

**Background Quality Report: Property transactions completed in the UK with value £40,000 or above**

<b>Dimension</b>	<b>Assessment by the author</b>
<p><b>Introduction</b></p>	<p><b><i>Context for the quality report.</i></b></p> <p>'Property transactions completed in the UK with value £40,000 or above' is a monthly publication by HM Revenue &amp; Customs (HMRC). It presents aggregate monthly counts of the number of residential and non-residential property transactions, broken down by UK country. The data is based upon the date each transaction was completed.</p> <p>The UK aggregate figures are provided on both a non-seasonally adjusted and a seasonally adjusted basis.</p> <p>The statistics are derived from HMRC's Stamp Duty Land Tax database which records information from the Land Transaction Return. These returns are completed or submitted online whenever an interest in real or leasehold property in the United Kingdom is transferred on sale, or a notifiable lease is granted.</p> <p>Not all property transactions are captured in the database. From March 2008 transactions where the chargeable consideration is less than £40,000 do not need to be notified to HMRC. Other exceptions include transfers in connection with divorce which meet conditions and grants of leases of less than 7 years.</p> <p>The database contains information back to April 2005.</p>
<p><b>Relevance</b></p>	<p><b><i>The degree to which the statistical product meets user needs in both coverage and content.</i></b></p> <p>The publication is primarily used by media, commentators and analysts as an indicator of the performance of the housing market. It is also used by analysts and other government departments to examine longer term trends and the impact of policy decisions and economic conditions.</p> <p>The statistics are split into the residential and non-residential property market, and by government office region. This latter split is particularly relevant as the housing market is highly regionalised.</p> <p>The UK aggregate data are provided on both non-seasonally adjusted and a seasonally adjusted basis as fewer properties are sold in the winter months. This enables better identification of short and medium term trends.</p>
<p><b>Accuracy and Reliability</b></p>	<p><b><i>The proximity between an estimate and the unknown true value.</i></b></p>

	<p>The statistics are based on administrative data used by HMRC to run its business (collecting tax). They are therefore accurate and timely, and provide a good indicator of the number of property transactions in the UK. The main quality issues are around completeness of information as much of the data is based on returns. Transactions are only recorded where a tax return has been received so it will miss those situations where a return is not completed or required (e.g. tax avoidance and evasion activity). It also records no transactions where the consideration (i.e. the price) is less than £40,000.</p> <p>Furthermore, the returns can take some time to be sent to HMRC and processed. By the time of publication, only around 90% of residential returns, and 70% of non-residential returns, will have been received. The estimates for the latest months are inflated based on historic data to compensate for these missing returns. As a result, there are often minor changes to the figures for the latest few months so they are marked as provisional.</p> <p>A further source of inaccuracy is that a proportion of records in the SDLT database do not contain the necessary geographical information to be classified within the published country breakdown. These records are apportioned across the UK's constituent countries on a pro-rata basis to ensure the UK total is consistent but this is a source of significant uncertainty.</p> <p>Finally, there are likely to be some inaccuracies in the data due to reporting or keying errors, such as misclassification between residential and non-residential, or between regions. The impact of this is minimal as the dataset is cleansed and filtered through automated data feeds prior to use.</p> <p>To reflect the inaccuracies inherent in the dataset, particularly around the missing geographical data, the published estimates are rounded to the nearest 1000.</p> <p>Historic data prior to the most recent months are sometimes subject to minor revisions as and when the SDLT database is updated. The seasonally adjusted time series are fully revised with each publication due to the nature of the seasonal adjustment software used (X12ARIMA).</p>
<p><b>Timeliness and Punctuality</b></p>	<p><b><i>Timeliness refers to the time gap between publication and the reference period. Punctuality refers to the gap between planned and actual publication dates.</i></b></p> <p>The release timetable is designed to provide users with the best balance of timeliness and accuracy.</p> <p>The statistics are published around three weeks after the end of the most recent month in order to maximise their usefulness to users. This publication is timed to coincide roughly with the release of other property statistics by other organisations (e.g. house price data and mortgage lending figures). This allows users to pool information on the housing market from a variety of</p>

	<p>sources to help inform the bigger picture. This ensures the statistics provide as much added value as possible to the public debate in as timely fashion as can be achieved.</p> <p>Publication takes place on the 21<sup>st</sup> of each month at 9:30am. If the 21<sup>st</sup> falls on a weekend or a Monday, the publication is delayed until 9:30am on the following Tuesday.</p>
<p><b>Accessibility and Clarity</b></p>	<p><b><i>Accessibility is the ease with which users are able to access the data, also reflecting the format in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the metadata, illustrations and accompanying advice.</i></b></p> <p>The statistics are published free of charge on the HMRC website, which aims to be accessible to all its potential users. HMRC provides advice and information about accessibility here:</p> <p><a href="#">HMRC Accessibility</a></p> <p>The publication is available in both Excel and PDF.</p> <p>The publication includes contact details (both email and telephone) for sending queries and feedback to the production team.</p> <p>The statistics are taken directly from the source data that is collected for administrative purposes with little manipulation between source and publication. Our publications directly reflect the tax system definitions (of which users are aware) and therefore the administrative data are an accurate and relevant data source.</p>
<p><b>Coherence and Comparability</b></p>	<p><b><i>Coherence is the degree to which data that are derived from different sources or methods, but refer to the same topic, are similar. Comparability is the degree to which data can be compared over time and domain.</i></b></p> <p>All our geographic breakdowns are done according to standard units, so regional breakdowns will be comparable with other published statistics.</p> <p>Furthermore, all definitions within our data (such as type of property etc) are governed by the tax system, which is embedded in users understanding of the market. They are therefore commonly understood by the user.</p> <p>A coverage change was made in 2008, whereby transactions for values less than £40,000 were no longer required to make a Land Transaction Return. The published time series were revised back to 2005 at this time to ensure all data was on a consistent basis.</p> <p>Data prior to 2005 was collected on a different basis to the SDLT database. It was based upon survey rather than administrative</p>

	<p>data from the Survey of Property Transactions, which only covered England and Wales. This historic time series is therefore not comparable to the data published in the monthly property transaction release.</p>
<p><b>Trade-offs between Output Quality Components</b></p>	<p><b><i>Trade-offs are the extent to which different aspects of quality are balanced against each other.</i></b></p>
	<p>The statistics are produced and released according to a pre-announced timetable</p> <p><a href="#">Annual plan for 2012-13</a></p> <p>The primary trade-off is in respect of timeliness and accuracy.</p> <p>The timetable for publication is designed to provide users with the best balance of timeliness and accuracy. As discussed, at the time of production of the publication each month, a complete set of administrative data is not available for the most recent months. However, users would rather we publish provisional figures at this early stage, coinciding with other housing market publications, than to wait until more accurate figures are available. The most recent two months are marked as provisional and subject to revision in subsequent months.</p>
<p><b>Assessment of User Needs and Perceptions</b></p>	<p><b><i>The processes for finding out about users and uses, and their views on the statistical products.</i></b></p>
	<p>The publication includes contact details for sending feedback to the production team.</p> <p>Informal consultations are conducted when appropriate, for example when changing the provision or coverage of the published data, or revising the methodology used. These will generally involve contacting known users of the published statistics to ask specific questions or request feedback. These questions would also be published on the website adjacent/linked to the publication in order to capture users with whom we have had no previous contact.</p> <p>The results of user consultations would then be published on the website. The latest consultation took place in 2008 and the results can be found alongside the most recent publications.</p>
<p><b>Performance, Cost and Respondent Burden</b></p>	<p><b><i>The effectiveness, efficiency and economy of the statistical output.</i></b></p>
	<p>All published tables use HMRC administrative data so there are no explicit costs of production. Much of the data would be produced regardless of publication for internal monitoring and policy development purposes.</p> <p>Data is collected from Land Transaction Returns, which are completed in order to comply with the UK's Stamp Duty Land Tax</p>

	<p>regime.</p> <p>HMRC's pricing policy can be found here:</p> <p><a href="#">HMRC Pricing Policy</a></p>
<b>Confidentiality, Transparency and Security</b>	<p><b><i>The procedures and policy used to ensure sound confidentiality, security and transparent practices.</i></b></p> <p>This publication follows HMRC's policy in relation to confidentiality, details of which can be found here:</p> <p><a href="#">Confidentiality and Access</a></p> <p>All persons that have pre-release access to the published data (aside from the production team) are listed on the HMRC website:</p> <p><a href="#">Pre-Release Access</a></p>