



Ministry of Housing,
Communities &
Local Government

House building; new build dwellings, England

Consultation on proposed changes

House building; new build Dwellings, England: Consultation on proposed changes

Contents

Summary of consultation	3
Scope of the consultation	4
Useful Information	4
Introduction	6
Building control as a data source	7
Updates to the release following the June 2018 action plan	9
Meeting user needs	10
Proposed changes to the release going forward	11
Consultation questions	12
How to respond	12
About this consultation	13
Annex A	14
Annex B	17

Summary of consultation

The Ministry of Housing, Communities and Local Government (MHCLG) is inviting users to comment on a proposal to change both the title and general focus of the long running House building; new build dwellings statistics hereafter referred to as “house building statistics”.

Alongside the quarterly house building statistics the department publishes an annual release entitled ‘Housing supply: net additional dwellings’, hereafter referred to as “housing supply statistics”. The housing supply statistics are the primary and most comprehensive measure of housing supply.

There is a long-standing difference between these two sources when comparing new build completions. This is due to the coverage of building control data which are the source for the quarterly statistics. Currently the quarterly house building statistics captures around 80% of the final number of new build completions identified in the annual housing supply statistics release (which uses a much broader range of sources to calculate new housing supply).

The department previously published an action plan in June 2018 to further investigate the data coverage issue. Following this work the department has consulted further with data providers and implemented a number of improvements to the statistics, details of which are set out in an update provided as part of this consultation.

The statistics were compliance checked with the Code of Practice for Statistics by the Office for Statistics Regulation and they confirmed the continued designation of these as National Statistics in February 2019. To continue this improvement work it is the department’s view that the statistical output should be updated further to better reflect its sources and coverage and to assist users in understanding how these figures can be used more appropriately.

The department is proposing to change the title of the house building statistical output to “Housing supply; Indicators of new supply” The new release will focus on the fact that the building control data is one source available for estimating the level of housing supply.

The updated release will also further expand on recent developments which include early estimates of housing supply through other sources such as the Energy Performance Certificates. The department will continue to work closely with local authorities and other producers of housing statistics to improve coverage and transparency of the data and to investigate further additional data sources and opportunities to improve the statistics.

Scope of the consultation

Topic of this consultation:	This consultation seeks views on the proposed changing of the title, focus and content of the House building; new build dwellings release.
Scope of this consultation:	We are considering how best to meet the needs of users in improving the quality of these statistics. The department is proposing to change this statistical release to draw in more from other data sources to produce a comprehensive set of early indicators of housing supply.
Geographical scope:	These proposals relate to statistics for England only.
Impact Assessment:	An impact assessment is not required as this is a technical consultation relating to the Ministry's statistical activity.

Useful Information

To:	Any users of the House building; new build dwellings statistics or parties interested in housing Supply in England namely; government departments, local government, sector organisations, industry, academics, media, campaign groups, community groups, consultants and members of the public.
Body/bodies responsible for the consultation:	Housing and Planning Analysis Division of the Ministry of Housing, Communities and Local Government.
Duration:	This consultation will last for 2 months from 26/03/2020 to 26/05/2020
Enquiries:	For any enquiries about the consultation please contact: Housing.Statistics@communities.gov.uk
How to respond:	<p>Please read through the document.</p> <p>You can email your response to the questions in this consultation to Housing.Statistics@communities.gov.uk</p> <p>If you wish to post a written response, then please send it to: Housing building statistics – consultation, Housing and Planning Analysis Division, MHCLG, 4th Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF</p> <p>When replying please let us know if you are responding as an individual or on behalf of an organisation and include:</p> <ul style="list-style-type: none"> - your name, - your position (if applicable), - the name of organisation (if applicable), - an address (including post-code), - an email address, and - a contact telephone number

House building; new build dwellings statistics

Introduction

1. This document invites comments on The Ministry of Housing, Communities and Local Government (MHCLG) proposals to change the focus and content of the house building statistics release: <https://www.gov.uk/government/collections/house-building-statistics>
2. The house building statistics release are badged as National Statistics with its bulletin published each quarter. The release collates data from building control authorities to provide estimates for new build housing supply in England. The statistics were compliance checked with the Code of Practice for Statistics by the Office for Statistics Regulation and they confirmed the continued designation of these as National Statistics in February 2019.
<https://www.statisticsauthority.gov.uk/correspondence/response-to-update-on-statistics-on-housing-in-england/>
3. The data coverage of the statistics, derived from building control data, is known to undercount delivery when compared to the departments headline measure of housing supply:
<https://www.gov.uk/government/collections/house-building-statistics>
4. This is because when compiling the annual housing supply statistics return local authorities can draw on all available sources of housebuilding data. This would include building control, council tax base, site visits and any other intelligence. The quarterly statistics are drawn from building control data only and so do not have as comprehensive coverage. Reasons for the undercount in building control data are expanded upon in the next section of this consultation.
5. Therefore, the department is proposing to change the focus of the house building statistics release to make it clearer that these figures are appropriate to be used as indicators of housing supply, including housing starts.

6. MHCLG has a statutory duty, in accordance with the Statistics and Registration Act 2007, to ensure its statistics meets user needs and engage users on changes to the department's statistical output. This consultation meets the requirements for National Statistics to consult its users where major changes are proposed.

Building control as a data source

7. Since 1946, the quarterly house building statistics have been based on the building control system as it is able to identify the start of new build dwellings (specifically the commencement of construction in laying of foundations) and to identify the measure of new build dwelling completions (as measured by the completion certificate).
8. Building regulations are minimum standards for design, construction and alterations to virtually every building. The regulations are developed by the UK government and approved by Parliament. The Building Regulations 2010 cover the construction and extension of buildings and these regulations. Individuals or organisations can apply to any local authority building control department or Approved Inspector for building regulations approval.
9. Approved inspectors are companies or individuals authorised under the Building Act 1984 to carry out building control work in England and Wales. The NHBC (National House-Building Council) are the largest organisation of approved inspectors and they provide their building control data directly to the department. Following regulatory changes in 2005 it became easier for other independent providers to operate in the private house building market for building control.
10. To produce the house building statistics the department collates three separate data sources:
 - Building control data from the NHBC, which is provided in full directly to the department;

- Building control data from local authorities which is mandatory to be provided to the department by local authorities; and
- Building control data by other independent approved inspectors, which is only provided to the department on a voluntary basis.

11. Independent approved inspector's data has been included in the statistics since 2007. The percentages of all new build dwelling starts and completions reported by approved inspectors have increased significantly since 2007. Latest estimates suggest they could account for up to 20% of the market.

12. As data returns from independent approved inspectors are voluntary this means that we cannot get complete coverage of building control information from these organisations. The fact that they have grown in terms of market share since 2007 means that the coverage overall has continued to decline.

13. There are other factors making collecting the building control data more complicated.

- There are particular issues in some areas, for example, as the recording of local authority building control has transferred out into strategic partnerships or been outsourced to the private sector.
- Late provision of completion certificates is an issue reported to us by some Local Authorities which partly reflects increases in the construction of high-rise dwellings, with dwellings completed on a floor by floor basis with property type/units subject to change and delay in response to market conditions.
- There are also challenges in the recording of the numbers of dwelling units in schemes such as student cluster flats and retirement developments, which the department has attempted to address by clarifying definitions and promoting consistency of definitions. However, they can remain difficult to identify correctly on building control databases.
- Several local authorities have informed us they have less time to collate and complete the returns to central government.

- Finally, there is a sector exempt from building control certification (Ministry of Defence Developments) so by definition these new builds are excluded.

Updates to the release following the June 2018 action plan

14. Alongside the June 2018 release MHCLG published an action plan to improve the measurement of new homes built. This document sets out in detail the on-going work to improve the quality and coverage of our house building statistics.

<https://www.gov.uk/government/publications/improving-the-measurement-of-new-homes-built-action-plan>

15. After publication of this document the department took the following actions:

- Updated and refined the contents of the release to make it clearer to the users the flaws within the data and made that they should be used as a leading indicator;
- Started to include Energy Performance Certificate estimates within the release to provide users with a broader estimate;
- Updated the bulletin to include new content include charts and data quality process flowcharts;
- Refreshed and updated all of our online guidance and guidance within the departments data collection system DELTA; and
- Contacted LAs with largest discrepancies to try to understand the issues they face, had further discussions with authorities at Central Local Information Partnership meetings.

16. What the department has found following this work is:

- In discussions with local authorities and assessing the data we receive it is clear that independent approved inspectors are not consistent in sending through either starts or completions notifications and there is no clear incentive for them to do so.

- Alongside the changes proposed in this consultation the department is evaluating how upcoming legislative reforms in the construction sector may improve the available data and inform housebuilding statistics in the UK.
- A consideration of other available data sources has concluded that whilst some alternative sources could prove a usual source to estimate new housing supply there is no one source that can provide a definitive and timely estimator. Housing supply statistics continue to be the most robust estimate but is only available annually. A comparison of the available sources is provided in the table in Annex A
- Provision of local authority building control has changed over the years with a number of authorities using combined building control partnerships. The current imputation procedures for missing local authority and approved inspector data are based on historic delivery and have been carried forward for a number of years, so these procedures could be reviewed and updated.

17. Therefore, the department has produced a proposal for the future of these statistics as outlined in this user consultation.

Meeting user needs

18. User groups of the statistic are varied including: MHCLG and other government departments and agencies, local government, local government associations, academics, media, and community and campaign groups, as well as interested members of the public.

19. It is therefore proposed that to be of more use to housing statistics users the statistical release be changed to provide a more rounded early indicator of housing supply in England.

Proposed changes to the release going forward

20. Following the outcome of the department's investigation into building control data and other data sources, it is proposed the title of the statistical release be changed with the focus of the release to be broadened to estimates of housing supply in general. This change is designed to keep user better informed as to what the statistics actually represent and are suitable to be used for. The department will also continue work begun in the improvement action plan to draw on a wider range of available data sources.

21. This proposal has been shared with the other producers of housing statistics across the devolved administrations in the UK as well as with the ONS and OSR. The changes outlined were welcomed as sensible potential improvements, subject to the views of users. The department will continue to work with these organisations to ensure transparency and comparability of data across the UK and to look at further opportunities to improve the statistics by exploiting other data sources.

22. Specifically, the changes the department is intending to implement from the January to March 2020 publication due in June 2020 are:

- Include more analysis of Energy Performance Certificates data in the release and consider any other data sources which could be incorporated.
- Referring to the building control data wherever it is used, rather than referring to it as housebuilding. This will make the source clear to users and aims to prevent any confusion across the range of housebuilding estimates.
- Within the release include analysis looking across the range of available indicators and use this to provide an early estimator of the final more robust housing supply statistics measure of new build.
- Changing the title of the release to "Housing supply; Indicators of new supply". This title will better reflect the updated content of the release and give users clarity about what the best use for these statistics are.
- Continue to engage with all data providers including local authority building control, the National House Building Council and independent approved inspectors with a view to improve the coverage of building control statistics.

Consultation questions

23. Which user group most represents your situation?

24. What do you use the House building; new build dwellings statistics for?

25. Do you agree with the proposed changes to the statistics?

Please give details for your decision.

26. Is there anything else you think it would be helpful for the statistics to contain?

27. Do you have any further comments?

How to respond

Now you have read through this document, we would be grateful for your views.

You can email your response to Housing.Statistics@communities.gov.uk

If you wish to post a written response, then please send it to:

Housing statistics consultation,
Housing and Planning Analysis Division,
MHCLG,
4th Floor, Fry Building,
2 Marsham Street,
London,
SW1P 4DF

When replying please let us know if you are responding as an individual or on behalf of an organisation and include:

- your name,
- your position (if applicable),
- the name of organisation (if applicable),
- an address (including post-code),
- an email address, and
- a contact telephone number

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal data, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the EU General Data Protection Regulation, and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the department is bound by the Freedom of Information Act and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

The Ministry of Housing, Communities and Local Government will process your personal data in accordance with the law and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included at Annex A.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the [complaints procedure](#).

Annex A

Sources of new build dwelling information				
Source	Included	Excluded	Where do the data come from?	Suitability as an estimator of housing supply
MHCLG House building; new build dwellings	<p>Quarterly estimates of new build starts and completions</p> <p>Quarterly estimates of new build housing by tenure of developer</p>	<p>Communal accommodation, e.g. university, student or hostel</p> <p>New build dwellings without a completion certificate.</p> <p>Full breakdown of affordable housing. Building control inspection do not identify the funding sources for development. This means that affordable units provided by local authorities and housing associations are mis-recorded as 'private enterprise'.</p>	<p>Building control officers at:</p> <ul style="list-style-type: none"> • National House Building Council • Local Authorities • Approved Inspectors 	<p>This release is best used as a 'leading indicator' of house building, available soon after quarter end.</p> <p>It is timely (quarterly estimates) and good for recent trends (including starts by tenure).</p> <p>The tenure split reported in the house building statistics continues to have practical uses as they provide more frequent and timely estimates of starts as well as completions and are available back to 1946.</p>
MHCLG Housing supply: net additional dwellings	<p>Total housing supply that comprises new build, conversions, change of use, other gains/losses and demolitions.</p>	<p>Communal accommodation not included in main figures; provided separately</p> <p>No breakdown by tenure.</p> <p>Completions only</p>	<p>Annual statistical return from local authorities and Greater London Authority.</p> <p>The new build figures from the annual return provide a more complete count than the building control based quarterly statistics. Local authorities have longer to complete the annual return and to reconcile various sources including building control, council tax records and site visits. The new build component of the net additions statistics is generally larger than the corresponding annual total from the quarterly new build series.</p>	<p>This is the most robust measure of total housing supply, based on all available evidence. It Uses Exact definitions and components (net additional dwellings, new build dwellings, conversions, change of use, other gains/losses and demolitions). However, it is less timely and only an annual estimate.</p>

<p>MHCLG Energy Performance Certificates</p>	<p>Domestic Energy Performance Certificate Lodgements</p> <p>These relate to new domestic properties and transactions of existing dwellings. New domestic properties' can be identified separately.</p>	<p>Existing Properties which for which no EPC has been lodged.</p> <p>(An EPC is only required when a property is constructed, sold or let).</p> <p>No breakdown by tenure</p> <p>Completions only</p>	<p>Domestic energy assessors.</p> <p>They lodge certificates on the 'Domestic energy performance certificate register'.</p>	<p>Provides a timely (quarterly estimate) and includes useful complementary data (size of new properties). It is good for recent trends, record level open data. But broad definitions mean new build dwellings or conversions cannot be separately identified.</p>
<p>VOA Council Tax valuation lists</p>	<p>Dwellings and communal accommodation.</p> <p>The Valuation Office Agency's definition of a dwelling differs from that used in the census and by MHCLG. The VOA data includes communal dwellings as these are included in the council tax list.</p>	<p>Dwellings on the Business Rating List (e.g. a self-catering property)</p> <p>No breakdown by tenure</p> <p>Completions only</p>	<p>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.</p>	<p>Good data coverage (as source for Council Tax Base). However only an annual estimate. It is available earlier than net additions so a useful indicator of housing supply and to quality assure the net additions data returns.</p> <p>Broad definitions mean new housing supply (and components), communal accommodation and movement between lists (domestic and non-domestic properties) cannot be identified.</p>

Land Registry New Build Transactions	<p>Monthly estimates of new build transactions that have been privately sold.</p>	<p>Excludes new build developments on sites of less than 6 dwellings.</p> <p>Excludes new build properties that are unsold.</p> <p>Excludes new build developments for affordable/social rent.</p> <p>Completions only</p>	<p>Estimates from Land Registry.</p>	<p>An approximate indicator of new build activity only. Less timely (due to lags between construction completion, private sale and registration which can be up to a year or more), definitional differences and coverage issues with a number of developments not captured.</p>
MHCLG Affordable Housing Supply (all)	<p>Annual estimates of overall affordable housing starts and completions.</p> <p>Include acquisitions of properties for affordable housing</p> <p>Time series from 1991/92.</p>	<p>Covers affordable housing only. Split by the source of funding.</p>	<p>Annual Affordable Housing Statistics which use Homes England, GLA and LA data (on delivery not reported via Homes England/GLA).</p>	<p>This is the fullest measure of affordable housing supply, based on all available evidence.</p> <p>Uses exact definitions and components (starts and completions). However, excludes non-affordable housing.</p> <p>It is less timely and only an annual estimate. Although updates from the Greater London Authority are published more frequently (they cover about 70% of total affordable provision currently)</p> <p>Time series from 1991/92.</p>

Annex B

Personal data

The following is to explain your rights and give you the information you are be entitled to under the Data Protection Act 2018.

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gsi.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

MHCLG has a statutory duty, in accordance with the Statistics and Registration Act 2007, to ensure the statistic meets user needs and engage users on changes to the statistic.

The Data Protection Act 2018 states that, as a government department, MHCLG may process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

3. With whom we will be sharing your personal data

Personal data will not be shared outside the department.

4. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for two years from the closure of the consultation.

5. Your rights, e.g. access, rectification, erasure

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have all or some of your data deleted or corrected
- d. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

6. Your personal data will not be sent overseas.

7. Your personal data will not be used for any automated decision making.

8. Your personal data will be stored in a secure government IT system



© Crown copyright, 2020

Copyright in the typographical arrangement rests with the Crown.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/>

This document/publication is also available on our website at www.gov.uk/mhclg

If you have any enquiries regarding this document/publication, complete the form at <http://forms.communities.gov.uk/> or write to us at:

Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF
Telephone: 0303 444 0000

For all our latest news and updates follow us on Twitter: <https://twitter.com/mhclg>

March 2020