

# Housing supply; net additional dwellings, England: 2017-18

- Annual housing supply in England amounted to 222,190 net additional dwellings in 2017-18, up 2 per cent on 2016-17.
- The 222,190 net additions in 2017-18 resulted from 195,290 new build homes, 29,720 gains from change of use between non-domestic and residential, 4,550 from conversions between houses and flats and 680 other gains (caravans, house boats etc.), offset by 8,050 demolitions.
- 13,526 of the net additions from change of use were through 'permitted development rights' (full planning permission not required). These comprised 11,555 additional dwellings from former offices, 743 from agricultural buildings, 218 from storage buildings, 110 from light industrial buildings and 900 from other non-domestic buildings.



15 November 2018

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# Introduction

This Statistical Release presents National Statistics on net additional dwellings in England up to 2017-18. The figures show the net change in dwelling stock in England between 1st April and 31st March the following year.

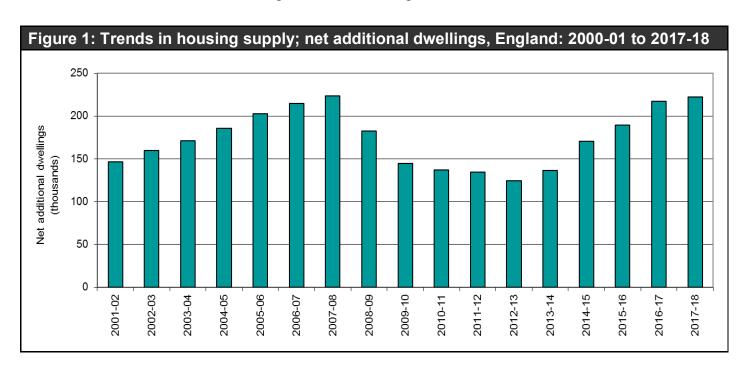
The 'net additional dwelling' figures are based on local authority estimates of gains and losses of during each year and are calculated using the most comprehensive list of sources available. This includes council tax base, building control, site visits and any other management information available to the authority.

'Net additional dwellings' is the primary and most comprehensive measure of housing supply. The Department also publishes quarterly house building statistics. These cover new build dwellings only and should be regarded as a leading indicator of overall housing supply.

Information on affordable housing is not collected as part of the net additional dwellings statistics. Separate statistics on affordable housing are published by the department, full details are available in the '*Related Statistics*' section of this release.

# National trends in net additional dwellings

The trends in net additional dwellings are shown in Figure 1 and Table 1.



Net additional dwellings reached a recent peak of 223,530 in 2007-08 and then decreased to 124,720 in 2012-13 with the economic downturn. Since then, net additions have increased to 2 Housing Statistical Release

222,190 in 2017-18, up 2 per cent on the previous year. This level is 1 per cent below the 2007-08 peak and 78 per cent above the trough in 2012-13.

The 222,190 net additional dwellings in 2017-18 represents an increase of 0.93% on the previous dwelling stock estimate of 23.9 million dwellings in England as at 31 March 2017.

Table 1: Annual housing supply; net additional dwellings, England: 1991-92 to 2017-18 <sup>1</sup>					
Financial Year	Net additional dwellings	Change from previous year (percentage change)			
1991-92	165,000				
1992-93	151,000	-8%			
1993-94	152,000	1%			
1994-95	166,000	9%			
1995-96	163,000	-2%			
1996-97	154,000	-6%			
1997-98	156,000	1%			
1998-99	149,000	-4%			
1999-00	148,000	-1%			
2000-01	132,000	-11%			
2001-02	146,700	11%			
2002-03	159,870	9%			
2003-04	170,970	7%			
2004-05	185,550	9%			
2005-06	202,650	9%			
2006-07	214,940	6%			
2007-08	223,530	4%			
2008-09	182,770	-18%			
2009-10	144,870	-21%			
2010-11	137,390	-5%			
2011-12 P	134,900	-2%			
2012-13 P	124,720	-8%			
2013-14 P	136,610	10%			
2014-15 P	170,690	25%			
2015-16 P	189,650	11%			
2016-17 P	217,350	15%			
2017-18 P	222,190	2%			

<sup>1.</sup> The dwelling counts from the 2001 and 2011 Census were previously used to revise the estimates from 1991-92 to 2010-11. See the 'Scheduled revisions' section for further information.

P Figure provisional and subject to revision.

<sup>2.</sup> In 2000-01 a new data collection system was introduced to improve estimates of housing supply and collect information on the components of supply. See the 'Notes' section for further information.

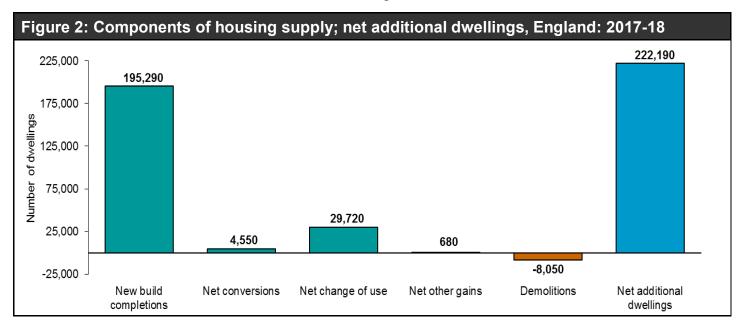
# Components of net additional dwellings

The annual net change in the dwelling stock breaks down as follows:

- New house building completions;
- Gains or losses through conversions (for example of a house into flats);
- Changes of use (for example a shop into house or a barn conversion);
- Demolitions; and
- Other changes to the dwelling stock (caravans, houseboats etc.)

Full descriptions are in the 'Definitions' section of this publication.

The components of net additional dwellings in 2017-18 are shown in Figure 2 and detailed in Table 2. A time series since 2006-07 is shown in Figure 3.



New build completions is the largest component. In 2017-18, the 195,290 new build completions accounted for 88 per cent of the net change. 'Change of use' is the second largest component with a gain of 29,720 dwellings (13% of the net change). Conversions added 4,550 dwellings (2% of the net change) and there were a further 680 other gains (0.3% of the net change). Demolitions resulted in a loss of 8,050 dwellings (-4% of the net change).

Net additions from change of use decreased in 2017/18, down by 7,470 (20%) on the previous year. This component includes the amendments to 'permitted development rights' making it easier to change buildings to residential use. New build completions increased by 11,720 (6%).

Since 2015-16, new data have been collected on dwellings from change of use under permitted development rights. In 2017-18, the 29,720 additional homes resulting from change of use

included 13,526 through permitted development rights. These additional dwellings (through permitted development rights) comprised 11,555 office to residential, 743 agricultural to residential, 218 storage to residential, 110 light industrial use to residential, 861 any other to residential and 39 unspecified to residential.

Table 2: Components of housing supply; net additional dwellings, England: 2012-13 to 2017-18 <sup>1,2</sup>							
							Change 2016-17 to
Components of housing supply	2012-13 <sup>P</sup>	2013-14 <sup>P</sup>	2014-15 <sup>P</sup>	2015-16 <sup>P</sup>	2016-17 <sup>P</sup>	2017-18 <sup>P</sup>	2017-18
New build completions	118,540	130,340	155,080	163,940	183,570	195,290	11,720
Plus							
Net conversions	4,100	4,470	4,950	4,760	5,680	4,550	-1,130
Plus							
Net change of use	12,780	12,520	20,650	30,600	37,190	29,720	-7,470
of which delivered under permitted development rights, comprising:							
Agricultural to residential;	-	-	-	226	330	743	413
Office to residential;	-	-	-	12,824	17,751	11,555	-6,196
Storage to residential;	-	-	-	55	106	218	112
Light Industrial to residential;	-	-	-	-	-	110	-
Any other to residential;	-	-	-	645	613	861	248
Unspecified to residential;	-	-	-	129	87	39	-48
Total to residential;	-	-	-	13,879	18,887	13,526	-5,361
Plus							
Net other gains	1,370	1,330	630	780	720	680	-50
Less							
Demolitions	12,060	12,060	10,610	10,420	9,820	8,050	-1,770
Gives							
Net additional dwellings	124,720	136,610	170,690	189,650	217,350	222,190	4,850

<sup>1.</sup> The dwelling counts from the 2011 Census have previously been used to revise the net supply estimates from 2001-02 to 2010-11. See the 'Scheduled revisions' section for further information.

<sup>2.</sup> This breakdown of housing supply is available since 2006-07 and published in Live Table 120. See the 'Accompanying tables section for further information.

<sup>3.</sup> Totals may not equal the sum of component parts due to rounding to the nearest 10. Figures for delivery via permitted development rights are unrounded.

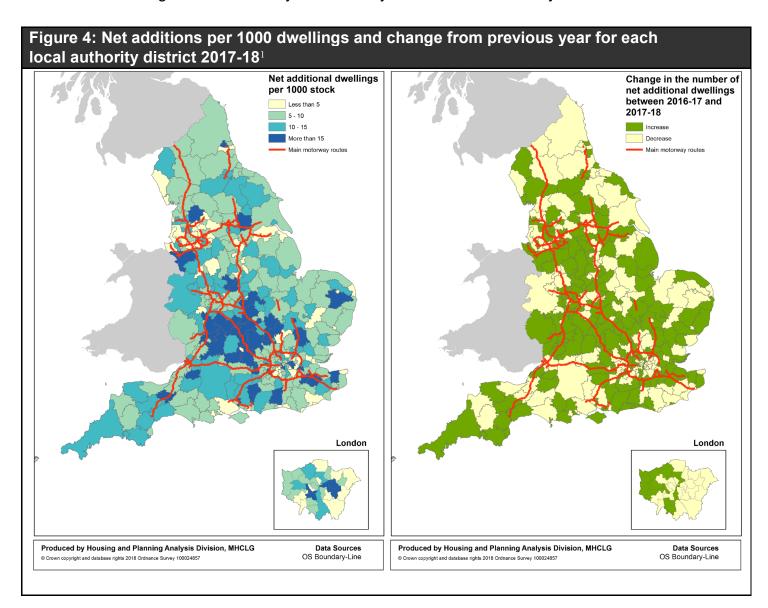
P Figure provisional and subject to revision.



# Sub-national trends

#### Geographic distribution of net housing supply

The left hand map in Figure 4 shows the rate of net additions (i.e. net additions per 1000 dwellings) in each local authority district in England in 2017-18. The right hand map shows the change in net additional dwellings between 2016-17 and 2017-18. Rates of net additions are not uniform across England and can vary considerably between local authority areas.



#### Sub national trends in levels of net additions

There are relatively high rates of net additional dwellings in local authorities stretching from west of

<sup>&</sup>lt;sup>1</sup> The left hand map in Figure 4 shows net additions rates in each of the 326 local authority districts during 2017-18. The right hand map shows whether the number of net additional dwellings have increased or decreased over the previous year. To show net housing supply in proportion to the size of each district we divide the number of net additions in the 12 months to 31 March 2018 by the existing dwelling stock (multiplied by 1000 for easier interpretation). Consider a hypothetical local authority district with 100,000 dwellings as at 31 March 2017. Over the next year 200 new dwellings are completed, representing two new dwellings per thousand of existing stock (rounded).

the London commuter belt across the midlands to East Anglia.

The Vale of White Horse, Uttlesford and Daventry have the top three net addition rates per 1000 dwellings in the country. Other notable areas with high rates of net additions per 1000 dwellings occur in Tewkesbury, Wokingham, Stratford-on-Avon and Dartford. London presents a mixed picture, with six of the top 40 net addition rates per 1000 dwellings, but also eight of the bottom 40.

Areas with low levels of net additions per 1000 dwellings are geographically varied. Aside from the Isles of Scilly (which has a low level of residential dwelling stock), the lowest three net additions rates per 1000 of the stock were in Gateshead, Stevenage and Elmbridge. Low rates for Gateshead result from a medium level of demolitions and a medium level of new build.

#### Changes in levels of net additions

Changes in the level of net additional dwellings between 2016-17 and 2017-18 also varied across England, increasing in 178 out of 326 authorities. The geographic spread of increases and decreases is mixed. In London, 12 out of 33 London Boroughs showing some level of increase and 21 having decreases.

# Communal accommodation

This publication includes separate data on additions and losses from the stock of communal accommodation. These figures are not included in the main net additions figures shown above. Communal accommodation is distinguished from the dwellings in the main net additions figures as it does not provide self-contained household spaces with kitchens and bathrooms. Communal accommodation, thus defined, does not include 'student or other cluster flats' which are included in the main net additional dwellings figures. Each cluster flat typically has several bedrooms and shared cooking and living space behind a lockable door. Communal accommodation, however, has a number of individual bedrooms sharing communal facilities such as a refectory or lounge. For more information please see the 'Definitions' section of this release.

Figures for communal accommodation presented here are split into 'student' and 'other' communal accommodation. Communal student accommodation is the traditional 'student hall' style with many student rooms and a single refectory. Other communal accommodation includes care homes or hostels where rooms are arranged along corridors with one or more communal sitting and dining rooms.

Communal accommodation figures by component are shown in Table 3. In 2017-18, there was a net increase of 2,270 communal student accommodation units and a net increase of 420 other communal accommodation units, bringing the total net increase to 2,690.

Table 3: Components of communal accommodation, England: 2014-15 to 2017-18						
Components of Communal accommodation	Number of council tax valuation listings <sup>1</sup>					
	2014-15	2015-16	2016-17	2017-18		
Student Gain	4,350	3,220	4,050	2,310		
Student Loss	100	190	180	40		
Student Net Change	4,250	3,040	3,870	2,270		
Other Gain	1,380	1,330	1,310	740		
Other Loss	540	410	560	320		
Other Net Change	840	920	750	420		
Total Gain	5,730	4,560	5,360	3,050		
Total Loss	640	600	740	360		
Total Net Change 5,090 3,960 4,620 2,690						

<sup>1.</sup> The number of communal accommodation units corresponds to the number of council tax valuation listings for the accommodation, as described on the Valuations Office Agency website at the following link. <a href="http://www.voa.gov.uk/corporate/CouncilTax/multiOccupiedHomes.html">http://www.voa.gov.uk/corporate/CouncilTax/multiOccupiedHomes.html</a>

# Accompanying tables

Accompanying tables are available to download alongside this release. These are:

- Table 120
   Components of housing supply; net additional dwellings, England:
  - 2006-07 to 2017-18
- **Table 122** Housing supply; net additional dwellings, by local authority district, England:
  - 2001-02 to 2017-18
- **Table 123** Housing supply; net additional dwellings, component flows of, by local authority district: 2012-13 to 2017-18
- **Table 124** Housing supply; communal accommodation, component flows of, by local authority district: 2014-15 to 2017-18 (*Units: Council Tax Valuation Listings*)
- **Table 124b** Housing supply; communal accommodation, component flows of, by local authority district: 2015-16 to 2017-18 (*Units: Bedspaces*)

Table 124b is new. The tables provide unrounded data. These tables can be accessed at: <a href="http://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing">http://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing</a>

In addition, legacy regional tables are also available at the link above. These tables have not been updated. For more information please see the Written Ministerial Statement as noted below: <a href="http://www.gov.uk/government/speeches/statistics-for-local-enterprise-partnerships-and-upper-tier-local-authorities">http://www.gov.uk/government/speeches/statistics-for-local-enterprise-partnerships-and-upper-tier-local-authorities</a>

<sup>2.</sup> Figures for 2015-16, 2016-17 and 2017-18 have also been collected in the communal accommodation units of bedspaces and are published in LiveTable124b (see accompanying tables section).

<sup>3.</sup> Figures for previous years are available at this link (<a href="https://www.gov.uk/government/statistics/net-supply-of-housing-in-england-2012-to-2013">https://www.gov.uk/government/statistics/net-supply-of-housing-in-england-2012-to-2013</a>), however these are not directly comparable (as London figures previously referred to the number of bedrooms provided, rather than council tax valuation listings).

**Table 118** Annual net additional dwellings: England and the regions, 2000-01 to 2010-11;

Table 121 Components of net housing supply: by region, 2010-11

# **Open Data**

These statistics are available in fully open and linkable data formats at Open Data Communities:

http://opendatacommunities.org

# Related statistical releases

Housing supply; net additional dwellings and related statistics are detailed in Table 4. Further information can be found in the separate statistical release for each source which can be found at the links below.

Table 4: House building; new build dwellings and related statistics						
Release	What do statistics show?	Frequency	Where does the data come from?	What are these figures most appropriate for?		
This release: Housing sup- ply; net addi- tional dwell- ings MHCLG	Total housing supply that comprises all new build, conversions, change of use, other gains/losses and demolitions	Annual (November)	Comes from local authorities outside London (Housing Flows Reconcilia- tion Return) and for London bor- oughs is provided by Greater Lon- don Authority (London Development Database)	Provides an accurate assessment of annual change in all housing stock and is the most comprehensive estimate of supply.		
House build- ing; new build dwellings MHCLG	Quarterly estimates of new build starts and completions	Quarterly (Mar,June,Sep,D ec)	Building control officers at:  •National House Building Council  •Local Authorities  •Approved Inspectors	This is a 'leading indicator' of house building, available soon (< 2 months) after quarter end		
Dwelling Stock estimates MHCLG	Total housing stock, split by tenure	Annual (May)	Overall change in stock from Net Additional Dwellings. Tenure infor- mation provided directly from Local Authorities and Housing Associa- tions.	Provides an accurate assessment of the total size of the housing stock and how it is split by tenure		
Affordable housing MHCLG	Overall affordable housing supply (new build and acquisitions)	Annual (November)	Homes England and Greater London Authority data which is published every six months combined with and Local Authority Housing Statistics Data	Provides the most complete estimate of affordable housing supply. Affordable housing figures are a subset of total housing supply.		
Local Authority Housing Statis- tics MHCLG	Stock and condition of Local Authority owned housing, including infor- mation on rents and waiting lists	Annual (January)	Data provided directly by local authorities	Information on the stock, condition and changes to local authority owned properties, the equivalent information for housing associations is published by Homes England in their Statistical Data Return		

Energy Per-	Numbers of domes-	Quarterly	Domestic energy assessors.	Information on the energy
formance Cer- tificates MHCLG	tic Energy Performance Certificate lodgements  These relate to new domestic properties and transactions of existing dwellings.	(Apr,July,Oct,Jan)	They lodge certificates on the 'Domestic energy performance certificate register'.	performance and floor space of new and existing stock.  Can also be used as an early indicator on new housing supply.
Council Tax valuation lists VOA	Numbers of dwellings and communal accommodation.  (The VOA definition of a dwelling differs from that used in the census and in MHCLG statistics).	Annual (September)	The Valuation Office Agency compiles and maintains lists of all domestic properties in England and Wales to support the collection of council tax. These lists are continually updated to reflect new dwellings and losses.	For information on domestic and non-domestic rated properties in England for tax purposes.  Can also be used as an early indicator on new housing supply.
New Homes Bonus MHCLG	Dwellings and communal accommodation.  As the New Homes Bonus is based on council tax data, which is derived from the Valuation Office Agency's valuation list, it is collected using the same, broader definition of a dwelling as used by the Valuation Office Agency (see 'Council tax valuation lists' above).	Dwellings on the Business Rating List (eg a self- catering property)	The council taxbase data return is made by local authorities to the Ministry of Housing, Communities and Local Government in November giving details of their council tax base at September. Therefore the period over which the change in taxbase is measured for the New Homes Bonus (the year to September) is different from the period over which the Housing supply; net additional dwellings is measured (the year to April).  The New Homes Bonus allocates grants to local authorities according to the number of new homes delivered and empty homes brought back into use in their area. The growth in their council taxbase is used as a proxy measure for the number of new homes delivered because this provides information about council tax bands which are required as part of the calculation of New Homes Bonus allocations. The number of long-term empty homes in each area is also collected as part of the council tax system.	The combination of timing and definitional differences means that it is not possible to reconcile fully the New Homes Bonus numbers to the net additional dwelling estimates. The different sources will inevitably give different figures, though trends over time are likely to be similar. In addition, the New Homes Bonus headline allocations figures also include a component for empty homes brought back in to use.  Users of housing supply statistics should note that the New Homes Bonus figures are a by-product of the data used to administer the council tax system and are not primarily designed as a measure of housing supply.

### House Building; new build dwellings

The House Building; new build dwellings statistics can be found at the following link.

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

### **Council tax valuation lists**

The Valuations Office Agency statistics can be found at the following link.

#### http://www.voa.gov.uk/corporate/Publications/statistics.html

#### **Energy Performance of Buildings Certificates**

The Energy Performance of Buildings Certificates can be found at the following link.

https://www.gov.uk/government/collections/energy-performance-of-buildings-certificates

#### **New Homes Bonus**

The final New Homes Bonus allocations for 2018/19 were published on 6 February 2018. Details can be found at the following link.

https://www.gov.uk/government/publications/new-homes-bonus-final-allocations-2018-to-2019

#### **Dwelling stock estimates**

The *Dwelling Stock Estimates* can be found at the following link.

http://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government/series/dwelling-stock-including-vacants

#### Affordable housing

The Ministry of Housing, Communities and Local Government's *Affordable Housing Supply* statistics can be found at the following link.

http://www.gov.uk/government/organisations/ministry-for-housing-communities-and-local-government/series/affordable-housing-supply

The Homes England (formerly the Homes and Communities Agency) Housing Statistics can be found at the following link.

http://www.homesandcommunities.co.uk/statistics

The Ministry of Housing, Communities and Local Government is part of a cross government working group, including devolved administrations and the Office of National Statistics, working to improve the trustworthiness quality and value of housing and planning statistics across the UK.

This working group has published action plan to make the planned improvements on house building statistics clear and transparent to users. Details of this work and how you can provide feedback are available via the Government Statistical Service website:

https://gss.civilservice.gov.uk/guidances/working-with-users-2/housing-and-planning-statistics/

# **Definitions**

#### Completion

A dwelling is regarded as completed when it becomes ready for occupation or when a completion certificate is issued whether it is in fact occupied or not.

#### Conversion

A conversion is the conversion of one dwelling into multiple dwellings - such as splitting a house in to several flats, or vice versa.

#### Change of use

This is the changing of a non-residential dwelling to residential use, or changing a residential building to non-residential use. This would include, for example, a shop converted into a flat, a barn conversion or a house converted to an office. Changes to permitted development rights in May 2013, allowed offices (and subsequently other buildings) to change to residential use, subject to prior approval being granted by a local authority. (Certain areas are exempt.).

#### Communal accommodation

These are establishments providing managed residential accommodation. They are not counted in overall housing supply but are covered separately in the 'Communal accommodation' section of this release. These cover 'traditional' university and college student halls, hospital staff accommodation, hostels/homes, hotels/holiday complexes and defence establishments (not married quarters). However, purpose-built (separate) homes (e.g. self-contained flats clustered into units with 4 to 6 bedrooms for students) are included in the main dwelling figures, with each self-contained unit counted as one dwelling. The number of units counted is based on the Valuation Office Agency guidance on communal dwellings which can be found at the following link: http://www.voa.gov.uk/corporate/CouncilTax/multiOccupiedHomes.html

#### **Dwelling**

A home or dwelling in these statistics uses the Census definition of a dwelling as a self-contained unit of accommodation. Self-containment is where all the rooms (including kitchen, bathroom and toilet) in a household's accommodation are behind a single door which only that household can use. Non-self-contained household spaces at the same address should be counted together as a single dwelling. Therefore a dwelling can consist of one self-contained household space or two or more non-self-contained household spaces at the same address.

Ancillary dwellings (e.g. 'granny annexes') are included provided they are self-contained, pay separate council tax from the main residence, do not share access with the main residence (e.g. a shared hallway) and there are no conditional restrictions on occupancy.

Non-permanent (or 'temporary') dwellings are included if they are the occupant's main residence and council tax is payable on them as a main residence. These include caravans, mobile homes, converted railway carriages and houseboats. Permanent Gypsy and Traveller pitches should also

be counted if they are, or likely to become, the occupants' main residence.

#### **HFR**

The Housing Flows Reconciliation is an annual data collection in which local authorities report on changes to the size of the dwelling stock within their boundaries directly to the Department for Communities and Local Government. In 2011 all local authorities except for the London Boroughs were asked to submit their data through the HFR.

#### Net additional dwellings

A measure of the net change in dwelling stock between 1 April and 31 March of the following year. The net change comprises the number of new house building completions plus any gains or losses through conversions, changes of use and demolitions. (also referred to as *Net supply of housing*).

# **Technical notes**

# **Symbols**

The following conventions have been used in the release and tables:

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

## Data collection

This release takes annual figures on net housing supply in England from two data sources:

- Information submitted to the Ministry of Housing, Communities and Local Government (MHCLG) by local authorities in all regions except London through the Housing Flows Reconciliation (HFR) form; and
- Information collected by the Greater London Authority (GLA) for London Boroughs.

From 2000-01 to 2003-04, all local authorities submitted data to Communities and Local Government through the HFR form. Between 2004-05 and 2008-09, Communities and Local Government worked jointly with Regional Planning Bodies in some regions on joint returns to ensure consistency between the net housing supply figures reported at various geographical levels.

In 2010 the abolition of Regional Planning Bodies prompted a return to submission through the HFR for all local authorities outside London. London Boroughs continue to supply their data through the GLA. Users should note that figures for London Boroughs are provisional at this stage and may be subject to change before they are reported in the GLA's Annual Monitoring Report.

P Figure provisional and subject to revision;

<sup>&</sup>lt;sup>R</sup> Revised from previous release.

Local authorities have until late September, over five months after the end of the financial year, to complete the HFR form.

# Data quality

#### Data quality summary

From these statistics trends in net housing supply can be reliably and easily assessed both nationally and at a local authority level. The high response rate (consistently over 90%; 100% in 2017/18) and quality assurance procedures followed, involving several complimentary data sets result in accurate estimates. The flow diagram (Figure 5, below) sets out the key steps in producing and quality assuring the statistics in this release.

The minimum expected response rate for the Housing Flows Reconciliation (HFR) return which collates the underlying figures for this release is 90%. The response rate has been consistently above this, as shown in Table 5, and the department's target is to aim for a 100% response rate. In 2017/18, the response rate was 100%, with 0 out of 326 of authorities not completing the return. Authorities who have not returned data have had their estimate of net additional supply imputed as per the method outlined in the imputation section of this release, the authorities affected are:

Table 5: Overall response rates				
Financial Year	Response rates			
2006-07	97%			
2007-08	99%			
2008-09	98%			
2009-10	96%			
2010-11	93%			
2011-12	96%			
2012-13	95%			
2013-14	94%			
2014-15	96%			
2015-16	99%			
2016-17	99%			
2017-18	100%			

#### Assessment of data quality

In 2015 the UK Statistics Authority (UKSA) published a <u>regulatory standard for the quality</u> <u>assurance of administrative data</u>. To assess the quality of the data provided for this release the department has followed that standard.

The standard is supported with an <u>Administrative Data Quality Assurance Toolkit</u> which provides useful guidance on the practices that can be adopted to assure the quality of the data they utilise.

The Housing Supply net additional dwellings statistical release is produced by MHCLG based on data provided via its DELTA data collection system by 326 local authorities. An assessment of the level of risk based on the Quality Assurance Toolkit is as follows:

Risk/Profile Matrix		•	Public Interest	Matrix
Statistical Series	Source	Concern		Classification
Net additional	Local authorities'	Low	High	Medium Risk [A2]
dwellings	individual data			
	systems. Including			
	Building Control,			
	Council Tax an			
	any other			
	appropriate			
	sources			

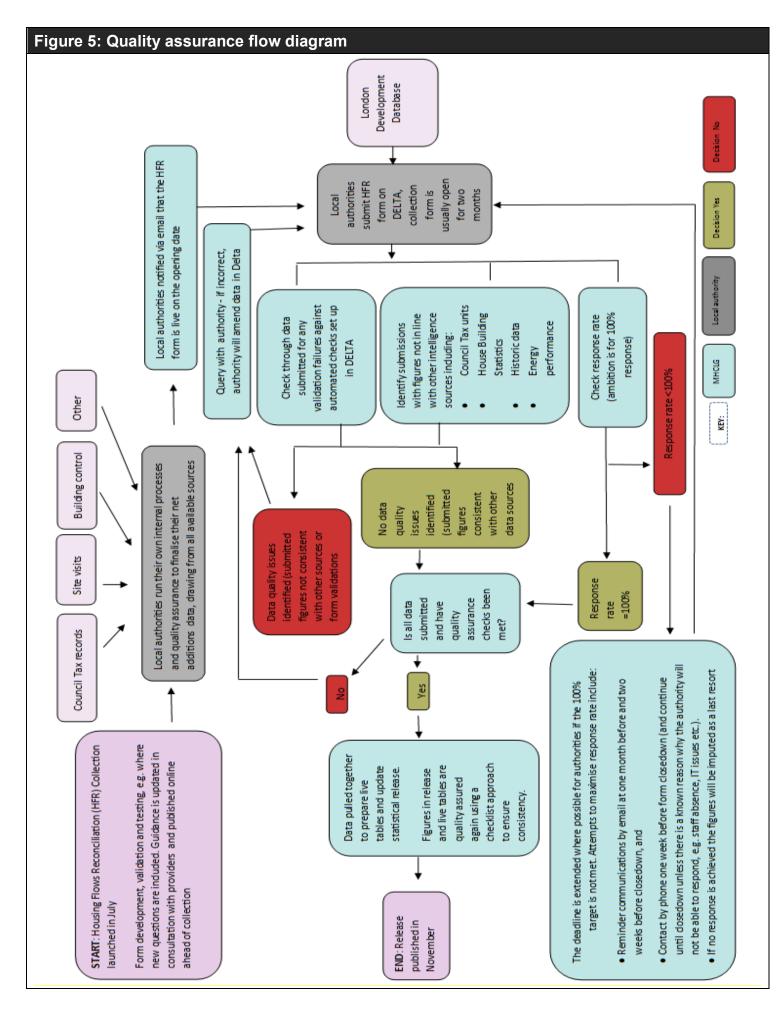
The publication of Housing Supply net additional dwellings can be considered as high profile, as there is significant mainstream media interest, with moderate economic and/or political sensitivity. These statistical form the headline figure for housing delivery in England.

The data quality concern is considered a low concern given that the data is collected from each local authority, via the data collection system DELTA which includes built in quality assurance checks. Local authorities have several sources available to them locally to cross check final figures they provide to the department.

The data are then further quality assured in detail by the responsible statisticians, who perform further detailed validation and checks, spotting and correcting any errors. These checks involve using complementary sources on housing supply and comparisons with historical data.

Overall, the Housing Supply net additional dwellings have been assessed as A2: Medium Risk. This is mainly driven by the high profile nature of the figures.

A full outline of the statistical production process and quality assurance carried out is provided in the flow chart in *Figure 5*. Further details are also provided against each of the four areas outlined in the Quality Assurance of Administrative Data (QAAD) Toolkit.



#### Operational context and admin data collection

Data to produce this statistical return is collected from two sources the Housing Flows Reconciliation Return (HFR) form which is run by the department and equivalent data which is provided directly from the Greater London Authority (GLA) London Development Database.

The HFR form collects data from all local authorities in England outside London and from the Greater London Authority (for the 33 London Boroughs). The HFR return requires local authorities to submit a full break-down of housing flows over the previous year; this includes figures for new house building, conversions, change of use and demolitions. The form was simplified for 2011-12 to remove the requirement to report by tenure. The form was expanded in 2015-16 to collect information on change of use delivered under permitted development rights. In 2017-18 it was expanded to collect information on the change of use delivered under the new permitted development right 'light industrial to residential'.

The Greater London Authority collects, collates and validates data from London Boroughs before passing the information on to the Ministry for Housing, Communities and Local Government. Since 2017-18, this return is the same as the HFR.

Net additional dwelling statistics are collected to provide a complete picture of annual housing supply in every local authority area

For the first time in 2017-18 the figures collected in this return will form part of the housing delivery test. This has been clearly communicated to data providers. Details on how the test is applied are include in the rule book published by the department.

https://www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book

#### Communication with data supply partners

Each year local authorities are supplied with comprehensive guidance to ensure that there is a common understanding of what information is to be supplied.

Feedback on the return and statistical release is regularly sought from data providers and users. For the first time in 2017-18 the collection was moved to the DELTA data collection system, which was tested before being launched with users. There is a clear requirement for local authorities to provide this data to the department as it is governed by the Single Data List.

https://www.gov.uk/government/publications/single-data-list

Communication with suppliers is managed through a number of formats (Single Data List communications, the Central Local Information Partnership (CLIP) Planning Statistics sub-group, building control groups and the data collection mailing list).

The form is usually 'live' for 8 weeks. Throughout the data collection period all providers are able to ask for help or clarification from the department with regards to their data. Should the desired response rate of 100% not be met by the deadline, individual extension can be agreed with

outstanding local authorities .Departmental statisticians and the Data Collection team will continue attempts to maximise the response rate until the new deadline. If any authorities are unable to submit data within this time and following all efforts to support them to submit, then their data will be imputed as per the section on imputation below.

#### QA principles, standards and checks by data suppliers

Local authorities will have several sources of information from which to make a final decision on the reconciled number that they will report to the department. These sources include the council tax base, building control, site visits and any other sources of information that they receive locally.

As there are 326 different organisations supplying data to the department, it is not practical to fully understand and monitor each individual provider's processes. To mitigate this lack of direct oversight, the department ensures additional effort is put into the QA checks carried out when the data is received. The department also reviews and updates guidance put out to local authorities each year, maintaining regular communication with providers throughout. Local authorities are asked to sign off the figures that they provide the department and a summary of the audit level of the figure is provided in their data return.

#### Producers' QA investigations and documentation

Whilst local authorities are expected to carry out their own checks on the data submitted, and are expected to specify the level of audit carried out in the form itself, discrepancies may arise due to incorrect interpretation of the sources or errors upon data entry. The DELTA data collection system is designed to pick errors up a point of entry and issue validation failures which prevent obviously incorrect values being submitted.

Following the completion of all data submitted via DELTA further checks are carried out by the department's statisticians. These checks are designed to pick up any figures which have passed through the validation criteria of DELTA but require further investigation. These potential errors are identified by comparing figures submitted via the HFR and London Development Database to other published sources and historical trends. Any potential errors spotted will be challenged with the data providers so that a revised figure of explanation is provided.

There are further final quality checks performed when producing the final end product. These checks use a clear checklist approach to ensure published figures are consistent across the release and live tables, with each check being systematically signed off when it has been completed.

#### **Imputation**

Imputation is used for any authorities that do not supply data through the HFR form. No imputation was required in 2017-18 due to the 100% response rate. In previous years, as a basis for imputation the ratio of the number of house building completions on quarterly Local Authority house building returns (P2) to the net additions figure was calculated at regional level, using data from all local authorities that finalised their HFR return. For local authorities which failed to submit a HFR return this ratio was applied to the number of house building completions reported on their P2 quarterly house building returns for the financial year. Due to the differing way that data was 19 Housing Statistical Release

collected in London, no imputation was performed as the Greater London Authority informed the department that all London Boroughs had supplied data.

#### Communal data

Since 2011-12, data on communal accommodation units has been collected on the HFR. The number of communal accommodation units correspond to the number of council tax valuation listings for the accommodation. Figures for 2015-16, 2016-17 and 2017-18 have also been collected in the communal accommodation units of bedspaces. For London, this data has been collected by the Greater London Authority which is provided in communal accommodation units from 2014-15 (and previously in number of bedrooms). The data is unevenly distributed between authorities and no imputation has been performed.

# Revisions policy

This policy has been developed in accordance with the UK Statistics Authority Code of Practice for Official statistics and the Ministry for Housing, Communities and Local Government Revisions Policy (found at <a href="http://www.gov.uk/government/publications/statistical-notice-dclg-revisions-policy">http://www.gov.uk/government/publications/statistical-notice-dclg-revisions-policy</a>). There are two types of revisions that the policy covers:

#### **Non-Scheduled Revisions**

Where a substantial error has occurred as a result of the compilation, imputation or dissemination process, the statistical release, live tables and other accompanying releases will be updated with a correction notice as soon as is practical.

#### **Scheduled Revisions**

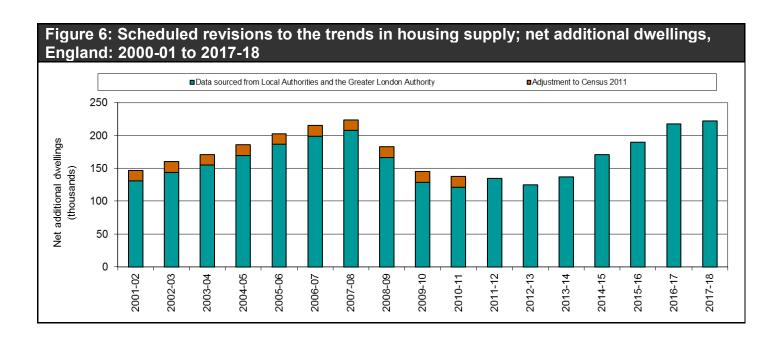
Local authorities may not revise the data they supply for these statistics after the original deadline for submission as this is an annual series with a relatively long data collection period.

These statistics are compared against the census on its release every ten years to ensure that the sum of net additions over that period matches the difference between the latest census dwelling count and the previous one. The net additions figures are then adjusted, with any difference spread evenly across the ten years since the previous census. When this adjustment was carried out following the 2001 census it amounted to around 6,600 dwellings per year at the England level.

As scheduled, the dwelling counts from the 2011 census, which were released by the Office for National Statistics in December 2012, have previously<sup>2</sup> been used to revise the net supply estimates for 2001-02 to 2010-11. This ensures the net supply estimates are calibrated to the 2001

<sup>&</sup>lt;sup>2</sup> The dwelling counts from the 2011 census have previously been used to revise the net supply estimates for 2001/02 to 2010/11 and further information on the revision methodology is published by the Department for Communities and Local Government in the Net Supply of Housing: 2012-13, England statistical release: <a href="http://www.gov.uk/government/statistics/net-supply-of-housing-in-england-2012-to-2013">http://www.gov.uk/government/statistics/net-supply-of-housing-in-england-2012-to-2013</a>

and 2011 censuses and consistent with the dwelling stock estimates (which is also collected and published by the Ministry for Housing, Communities and Local Government: see the 'Related statistics' section of this publication). The revision of the net supply estimates was implemented by adding 16,190 extra dwellings per year between 2001-02 and 2010-11. This can be seen in Figure 6 which shows the previous estimates (based on Housing Flows Reconciliation data sourced from Local Authorities and information supplied the Greater London Authority) plus the adjustment to the 2011 Census which sum to produce the revised trend in net additional dwellings.



## Uses of the data

The housing supply; net additional dwellings statistical series is an important part of the evidence base which informs the development and evaluation of housing policy by central and local government. They are the only data source to give a comprehensive picture of housing supply consistent with the Census dwelling definition; consequently net additions provides the only consistent data source for providing dwelling stock estimates between census years in England.

The net additional dwelling statistics are a key data source for local authorities in their planning policy when assessing supply against future housing requirements and comparing performance against peers. The net additional dwelling statistics are used by other government departments and businesses to assess and model various elements of housing supply.

The data provided for this release will also be used in calculating delivery in each local authority area for the proposed Housing Delivery Test.

# User engagement

Users are encouraged to provide feedback on how these statistics are used and how well they meet user needs. Comments on any issues relating to this statistical release are welcomed and encouraged. Responses should be addressed to the "Public enquiries" contact given in the "Enquiries" section below.

The Ministry's engagement strategy to meet the needs of statistics users is published here: <a href="https://www.gov.uk/government/publications/engagement-strategy-to-meet-the-needs-of-statistics-users">https://www.gov.uk/government/publications/engagement-strategy-to-meet-the-needs-of-statistics-users</a>

A short questionnaire on how the Housing Statistics and data are used and the decisions they inform is currently open at: <a href="https://www.surveymonkey.co.uk/r/housinguser">https://www.surveymonkey.co.uk/r/housinguser</a>

#### **Notes**

- 1. Prior to 2000-01 it had been possible to make estimates of annual housing supply since the late 1960s simply by looking at changes in annually-produced housing stock figures. In 2000-01 a new data collection system was introduced to improve estimates of housing supply and collect information on the components of supply.
- For 2017-18, all local authorities outside of London used the HFR to submit their net supply data to Ministry of Housing, Communities and Local Government. Authorities in London submitted data to the Greater London Authority who passed data to the Ministry of Housing, Communities and Local Government.
- Details of ministers and officials who receive pre-release access to the Ministry of Housing, Communities and Local Government annual housing supply release up to 24 hours before release can be found at: <a href="https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government/about/statistics">https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government/about/statistics</a>

## Devolved administration statistics

The Scottish Government does not publish a similar series on net supply of housing, but time series showing demolitions and conversions in Scotland are available.

http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/ConDem

These statistics are in addition to the new build statistics produced by the Scottish Government which are available at the following link.

http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/NewBuild

The Scottish Government also produce dwelling stock numbers for Scotland, these are separate from the figures above and are based on Council Tax data. They can be found at the following link. http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/KeyInfo

Wales and Northern Ireland do not publish net supply statistics in the same format as the Ministry for Housing, Communities and Local Government, but they do publish annual stock statistics calculated using net supply to dwelling stock data. These can be found at the following links.

Wales <a href="http://wales.gov.uk/topics/statistics/headlines/housing2012/120222/?lang=en">http://wales.gov.uk/topics/statistics/headlines/housing2012/120222/?lang=en</a>

Northern Ireland <a href="https://www.finance-ni.gov.uk/topics/statistics-and-research/new-dwelling-statistics">https://www.finance-ni.gov.uk/topics/statistics-and-research/new-dwelling-statistics</a>

# **Enquiries**

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Email: newsdesk@communities.gov.uk

#### Public enquiries and Responsible Statistician:

Neil Higgins

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Information on Official Statistics is available via the UK Statistics Authority website: <a href="https://www.gov.uk/government/statistics/announcements">https://www.gov.uk/government/statistics/announcements</a>

Information about statistics at MHCLG is available via the Ministry's website: <a href="https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government/about/statistics">https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government/about/statistics</a>

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