



Department for
Communities and
Local Government

The future shape of the English Housing Survey

Government response to the consultation



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July 2015

ISBN: 978-1-4098-4633-8

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Summary

The Department for Communities and Local Government carried out a consultation to identify cost-effective changes to the English Housing Survey. To ensure that the survey continues to meet the needs of all users, the consultation also invited respondents to comment on the impacts of the cost saving approaches on users if they were introduced.

The department received 66 written responses from a wide cross-section of society, including government departments, local authorities, universities, private companies, professional bodies, organisations from the third sector and private individuals.

A range of ideas for redesigning the survey were received. Some respondents also suggested changes to delivery processes. Fourteen respondents stated that the current design was the most cost effective so no redesign was needed. Many respondents believed that making further changes would compromise the fitness for purpose of the survey.

The possible options for saving costs being considered included pausing the survey for one year in 2015-16 and/or running it on a biennial basis. Respondents generally expected that the quality of the work of their organisation would be adversely affected if the survey were to pause for one year or to move to a biennial format. Many also believed that those options would not achieve significant savings to the taxpayer.

Some respondents highlighted that pausing the survey for a year or moving to a biennial format could reduce the overall quality of the survey data. This is because some of the surveyors will become deskilled between survey years through lack of practice and contractors will have to recruit new surveyors at the start of a survey year if they cannot retain the full surveyor field force in the 'fallow year'.

Nine respondents provided details of a design for a biennial survey. It involves doubling the size of the physical survey sample so that the scale of the physical survey would remain unchanged over any two-year period. Some of the proposers of this design warned that the department would need to spend more to recruit additional surveyors to handle the enlarged sample. Having a larger field force would mean that errors due to differences in surveyors' judgement would increase and that would have a negative impact on the reliability of the data.

Nearly all the respondents expressed concerns about the plans to make changes to the survey. Some were worried about the long-term impacts of changing a key evidence source on housing at a time when there is a heightened interest and rapid change in the housing market. Others drew attention to the application of the survey beyond the field of housing. Half of them stated that they did not support the plans to pause the survey in 2015-16 or to move to a biennial format.

Respondents appreciated the department's need to make administrative savings but some highlighted that cutting back on the English Housing Survey could create expenditure elsewhere. They therefore stressed that assessments of the costs and benefits arising from changing the English Housing Survey should take account of the cost and impact to organisations outside the department.

Background

The Department for Communities and Local Government is reviewing the English Housing Survey as part of its on-going need to make administrative savings. To ensure that the survey continues to meet the needs of all users, the department carried out a consultation in January 2015 to involve users in identifying innovative and cost effective changes as well as to gauge the impacts of the cost saving approaches if they were introduced.

The English Housing Survey has been running annually in the same format since 2008. The survey consists of two main elements: an initial interview survey of approximately 13,300 households and a follow up physical inspection of a sub-sample of around 6,200 dwellings including vacant dwellings. The interview survey questionnaire contains a core set of questions which is asked of respondents every year. There are also a number of questions which come in and out of the survey on an annual, biennial or less frequent basis.

The survey went through a cost review in 2010 which resulted in a reduction in the length of the interview and physical surveys as well as the size of the sample. As a result, analysis on some key topics can now only be done using two or more years of data.

The possible options for saving costs being considered as part of the review include pausing the survey for one year in 2015-16 and/or running it on a biennial basis. The consultation was designed to gather comments on those approaches as well as to collect suggestions for improvements and approaches for delivering an annual survey at a lower cost.

Consultees were asked to address the five specific questions.

1. What cost-effective solutions are there to redesign the survey? We are open to any innovative ideas for improving the delivery and/or cost effectiveness of the survey. Please describe your ideas, detailing how the approach would meet your analytical needs.
2. Pausing the English Housing Survey for one year in 2015-16 and/or running the survey on a biennial basis are possible approaches to deliver cost savings. Would you be affected if the department were to adopt either or both of those approaches? If so, please explain how, using examples on the way you use the data to illustrate your response.
3. If the department were to run the survey on a biennial basis, what would be the best approach to carry out a robust and cost effective survey? We are particularly interested in views and suggestions on set up costs, feasibility of a biennial survey, sample size options, ideas for following up respondents from the earlier surveys in the series and data collection methods.
4. Which topics in the survey are of most and least value to you?
5. Are there any questions that you would consider removing?

The consultation ran from 21 January to 17 February 2015. It was conducted according to the Consultation Principles issued by the Cabinet Office. Details on the consultation can be found at <https://www.gov.uk/government/consultations/consultation-on-the-future-shape-of-the-english-housing-survey>.

This document summarises the responses received and sets out the Government response to the consultation.

Findings from the consultation

Responses received

The department received 66 written responses. No respondent sent in a confidential response or requested to remain anonymous.

Responses were received from a wide cross-section of society (Table 1).

Table 1: Respondents to the consultation

Type of organisation	Number of responses	Percentage of total
Central government, devolved administration or arms-length bodies	6	9%
Local authorities	9	14%
Non-departmental public bodies	2	3%
Independent statutory bodies	1	2%
Academic and research institutes	6	9%
Private sector businesses or associations	6	9%
Public-private partnerships	1	2%
Housing associations	2	3%
Voluntary/third sector organisations or social enterprises	10	15%
Professional bodies	5	8%
Membership organisations	5	8%
Research contractors	3	5%
Individual members of the public, including housing stock surveyors and interviewers	10	15%
Total	66	

Some respondents provided views on each of the consultation questions while others provided general comments. The responses are summarised below.

Cost-effective solutions for redesigning the English Housing Survey

A range of suggestions for redesigning the survey were received (Table 2). Fourteen respondents stated that no redesign was needed because the current design was the most cost effective. Many respondents pointed out that the 2010 cost review on the survey had cut it down to the core elements. They believed that making further changes would compromise the fitness for purpose of the survey.

Table 2: Suggestions for redesigning the English Housing Survey

	Number of respondents proposing the suggestion
Move to a biennial format	1
Reduce the size of the sample	3
Cover some topics less frequently	3
Follow up some respondents over a number of survey years	4
Introduce telephone data collection methods	7
Introduce on-line data collection methods	3
Make fuller use of administration data	3
Link fieldwork to or merge with another large scale survey	7
Align the household survey with the physical survey so both adopt a continuous rolling format with an annual sample of around 6,000. Carry out the household analysis on the two year interview sample, as currently used only in combination with the physical data for the housing stock results.	8

In addition, a number of respondents suggested making savings by changing some of the delivery processes or financing arrangements. Ideas included exploring options for joint funding with other government departments or non-government sources; cutting down on testing and development; reducing fieldwork training costs by introducing on-line training;

lowering operational costs by introducing new data collection technologies such as hand-held devices or by changing fieldwork remuneration structures; and reducing the number of published reports.

Many of the respondents cautioned that their ideas carried a degree of risk and recommended that the department test each fully for fitness for purpose and impact on data quality. One respondent suggested making use of the recent methodology work carried out as part of the development of the UK Household Longitudinal Study and another proposed reviewing options with the Methodology Advisory Service at the Office for National Statistics.

Would respondents be affected if the department were to pause the survey for one year in 2015-16 or to run the survey on a biennial basis?

Although two respondents stated that a pause would not affect their organisation and another two said that moving to a biennial format would have no impact, Table 3 and 4 show that respondents generally expected that the quality of the work of their organisation would be adversely affected if the survey were to pause for one year or to move to a biennial format.

Table 3: Expected impact of a pause to the English Housing Survey

	Number of respondents
Quality of the outputs of the respondent’s organisation would suffer because that data would not be sufficiently timely for tracking change or for benchmarking	28
Would not be able to fulfil some organisational commitments, for example, measuring progress against fuel poverty targets, development of local authority strategic plans etc.	3
Quality of survey data may be adversely affected	12
Cost of the English Housing Survey would rise after the pause	9
Would not be affected by a pause	2

Table 4: Expected impact of moving to a biennial format

	Number of respondents
Quality of the outputs of the respondent's organisation would suffer because a biennial format would not provide sufficiently timely data for tracking change or for benchmarking	43
Quality of the outputs of the respondent's organisation would suffer because a biennial format would not provide sufficiently reliable data for statistical analysis	21
Would not be able to fulfil some organisational commitments, for example, measuring progress against fuel poverty targets, development of local authority strategic plans etc.	3
Would need to look for alternative data sources, a biennial format may not provide sufficiently reliable data for statistical analysis or would reduce the reliability of the Building Research Establishment stock modelling system	3
Quality of survey data may be adversely affected	20
Cost of the English Housing Survey would rise	15
Would not be affected by a move to a biennial format	2

In addition to setting out the direct impacts of the proposed options on their organisation, 12 respondents highlighted that a pause could reduce the overall quality of the survey data and 20 felt that moving to biennial format would have similar effects. Respondents outlined four reasons for the negative impact on survey quality.

- Pausing the survey for a year or moving to a biennial format could reduce the ability of the survey contractors to improve performance. A continuous format tended to provide a better environment for learning and continuous improvement because contractors could capitalise on the momentum generated by reviews of lessons learnt by implementing quality and efficiency improvements immediately the following year.
- Contractors may not be able to retain the services of surveyors and other field staff in between survey years resulting not only in the loss of skills and experience but also in the need to recruit and train new staff.
- Contractors may have to boost the refresher training offered to the surveyors they managed to retain in between survey years because some of those surveyors may have become out of practice in the 'fallow year'.

- One of the biennial options involves increasing the sample size to compensate for the reduction in fieldwork frequency, adopting this option would involve increasing the size of the surveyor field force and this would increase the risks of errors introduced due to differences between surveyors' judgement.

Respondents who mentioned the quality impacts generally went on to point out that the contractors would have to take action to address the quality issues and pass the cost onto the department. Twenty respondents explicitly mentioned that they did not believe that moving to a biennial format would yield cost savings.

What would be the best approach to carry out a robust and cost-effective biennial survey?

Nine respondents provided details of a biennial design in their response while three said that there was no feasible biennial design that would be fit for purpose.

The design proposed by the nine respondents involves doubling the size of the physical survey sample so that the scale of the physical survey would remain unchanged over any two-year period. Respondents stressed the importance of maintaining the size of the physical survey because the 2010 cost review had reduced the sample size to such an extent that key statistics derived from the physical survey now required at least two years of data. Any reduction in the size of the physical survey would render the data not fit for purpose.

Some of the proposers of the biennial design warned that adapting that design would have cost as well as quality implications. The contractors would need to recruit and train more surveyors to handle the enlarged sample. Having a larger field force would mean that errors due to differences in surveyors' judgement would increase and that would have a negative impact on the reliability of the data.

Topics that are of the most and least value to respondents

Respondents generally mentioned only the topics that they valued the most and did not provide details on the less valuable topics. All the key topics were regarded as valuable by at least one respondent (Table 5). Many pointed out that the topics that were not valuable to them were likely to be valuable to other users.

Table 5: Topics of most value to respondents

	Number of respondents
Demographic and household characteristics	16
Income	11
Housing aspirations	5
Attitudes	5
Housing, mortgage etc.	21
Fuel poverty, climate change energy efficiency	17
Fire	1
Hazards	10
Topics in the physical survey	18
All the topics in the survey	5

Questions respondents would consider removing

A number of respondents agreed that some topics could be streamlined and one suggested that the survey remove all the questions collecting personal data about the household. A respondent warned against taking an ad hoc approach to removing questions because some questions that are not regularly used in analysis are used for data validation and processing.

Many respondents pointed out that the 2010 cost review had removed all the non-essential questions. Twenty respondents believed that none of the questions could be removed and 19 would like questions to be added. Most of the respondents who wanted to extend the questionnaire advocated taking on board the recommendations of the Fuel Poverty Review.¹

A number of respondents questioned whether reducing the number of questions would yield significant cost savings. They argued that the real costs involved were the costs of getting the interviewers and surveyors to the sampled properties and securing cooperation from householders. One respondent believed that the reduction in the scope of the survey brought about by the 2010 cost review did not result in significant cost savings.

¹ Hills, John, 2012, *Getting the measure of fuel poverty – final report of fuel poverty review*, CASE report 72

General comments from respondents

Most respondents made general comments about the English Housing Survey in addition to addressing the five questions.

Respondents highly valued the English Housing Survey as a source of evidence for policy development at national and local level. The survey is used by all the central government departments that responded to the consultation. Respondents from local authorities and non-government organisations reported using the survey in the development of policy, strategic plans and for benchmarking evidence. Some local government respondents also pointed out that they benefited from the survey indirectly because data from the English Housing Survey are used to develop the Building Research Establishment stock modelling system that a large number of local authorities use in place of carrying out a housing stock survey.

A number of respondents felt that, as a result of the expenditure cuts by the Office for National Statistics, the English Housing Survey is now the only comprehensive and reliable source of evidence not only on housing but also on a wide range of other issues ranging from energy efficiency to fuel poverty to risks to health from housing.

Nearly all the respondents expressed concerns about the plans to make changes to the survey. Some were worried about the long-term impacts of changing a key evidence source on housing at a time when there is a heightened interest and rapid change in the housing market. Others drew attention to the application of the survey beyond the field of housing. Half stated that they did not support the plans to pause the survey in 2015-16 (33 respondents) or to move to a biennial format (36 respondents).

Respondents appreciated the department's need to make administrative savings but some highlighted that cutting back on the English Housing Survey could create expenditure elsewhere. For example, some local authorities use the Building Research Establishment stock modelling system instead of carrying out a costly housing stock survey. The modelling system uses the English Housing Survey as its core data source. Some local authorities therefore feared that they might have to revert back to carrying out housing stock surveys if the stock modelling system became unreliable due to changes to the English Housing Survey. Respondents therefore stressed that assessments of the costs and benefits arising from changing the survey should take account of the cost and impact to organisations outside the department.

Government response to the consultation

The Government welcomes the range of comments and suggestions made on the future shape of the English Housing Survey.

We have decided that the most cost effective way forward is to keep an annual format with no pause in 2015-16. The best way of making additional savings from the English Housing Survey from 2016-17 onwards would be to alter the scale or scope of the survey. We would also streamline the reporting process.