 September 2020.

Figure 4: Quarterly new dwelling EPCs, 13-week rolling new dwelling EPCs, building control new build completions (not seasonally adjusted)



Sources: Energy Performance of Buildings Certificates for new domestic properties in England, 2008 to June 2021 (29 July 2021);

Building control reported new build dwellings Live Table 213;
Weekly EPCs for domestic properties (new dwellings).

The figure shows the rolling weekly totals closely follow the quarterly series up to the March quarter of 2021. Weekly EPCs increased to the December quarter 2020 and have decreased through the beginning of 2021. Decreases in the weekly EPC series at the end of each year do not necessarily reflect the trends in housing completions, as fewer EPCs are lodged in the Christmas period.

Council Tax Stock of Properties

The Valuation Office Agency publishes annual official statistics on the number of domestic properties with a council tax band in England² which includes statistics on the net increase in the stock of domestic properties. These can be compared to net additional dwellings statistics, though it is an approximate comparison as the VOA figures include communal accommodation and properties moving between the business rates list and the council tax list (e.g. re-classification of holiday lets to a dwelling). Previous data show it can over or under-estimate net additional dwellings (Figure 5). The Council Tax stock of properties also includes new builds, conversions and change of use etc. so are not a direct comparison with the building control figures. Net additional dwellings are the most comprehensive measure of housing supply.

Annual comparison: Net change in domestic properties and net additional dwellings

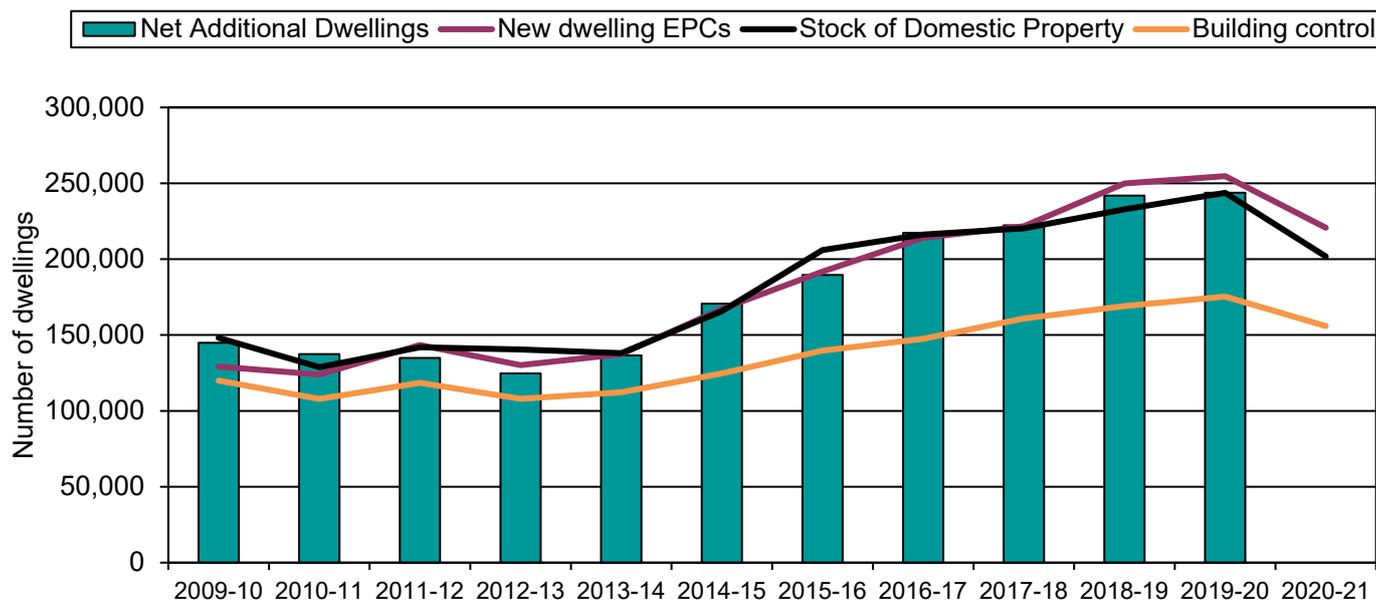
Net additional dwellings and the change in Council Tax stock of properties in England steadily increased to 2019-20, from 2012-13 or 2013-14 respectively, the low point following the economic downturn. In 2019-20, net additional dwellings reached 243,770 and the change in Council Tax stock of properties totalled 243,720. In 2020-21 the change in Council Tax Stock of properties totalled 201,850, a decrease of 17 per cent on the previous year.

² While the statistical release covers England and Wales, the accompanying tables also have data for England and Wales separately. Council Tax Stock of Properties, <https://www.gov.uk/government/collections/valuation-office-agency-council-tax-statistics>

Estimating total housing supply (net additional dwellings)

Figure 5 shows the other measures of housing supply directly compared to net additions.

Figure 5: Net additional dwellings, new dwelling EPCs lodged, annual change in Council Tax stock of properties and building control new build completions, England 12-month totals¹



Sources: Energy Performance of Buildings Certificates for new domestic properties in England, 2008 to June 2021 (29 July 2021);
Housing supply: net additional dwellings 2019-20, Live table 120;
Council Tax: stock of properties, 2021, Table CTSOP1.0;
Building control reported new build dwellings Live Table 213.

Sub-national trends

Figure 4 shows generally higher rates of annual starts per 1,000 dwellings in the East of England and the East Midlands. It shows higher rates of annual completions per 1,000 dwellings in the South East and East Midlands.

Starts

In the year to June 2021, starts increased in all regions. In London, starts were 43 per cent higher in the year to June 2021 than the year to June 2020, and the largest increase was 54 per cent in the North East.

Completions

All regions had an increase in completions in the year to June 2021 from the year to June 2020. The largest increase was 29 per cent in London.

Local Authority

Local Authority level building control reported house building statistics are found in Live Table 253 and 253a. Figures aggregate to Local Enterprise Partnership geographies are in Live Table 255.

Figure 6: Starts per 1,000 dwellings (left) and completions per 1000 dwellings (right) for each English region in the 12 months to June 2021.

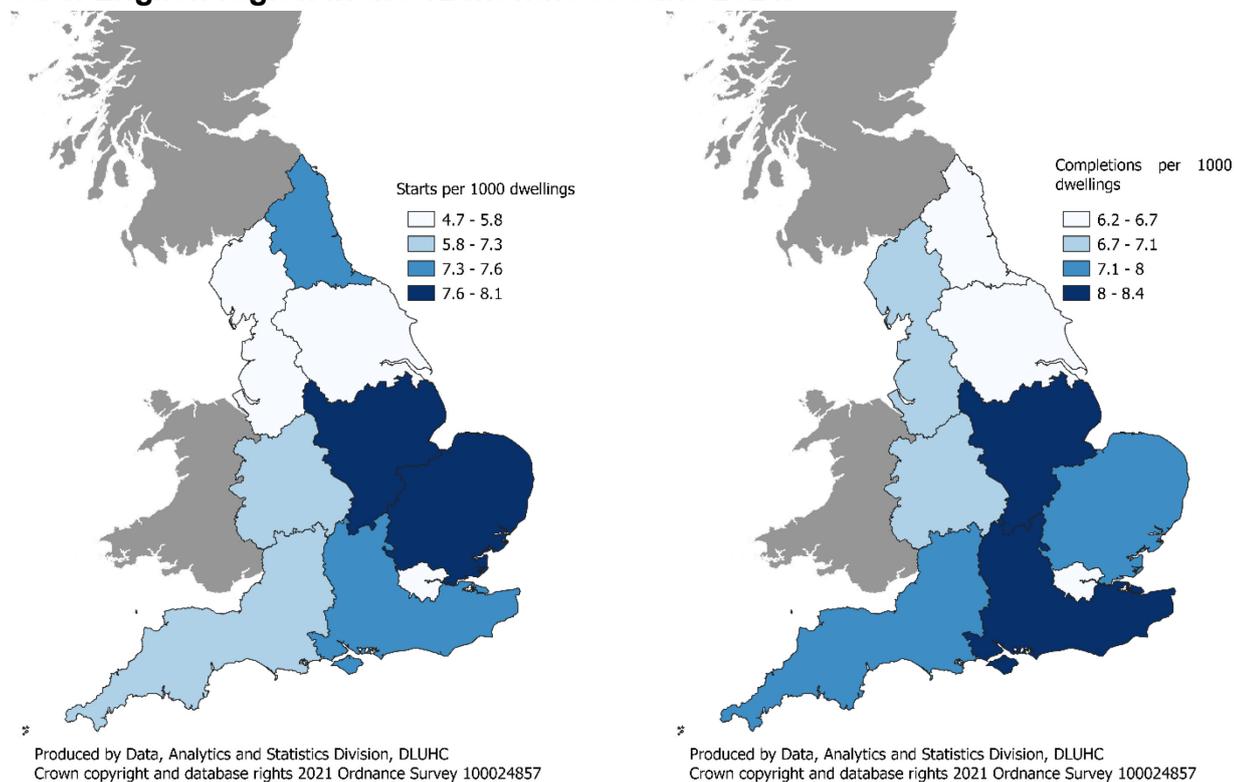


Figure 6 shows the number of starts and completions per 1000 dwellings in each of the 9 English regions over the year to June 2021. To show house building in proportion to the size of each district we divide the number of starts or completions in the year by the existing dwelling stock. The result is multiplied by 1,000 to give a figure that is easier to interpret. For example, a region with 100,000 dwellings where, over the previous year, 570 new dwellings are started. This would give a value of 5.7 new dwellings per thousand of existing stock and would therefore be shaded in dark blue in the coloured map for starts.

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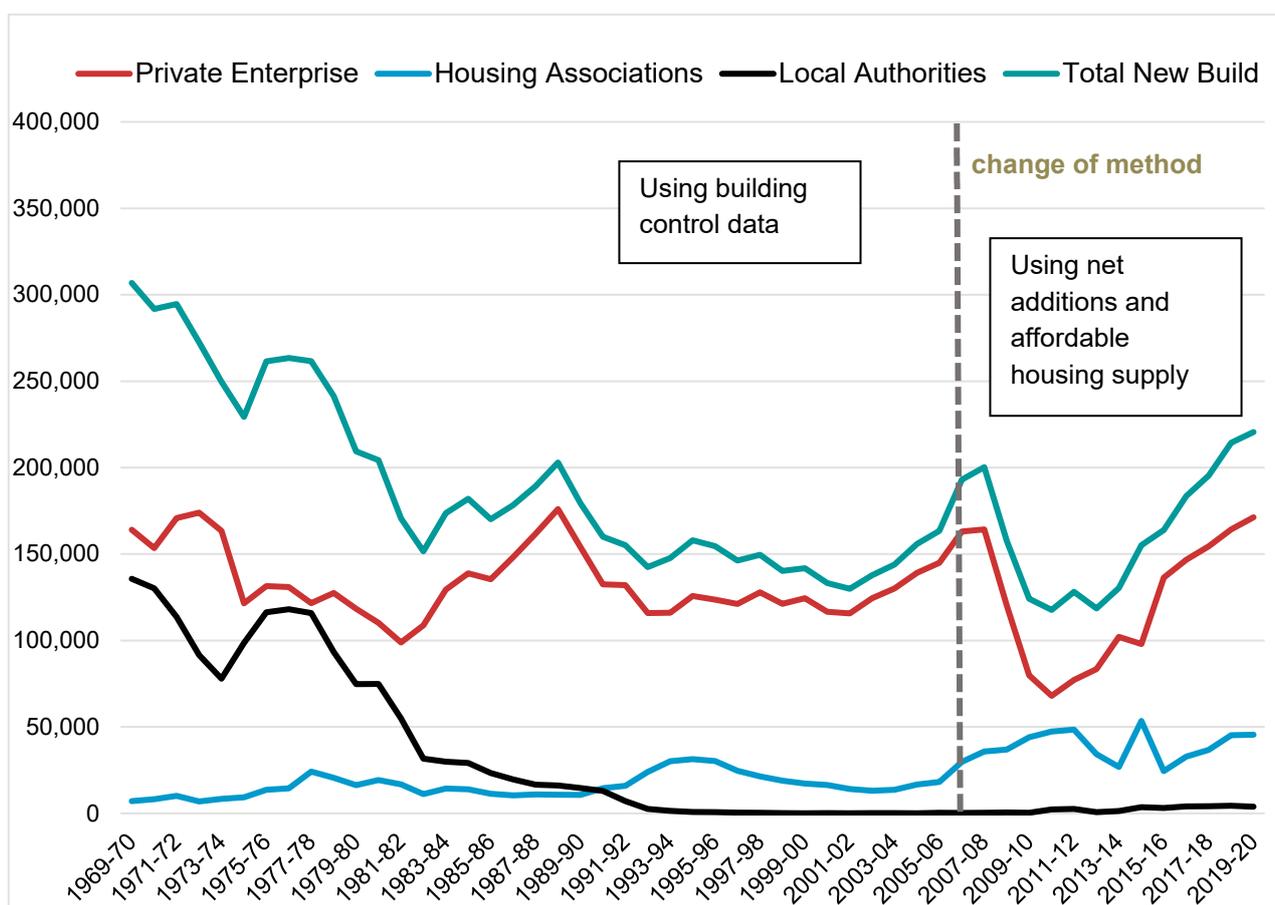
Final tenure estimate – new build completions

Figure 7 below shows the estimated final tenure split of new build completions since 2006-07 using a modelled approach based on the Affordable Housing Supply Statistics explained in the methodology section below.

The final tenure is the final usage of the new dwellings - whether they are for private ownership, housing associations or local authority housing stock. This is different to the tenure of the developer as private developers also build for housing associations and local authorities.

In 2019-20, it is estimated that Private Enterprise (dwellings built for private sale, private renting, and by non-registered providers) delivered 78%, Housing Associations 21% and Local Authorities 2% of new build dwellings.

Figure 7: Number of permanent new build dwellings completed, by final tenure, England, 1969-70 to 2019-20



New build dwellings by non-registered providers are included in Private Enterprise.

Sources: 1969-70 – 2005-06 Building control reported build dwellings Live Table 213

2006-07 – 2019-20:

Total New Build: Housing supply: net additional dwellings 2019-20, Live Table 120

Housing Association New Build: Affordable Housing Supply 2019-20, Open Data

Local Authority New Build: Affordable Housing Supply 2019-20, Open Data

Private Enterprise: Modelled as Total new build - housing association and local authority components

Methodology

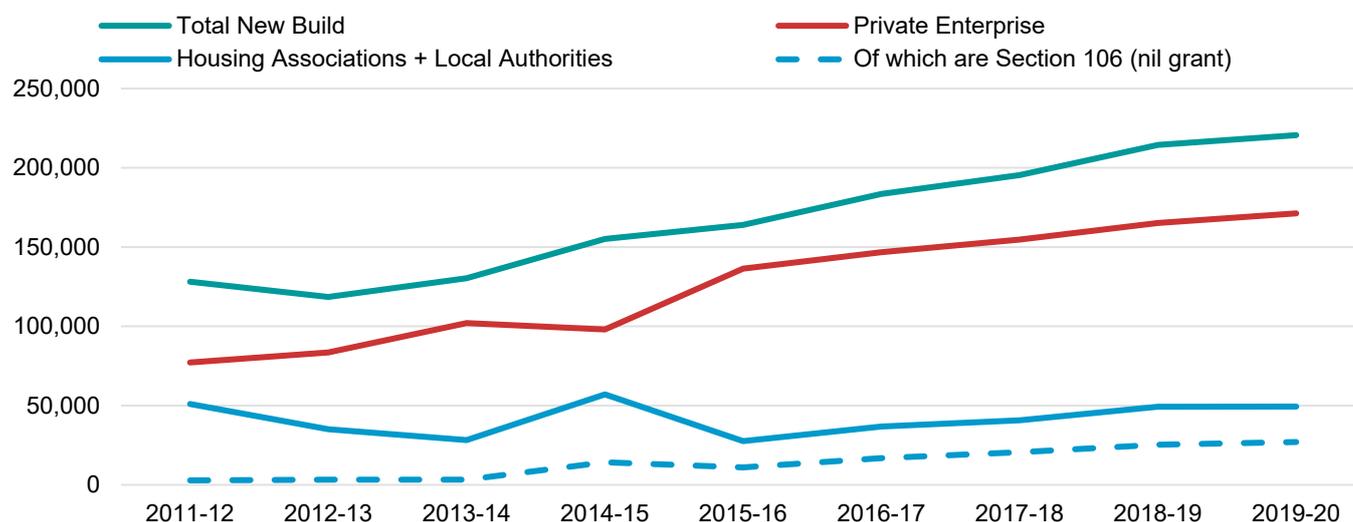
This estimate of tenure split in Figure 7 uses total new build completions from net additions and completions delivered by Housing Associations (HAs) and Local Authorities (LAs) from the Affordable Housing Supply release to estimate the Private Enterprise (PE) delivery.

Prior to 2005-06 the tenure split is estimated using the building control reported data, which reports on the provider type. However, this is not the same as providing an estimate of the final tenure of the dwellings once they are completed. It is not always possible, nor is it the responsibility, of a building control inspector to know the final tenure and this is likely to cause an over estimation of the supply for private enterprise.

From 2006-07 onwards the affordable housing statistics and net additional dwellings are used to model the tenure split, this method will be more accurate in providing the final tenure of new housing supply. This series begins at 2006-07 as this is when a new build component in the net additions estimates was first published.

Included in Figure 8 are the number of units whose final tenure is either Housing Association or Local Authorities having been provided under Section 106(nil grant) agreements. In 2019-20, over half of the completions delivered through Housing Associations and Local Authorities were under Section 106 agreements. The Section 106 (nil grant) figures before 2011 are not included however as the data were not collected. Non-registered providers and unknown providers contributing to affordable housing delivery are being included in the Private Enterprise estimate in Figures 5 and 6.

Figure 8: Number of permanent new build dwellings completed, by tenure, England, 2011-12 to 2019-20



Source: Total New Build: Housing supply: net additional dwellings 2019-20, Live Table 120
Housing Association + Local Authority New Build: Affordable Housing Supply 2019-20, Open Data
Private Enterprise: Modelled as Total new build - housing association and local authority components
Section 106 (nil grant): Affordable Housing Supply 2019-20, Open Data

Planning applications

DLUHC produces planning applications statistics measuring the number of applications submitted and granted.

Residential units

The figures collected by the department are the numbers of decisions on planning applications submitted to local planning authorities, rather than the number of units included in each application, such as the number of homes in the case of housing developments. The department supplements this information by obtaining statistics on housing permissions from a contractor³. The latest provisional figures show that permission for 312,000 homes was given in the year to 30 June 2021, up 8 per cent from the 289,000 homes granted permission in the year to 30 June 2020.

Revisions have been made following a review by Glenigan of the most relevant types of planning approval to be included in the figures in order to achieve accurate measurement whilst minimising double counting. These figures are provided here to give contextual information to users and have not been designated as National Statistics. Further details are provided in the Planning statistics release:

<https://www.gov.uk/government/collections/planning-applications-statistics>

Table 2: Number of housing units granted planning permission, England, annual totals to June 2021

Year Ending			Units Granted	
			Number	% change on previous year
2009	Apr-Jun	<i>R</i>	147,000	-
2010	Apr-Jun	<i>R</i>	161,000	9%
2011	Apr-Jun	<i>R</i>	163,000	2%
2012	Apr-Jun	<i>R</i>	178,000	9%
2013	Apr-Jun	<i>R</i>	191,000	7%
2014	Apr-Jun	<i>R</i>	217,000	14%
2015	Apr-Jun	<i>R</i>	242,000	11%
2016	Apr-Jun	<i>R</i>	298,000	24%
2017	Apr-Jun	<i>R</i>	328,000	10%
2018	Apr-Jun	<i>R</i>	303,000	-7%
2019	Apr-Jun	<i>R</i>	336,000	11%
2020	Apr-Jun	<i>R</i>	289,000	-14%
2021	Apr-Jun	<i>P</i>	312,000	8%

³ Glenigan routinely collects data on planning applications submitted to all English local planning authorities and records the information by maintaining a 'planning application' for every project. The data have been updated over time as subsequent applications are submitted and decisions made, with all new applications being matched against the existing database at entry stage. This has involved an automated process supplemented by manual checking to identify any further matching project.

These figures show a similar trend to what we see with building control reported starts and completions, which increased to 2019. The number of units granted decreased in 2020, before increasing up to June 2021.

Accompanying tables and open data

Symbols used

The following conventions have been used in the tables:

- .. Not available;
- Fewer than 5 dwellings;
- ^P Figure provisional and subject to revision;
- ^R Revised from previous release.

Totals may not equal the sum of component parts due to rounding to the nearest 10.

Tables

Relevant accompanying data can be found in the house building live tables which are updated at the same time as this release is published. The available live tables are:

<http://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building>

All statistical releases on house building can be accessed on the Department for Levelling Up, Housing and Communities website at

<https://www.gov.uk/government/collections/house-building-statistics>

Open data

The EPC statistics are available in fully open and linkable data formats at:

<https://epc.opendatacommunities.org/domestic/search>

Technical Notes

Please see the accompanying technical notes document for further details.

This can be found at <https://www.gov.uk/government/collections/house-building-statistics>.



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