Housing supply; net additional dwellings,

England: 2020-21

Technical Notes



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National Statistics Status

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value as set out in the <u>Code of Practice for Statistics</u>. It is the Department for Levelling Up, Housing and Communities's statisticians' responsibility to maintain compliance with these standards.

The designation of these statistics as National Statistics was first confirmed in December 2011 following an assessment by the UK Statistics Authority. These statistics last underwent a compliance check against the Code of Practice for Statistics in June 2018.

The Office for Statistics Regulation confirmed the continued designation of these as National Statistics on 9 February 2019.

https://www.statisticsauthority.gov.uk/correspondence/response-to-update-on-statistics-on-housing-in-england/

The Office for Statistics Regulation commended the following improvements:

Improvements to the coherence of your statistics by publishing guidance within
each publication about how the range of housing statistics relate to each other, supported
by an accessible one page guide.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/780706/HPAD_stats_guide_Feb_2019.pdf

- Improved supporting information about the strengths and limitations of the data sources used to produce each statistic and publishing your assessment of the existing quality assurances of these sources, taking into account the Authority's Quality Assurance for Administrative Data Regulatory standard.
- Continued collaborative working with statisticians in the Office for National Statistics
 and across the devolved administrations as part of the Cross-Government Housing
 Statistics Working Group to deliver a range of wider improvements to housing and
 planning statistics.

Data collection

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

- Information submitted to the Department for Levelling Up, Housing and Communities (DLUHC) 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. Local authorities have until late September, over five months after the end of the financial year, to complete the HFR form.

Data quality

Things to note on this release

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 (100% in 2017-18, 2018-19; 2019-20 and 99% in 2020-21), the opportunity for revisions to the previous year's data and quality assurance procedures followed, involving several complimentary data sets result in accurate estimates. The flow diagram (Figure 1, 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 1, and the department's target is to aim for a 100% response rate. In 2020-21, the response rate was 99%, with 3 out of 314 of authorities not completing the return.

Table 1: 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%
2018-19	100%
2019-20 ^R	100%
2020-21	99%

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.

This statistical release is produced by DLUHC based on data provided via its DELTA data collection system by 314 local authorities. An assessment of the level of risk based on the Quality Assurance Toolkit is as follows in Table 2:

Table 2: An assessment of the level of risk based on the Quality Assurance Toolkit

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

The publication of this release can be considered as high profile, as there is significant mainstream media interest, with moderate economic and/or political sensitivity. These statistics form the headline figure for housing delivery in England.

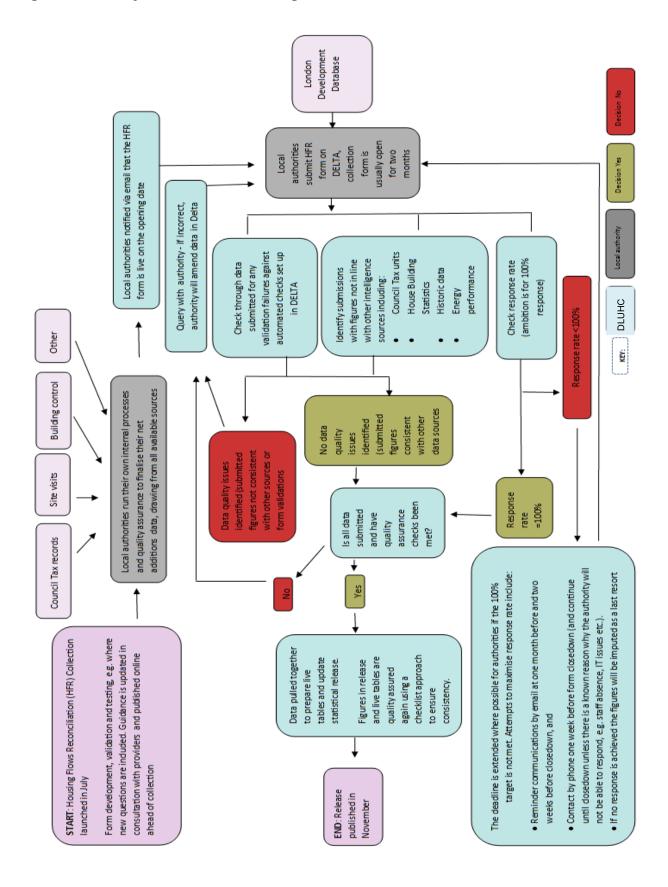
The data quality concern is considered as low, given that the data is collected from each local authority, via the data collection system DELTA which includes built in quality assurance checks. Local authorities have several sources available to them locally to cross check final figures they provide 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, this release has 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 1. Further details are also provided against each of the four areas outlined in the Quality Assurance of Administrative Data (QAAD) Toolkit.

Figure 1: Quality assurance flow diagram



Operational context and administrative 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'. In 2020-21, it was expanded to collect information on new build and demolitions delivered under the new permitted development rights.

The Greater London Authority collects, collates and validates data from London Boroughs before passing the information on to Department for Levelling Up, Housing and Communities. 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

Since 2017-18 the figures collected in this return formed 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. This is available at the following link:

https://www.gov.uk/guidance/dwelling-stock-data-notes-and-definitions-includes-hfr-full-guidance-notes-and-returns-form

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 subgroup, 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 314 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 investigation 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. In 2020-21, the HFR return response rate was 99%. East Northamptonshire, Wiltshire, and South Staffordshire did not submit a HFR return, so imputation was required for these local authorities. 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 is 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 is 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 collected in London, no imputation was performed as the Greater London Authority informed the department that all London Boroughs had supplied data.

In 2020-21, the imputed estimates were 475 net additional dwellings for East Northamptonshire, 2,846 for Wiltshire, and 413 for South Staffordshire. These imputed figures, for 3 local authorities were added to the reported total provided by 311 of the 314 local authorities, resulting in an estimate of 216,489 net additional dwellings in England in 2020/21.

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, 2017-18, 2018-19, 2019-20 and 2020-21 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.

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

An alteration to the original construction which affects the total number of dwellings in the housing stock, for example, conversion of a house into 2 or more flats.

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).

The definitions used in this publication can be found in the 'Housing statistics and English Housing survey' glossary published by DLUHC and that can be found at: https://www.gov.uk/guidance/housing-statistics-and-england-housing-survey-glossary

Revisions policy

This policy has been developed in accordance with the UK Statistics Authority's Code of Practice for Statistics and the Department for Levelling Up, Housing and Communities Revisions Policy and can be found at

https://www.gov.uk/government/publications/statistical-notice-dclg-revisions-policy

It covers two types of revisions that the policy covers, as follow:

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.

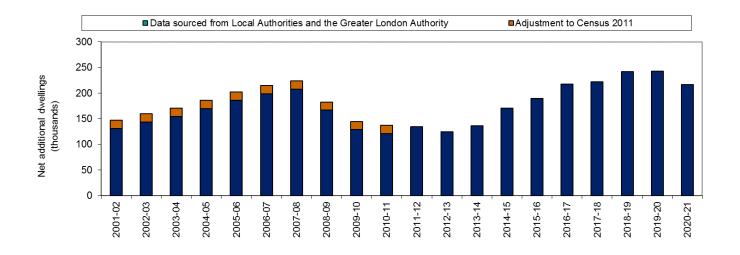
Scheduled Revisions

Local authorities are now able to revise the data they supply for these statistics, after the original deadline for submission. In collecting the data for the previous publication, we have allowed local authorities to revise data for the previous two years' published figures. In this statistical release and future years, the revisions period will cover the previous years' figures only.

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 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 and 2011 censuses and consistent with the dwelling stock estimates (which is also collected and published by the Department for Levelling Up, Housing and Communities: 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 2 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.

Figure 2: The Census adjustment to the trends in housing supply: net additional dwellings, England: 2000-01 to 2020-21



Revisions in this release

In this statistical release, for the year 2019/20, 31 Local Authorities revised data resulting in a decrease of 1,068 net additional dwellings.

Other information

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.

Related Statistics

The Department for Levelling Up, Housing and Communities 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 housing and planning 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/

Housing supply; net additional dwellings and related statistics are detailed in Table 3. Further information can be found in the separate statistical release for each source which can be found at the links below.

Table 3: Housing supply; net additional dwellings and related statistics

Release		Frequency	Where the data comes	What are these
	statistics show?		from?	figures most appropriate for?
This release: Housing supply; net additional dwellings DLUHC	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 Reconciliation Return) and for London boroughs is provided by Greater London Authority (London Development Database)	Provides an accurate assessment of annual change in all housing stock and is the most comprehensive estimate of supply.
Housing supply; Indicators of new supply	Quarterly estimates of new build starts and completions	Quarterly (Mar,June,Sep,Jan)	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 DLUHC	Total housing stock, split by tenure		Overall change in stock from Net Additional Dwellings. Tenure information provided directly from Local Authorities and Housing Associations.	Provides an accurate assessment of the total size of the housing stock and how it is split by tenure
Affordable housing DLUHC	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 Statistics DLUHC	Stock and condition of Local Authority owned housing, including information 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 Performance Certificates DLUHC	Numbers of domestic Energy Performance Certificate lodgements	Quarterly (Apr,July,Oct,Jan)	Domestic energy assessors. They lodge certificates on the 'Domestic energy performance certificate register'.	Information on the energy performance and floor space of new and existing stock.

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

Homes Bonus allocations. The number of long-term empty homes in each area is also collected as part of the council tax system.

Housing supply: indicators of new supply

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

Council tax valuation lists

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

Energy Performance of Buildings Certificates

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

New Homes Bonus (first published 10 February 2021)

https://www.gov.uk/government/publications/new-homes-bonus-final-allocations-2021-to-2022

Dwelling stock estimates

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

Affordable housing

The Department for Levelling Up, Housing and Communities'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

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

https://www.gov.uk/government/organisations/homes-and-communities-agency/about/statistics

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.

https://www2.gov.scot/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.

https://www2.gov.scot/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.

https://www2.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/HSfS/KeyInfo

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

Wales https://statswales.gov.wales/Catalogue/Housing/Dwelling-Stock-Estimates
Northern Ireland
https://www.finance-ni.gov.uk/topics/statistics-and-research/new-

dwelling-statistics

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 contact given in the first page of the release.

The Department's engagement strategy to meet the needs of statistics users is published here: https://www.gov.uk/government/publications/engagement-strategy-to-meet-the-needs-of-statistics-users