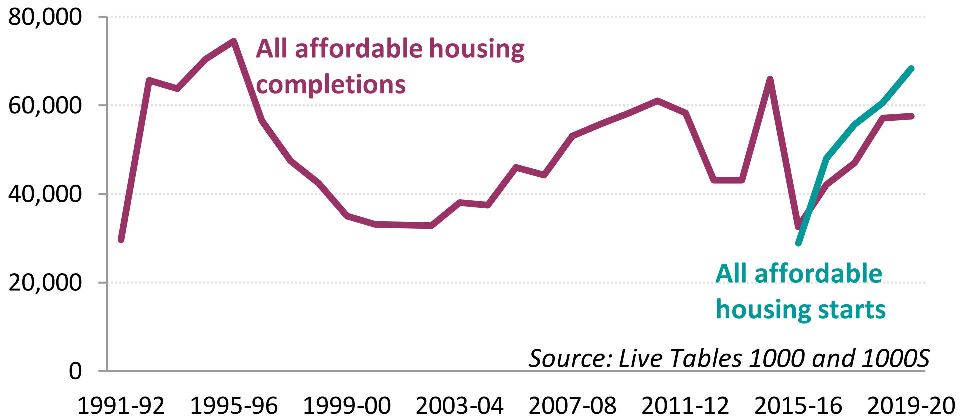
Ministry of Housing, Communities & Local Government

Statistical release
Housing

Affordable Housing Supply: April 2019 to March 2020, England

In this release:

- There were 57,644 affordable homes delivered (completions) and 68,346 starts on site in England in 2019-20, increases of 1 per cent and 13 per cent respectively when compared to the previous year. The chart below shows the trend for affordable homes delivered (completions) since 1991-92 and affordable homes starts on site since 2015-16.



- In 2019-20, affordable housing for rent (including social, affordable and intermediate rent) represented around two thirds of completions (65%) and over half of all starts (56%), with both proportions decreasing in recent years. These proportions compare to around three quarters of both completions and starts in 2015-16 (77% and 75%, respectively).
- More than half (52%) of all affordable homes delivered in 2019-20 were funded through section 106 (nil grant) agreements, higher than in previous years.
- 92 per cent of affordable homes delivered in England were new build, a proportion similar to previous years.

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Introduction

This release presents statistics on additional affordable housing supply in England. The estimates include new build and affordable housing providers' acquisitions of private housing. Losses through demolitions, sales to tenants and other sales are not included so the statistics here show only new additions to the affordable housing stock.

Additional affordable homes are defined as housing units (or bed spaces) provided to specified eligible households whose needs are not met by the market in addition to existing stock of affordable housing. Further details on the coverage of this release are given in the technical notes document published alongside this release (a link is included at the end of this document).

Responsibility for affordable housing in London transferred to the Mayor of London from April 2012. This means that Homes England (previously the Homes and Communities Agency) no longer administer or report on most affordable housing delivery in London, which is now the responsibility of the Greater London Authority (GLA).

Figures are presented for financial years ending 31 March and are presented unrounded, unless otherwise noted. They represent our best estimate at the time of publication and may be subject to revisions.

Sections I and J of the Local Authority Housing Statistics (LAHS) are released along with this publication.

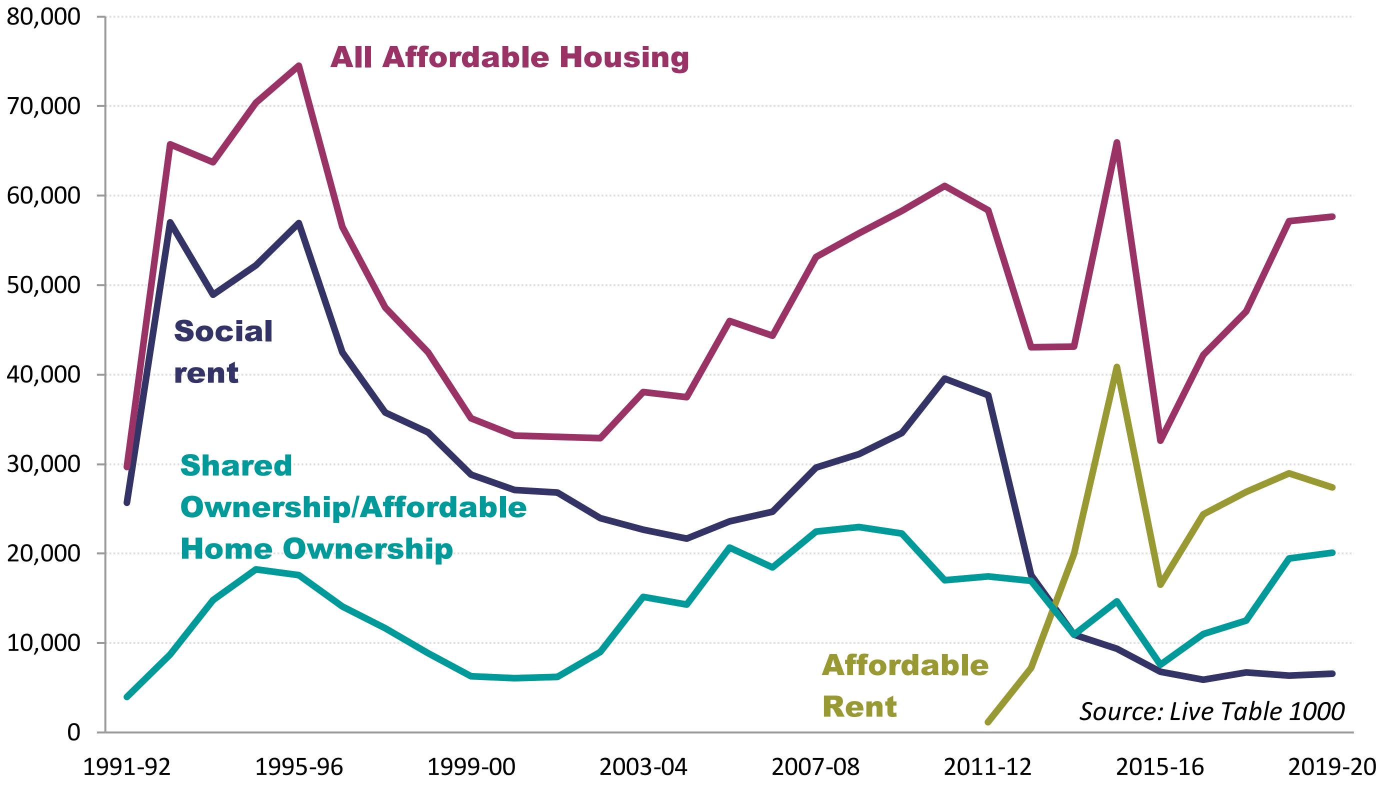
Changes to this release

There are no changes to this release.

National trends in additional affordable housing

There were 57,644 affordable homes delivered in England in 2019-20, an increase of 1 per cent compared with the previous year. These represent the new additions to the affordable housing stock in 2019-20[1].

Chart 1: Trends in the supply of affordable housing completions by tenure, England, 1991-92 to 2019-20



Note: All Affordable housing also includes London Affordable Rent, Intermediate Rent and unknown tenure. The data for this chart are available in Live Table 1000.

The number of affordable homes delivered has varied considerably since 2011-12. The supply of affordable housing is dependent on funding programmes, and as part of a house building cycle, delivery is normally lower in the first years of any new programme. The peak in 2014-15 is explained by the end of the 2011-15 affordable homes programme and the increase in the number of completions since 2015-16 reflects the transition to the 2016-21 affordable homes programme. Unlike during the 2011-15 programme, every year since 2015-16 has seen an increase in the delivery of affordable homes.

There also have been changes in the mix of different tenures of affordable housing. Up to 2011-12, social rent was the most common affordable housing tenure for new supply, but affordable rent

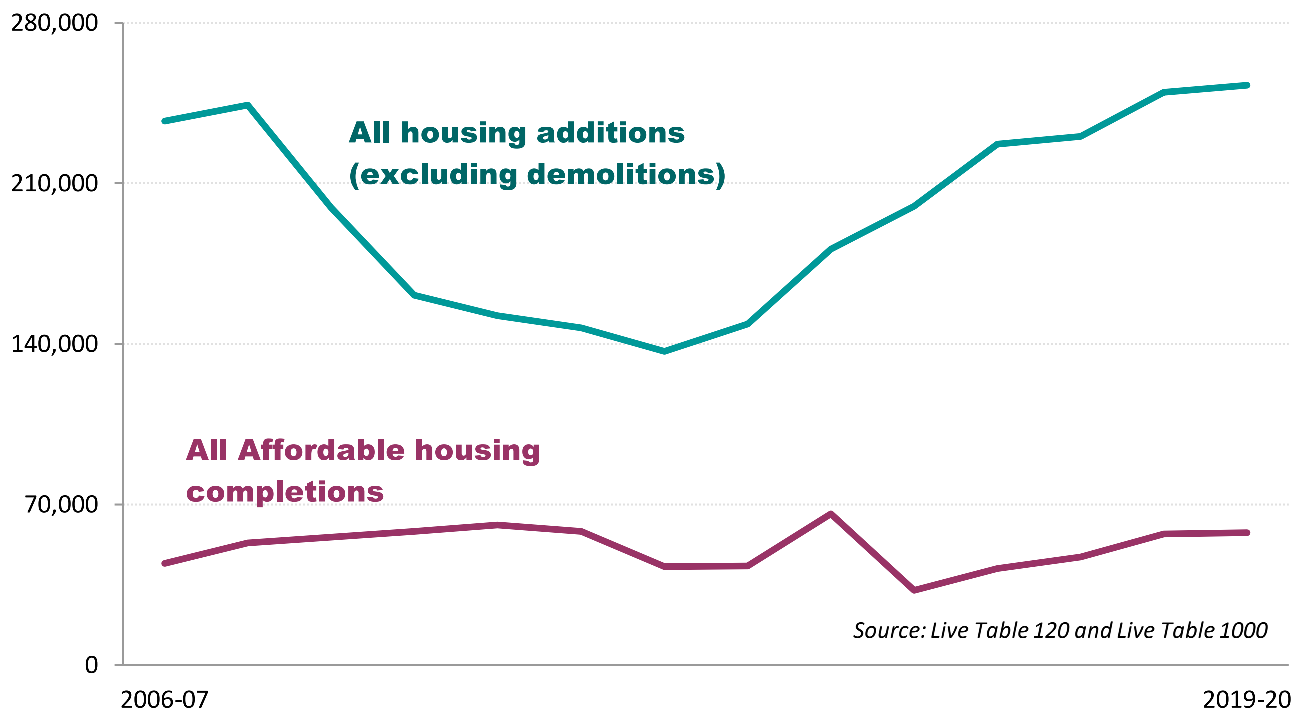
[1] Due to COVID19, the response rate to LAHS, and in particular the affordable housing sections of the collection, was slightly lower than in previous years. Additionally, data quality issues in LAHS for Horsham and Milton Keynes mean that this component of affordable housing was not included for these two local authorities. We expect to include these data in the scheduled revisions for this publication in June/July 2021.

has become the most common since its introduction in 2011-12. This change was driven in part by the 2011-15 and subsequent affordable homes programmes which funded affordable rent tenure homes. Recent programmes also funded shared ownership, which contributed to an increase in these properties, from 4,084 in 2015-16 to 17,998 in the latest year.

In 2019-20, there were 37,520 new affordable homes for rent (i.e. excluding shared ownership and affordable home ownership), slightly lower when compared to 37,671 in the previous year, and following a year-on-year increase between 2015-16 and 2018-19. However, the share of new affordable homes for that are rent (i.e. excluding shared ownership and affordable home ownership) has decreased year-on-year since 2014-15, from 78 per cent to 65 per cent in 2019-20.

The 57,644 homes delivered represent an estimated 23 per cent of the total number of new additions to the housing stock[2] in 2019-20 (i.e. excluding demolitions from the totals in Live Table 120), similar to the previous year. This proportion has varied considerably since 2006-07, with a peak of 40 per cent in 2010-11 and low of 16 per cent in 2015-16 (see chart 2).

Chart 2: Affordable Housing and All Housing new additions, England, 2006-07 to 2019-20



Note: The data for this chart are available in Live Tables 120 and 1000.

In 2019-20, 82 per cent of all affordable homes were delivered by private registered providers, with local authorities delivering 11 per cent and non-registered providers 4 per cent[3]. There is no

[2] Source: MHCLG Live Table 120 on housing supply https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing

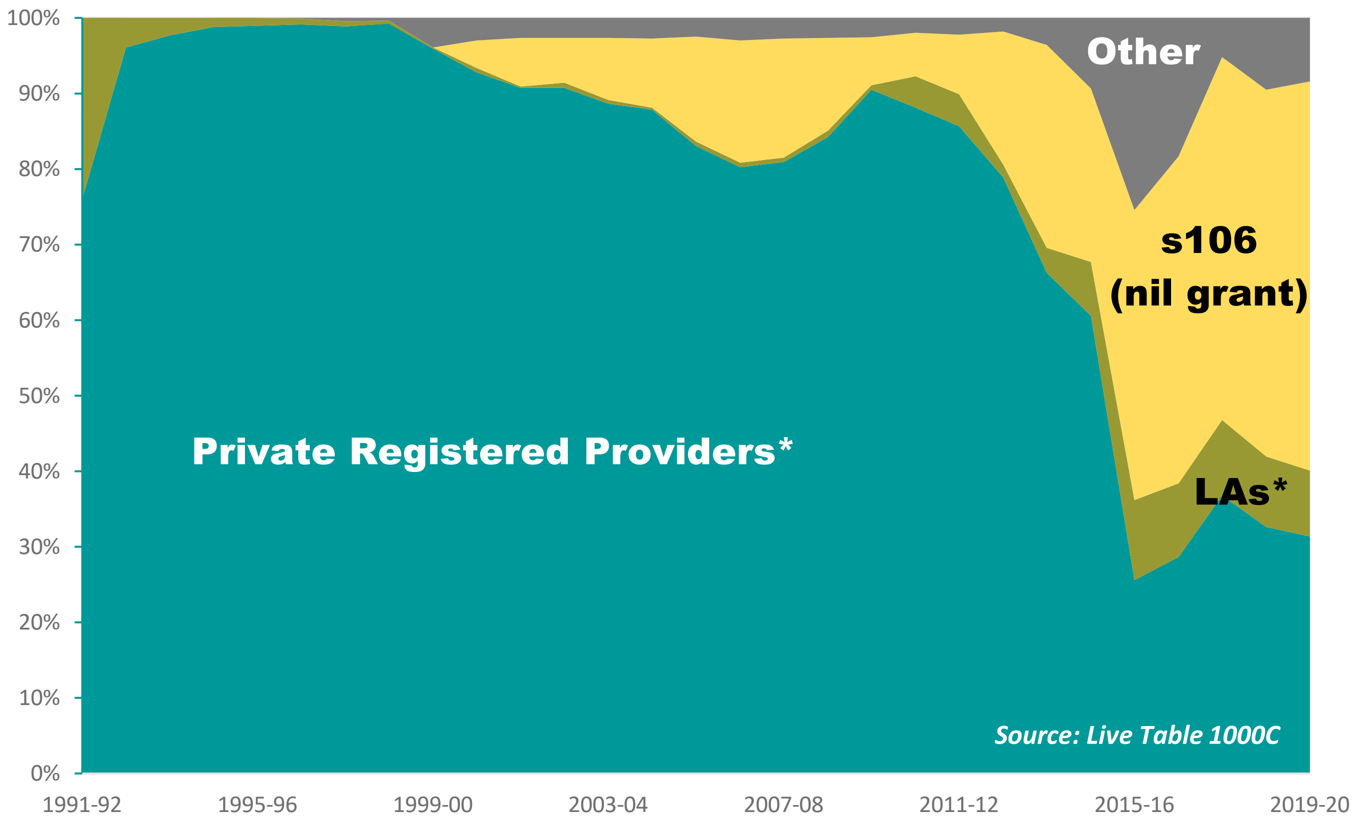
[3] From 2018-19, Homes England started funding delivery of shared ownership homes provided by non-registered providers and this has resulted in nearly 2,474 since then. Non-registered providers cannot receive Homes England funding for other tenures.

provider information on remaining units. These proportions are broadly similar to the previous three years, although historically, private registered providers had a higher share of the delivery (nearly all affordable housing delivery throughout the 1990s was through private registered providers). The 6,531 affordable homes delivered by local authorities (representing 11 per cent of the overall affordable housing delivery, as per above) are the highest recorded number of local authority completions since 1991-92, however, the number of units for which is not possible to identify the provider was higher prior to 2011-12 than it is currently.

Delivery of affordable homes funded through s106 nil grant agreements[4] accounted for 52 per cent of all affordable homes delivered in 2019-20. The first completions of s106 (nil grant) were recorded in 2000-01 and nearly all homes funded through this process are new build properties. Prior to 2014-15, s106 (partial grant) units were not separately identified in the data and are captured within the numbers of grant funded units. Partial grant funding used to be much more prevalent but recently the vast majority of s106 funded units are nil grant.

Chart 3 below shows the completions' profile by funding method since 1991-92. The data for this graph are available in Live Table 1000C.

Chart 3: Affordable Housing completions by funding, England, 2019-20



* Homes completed by private registered providers and local authorities are funded by Homes England or the GLA or other sources, such as reserves, loans or in the case of Local Authorities, through Right to Buy receipts.

Note: The data for this chart are available in Live Table and 1000C.

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[4] Please see the Housing statistics and English Housing Survey glossary for a definition https://www.gov.uk/guidance/housing-statistics-and-england-housing-survey-glossary/a-to-z

Sub-national trends: Regional delivery

Historically, London has been the region with highest delivery, followed by the South East. However, since 2017-18 delivery has been higher in the South East than in London. Together, these two regions have driven the trends in affordable housing completions. Some instances where the pattern differs are presented in this section, while a full set of regional figures are included in Live Table 1008C.

London completions for affordable rent have been stable since the end of the 2011-15 Affordable Homes Programme, at just above 3,000 per year. This contrasts with the England trend of year-on-year increases between 2015-16 and 2018-19, followed by a small decrease in 2019-20. Both the South East and the East of England have delivered more homes for affordable rent than London since 2017-18. This has coincided with the GLA's introduction of London affordable rent as a tenure. Figures for regional completions of homes for affordable rent are included in Live Table 1006aC and for London affordable rent in Live Table 1006bC.

In 2019-20, one third of local authority delivery was done by London boroughs (including the City of London), compared to around a quarter in the preceding four years. By contrast, delivery by non-registered providers was highest in the North West between 2014-15 and 2018-19, varying between a quarter and a third of all delivery by non-registered providers, only for this proportion to decrease to 16 per cent in 2019-20, similar to the South East. Regional trends for private registered provider delivery more closely reflect overall delivery.

Sub-national trends: Rural-Urban delivery

Using DEFRA's 2011 Rural-Urban classification for England[5], it is possible to present sub-national trends in rural and urban areas[6].

In 2019-20, 25,658 units were delivered in local authorities classified as rural[7] and 31,982 in those classified as urban[8]. In 2019-20, completions in local authorities classified as rural were the highest for the period for which data is available (1991-92 to 2019-20).

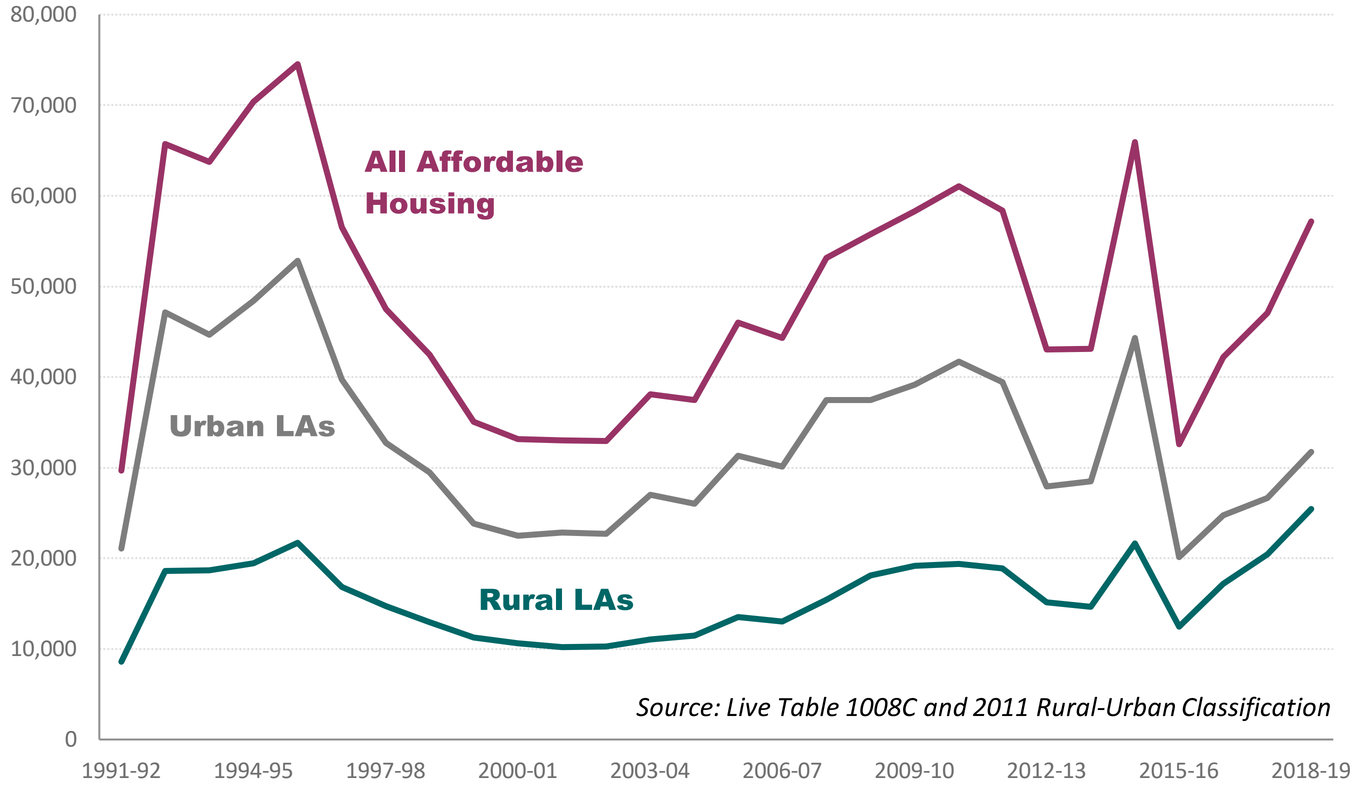
[5] The DEFRA 2011 Rural-Urban classification can be found here: https://www.gov.uk/government/statistics/2011-rural-urban-classification-of-local-authority-and-other-higher-level-geographies-for-statistical-purposes

[6] The local authorities created on 1 April 2019 were classified based on the data available through the link in the previous footnote: Bournemouth, Christchurch and Poole was classified as Urban with City and Town, while Dorset, West Suffolk, Somerset West and Taunton and East Suffolk were classified as Largely Rural (rural including hub towns 50-79%).

[7] For the purpose of this bulletin, Rural includes the following three categories: Mainly Rural (rural including hub towns >=80%), Largely Rural (rural including hub towns 50-79%) and Urban with Significant Rural (rural including hub towns 26-49%).

[8] For the purpose of this bulletin, Urban includes the following three categories: Urban with City and Town, Urban with Minor Conurbation and Urban with Major Conurbation.

Chart 4: Trends in the supply of affordable housing completions by 2011 Rural-Urban classification, England, 1991-92 to 2019-20



Note: All affordable housing also includes units for which local authority information isn't available.

The proportion of completions in rural local authorities has historically been around 30% of all completions, but it has increased steadily since 2014-15 and in 2019-20 represented 45% of all completions.

Completions by local authority going back to 1991-92 are presented in Live Table 1008C (1008S for starts). A breakdown of this by tenure can be found in other live tables (with a suffix C for completions and a suffix S for starts) available here: https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply

New build homes and acquisitions

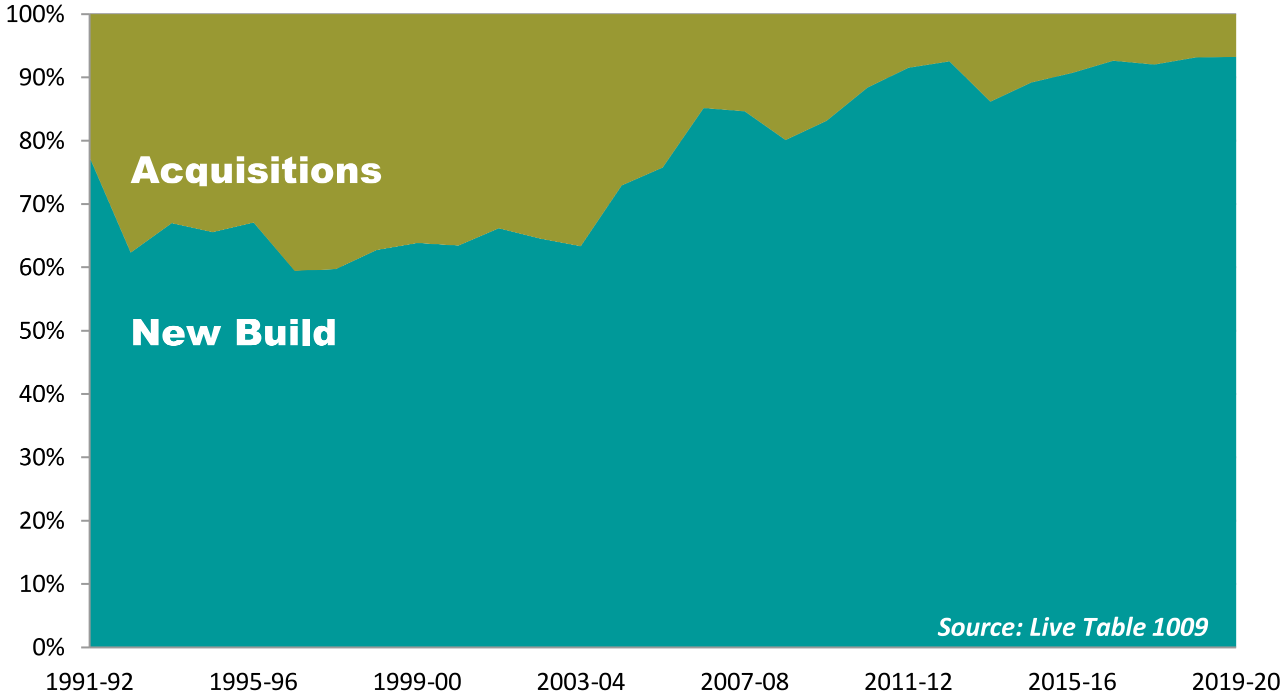
There were 52,900 new build affordable homes completed in 2019-20, the highest value since 2014-15. These were complemented by 3,809 acquisitions of existing stock and 935 homes where there is currently no information on whether they are new build or acquisitions.

The 52,900 new build affordable homes represent an increase of 0.2 per cent on the existing stock of all 24.41m homes in England[9]. This is the same as in recent years, with the proportion varying between 0.1 and 0.4 per cent throughout the available period (since 1991-92).

[9] Source: MHCLG Live Table 104 on dwelling stock https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants

Proportionally, of the 57,644 affordable homes delivered in 2019-20, 92% were new build and 7% were acquisitions. These proportions have changed considerably since the early 1990s, particularly after 2003-04 but have been reasonably stable in the last five years. Chart 5 below shows this change in proportions, excluding unknowns: in 1992-93, 6 out of 10 new affordable homes were new build compared to 9 out of 10 in the latest year. The remaining homes were acquisitions.

Chart 5: Trends in the supply of affordable housing by type, England, 1991-92 to 2019-20



Note: The chart excludes completed affordable units where build type was unknown. The data for this graph, as well as further details on affordable housing supply by build type, are available in Live Table 1009.

Starts on site

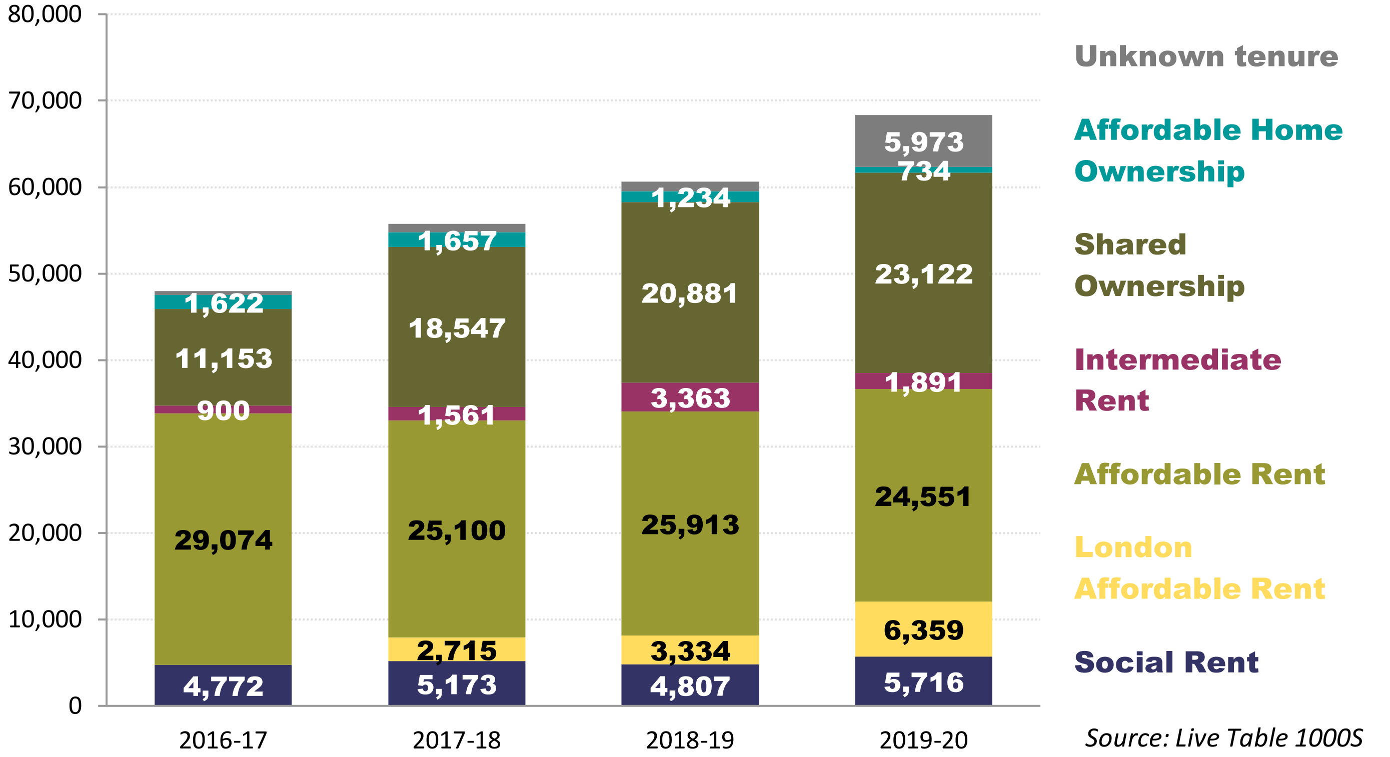
Since 2015-16, the department has published live tables with starts on site[10] of affordable housing to provide a leading indicator of affordable supply. In that year, data were only provided by Homes England and the GLA, but since 2016-17 they have also been collected from local authorities on a voluntary basis. This means that starts funded directly by local authorities or by planning agreements will have been excluded from 2015-16 data and may still be under reported for all years.

There were 68,346 starts on site in England in 2019-20, compared to 60,639 in the previous year. This represents a 13 per cent increase. Direct comparisons with 2015-16 cannot be made as this was the first year the data were collected and data from local authorities was not included. As such, that year is excluded from Chart 6 below, despite being included in Live Table 1000S, the

[10] It should be noted that starts on site are not planning applications. For further details, please see definition in the [Housing statistics and English Housing Survey glossary](#).

underlying data source.

Chart 6: Trends in the starts of affordable housing completions by tenure, England, 2016-17 to 2019-20



Note: The data for this chart are available in Live Table 1000S.

By tenure, affordable rent and shared ownership continue to account for the largest number of starts, with the number of starts increasing for both tenures. In 2019-20, these two tenures accounted for 70 per cent of new affordable housing starts down from 77 per cent in the previous year. This is due to a reduction in the number of affordable rent starts and an overall increase of starts for other tenures.

The number of social rent units started in 2019-20 increased by 19 per cent compared to 2018-19 and is the highest for the four year period for which there is comparable data. The number of London affordable rent starts nearly doubled compared to the previous year (a 91 per cent increase).

In 2019-20, the overall number of affordable starts for rent (29,095) increased 3 per cent compared to 2018-19. However, affordable housing starts for rent represented just over half of all starts (56%) in 2019-20, the lowest proportion in the period with comparable data (i.e. since 2016-17).

The increase in the number of starts for which tenure was unknown is due to units reported via Strategic Partnerships[11]. These units will have their tenure confirmed at a later stage.

[11] Strategic partnerships were introduced in 2018 and work as long-term agreements between one or more housing associations and Homes England. Homes England's funding of these units is based on a whole development programme rather than scheme-by-scheme.

Accompanying tables and open data

Symbols used

R	Revised
P	Provisional
"-"	nil units
".."	not applicable

Tables

Accompanying tables are available to download alongside this release. These tables can be accessed through the following link https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply

Open data

These statistics are available in fully open and linkable data formats through the following link https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply#open-data .

Technical Notes

Please see the accompanying technical notes document for further details. This can be found at https://www.gov.uk/government/statistics/affordable-housing-supply-in-england-2019-to-2020.

Information on Official Statistics is available via the UK Statistics Authority website: https://www.statisticsauthority.gov.uk/

Information about statistics at MHCLG is available via the Department's website: www.gov.uk/government/organisations/department-for-communities-and-local-government/about/statistics

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

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