

House Building: September Quarter 2009, England



Contents

1. Starts and completions in England	2
2. Tenure trends.....	4
3. Regional trends	5
4. Other Approved Inspectors....	8
5. House building targets	8
6. Data collection	9
7. Strengths and weaknesses of the data.....	9
8. Accompanying tables	10
9. Background notes	10
10. User consultation.....	12
11. Enquiries.....	12

- There were an estimated 25,820 seasonally adjusted housing starts in England in the September quarter 2009, up 18 per cent on the previous quarter and 16 per cent higher than the September quarter 2008. This is the third successive quarterly rise in seasonally adjusted housing starts.
- Private enterprise housing starts (seasonally adjusted) were 21 per cent higher than in the June quarter 2009, and 20 per cent higher than in the September quarter 2008.
- Annual housing starts figures for England totalled 83,080 in the 12 months to September 2009, down 35 per cent compared with the 12 months to September 2008 and 55 per cent below their 2005-06 peak.
- Housing completions in England were down by four per cent to an estimated 29,050 (seasonally adjusted) in the September quarter 2009 compared to the previous quarter. Compared with the September quarter 2008, completions were down by 12 per cent.
- Private enterprise housing completions (seasonally adjusted) were eight per cent lower in the September quarter 2009 than the June quarter 2009, and 18 percent lower than in the September quarter 2008.
- Annual housing completions in England totalled 122,800 in the 12 months to September 2009, down by 21 per cent compared with the 12 months to September 2008.

housing

This quarterly Statistical Release presents National Statistics on new house building starts and completions in England and its regions up to the September quarter 2009. The figures in this release for the June quarter 2009 have been revised as usual to incorporate late information provided by local authorities.

Data for Scotland, Wales and Northern Ireland are also included in the accompanying tables. These data are published separately by the devolved administrations, and although the figures are correct at the time of this publication they may be superseded before the next England house building release.

Starts and completions in England

Figure 1: Seasonally adjusted trends in quarterly housing starts and completions, England

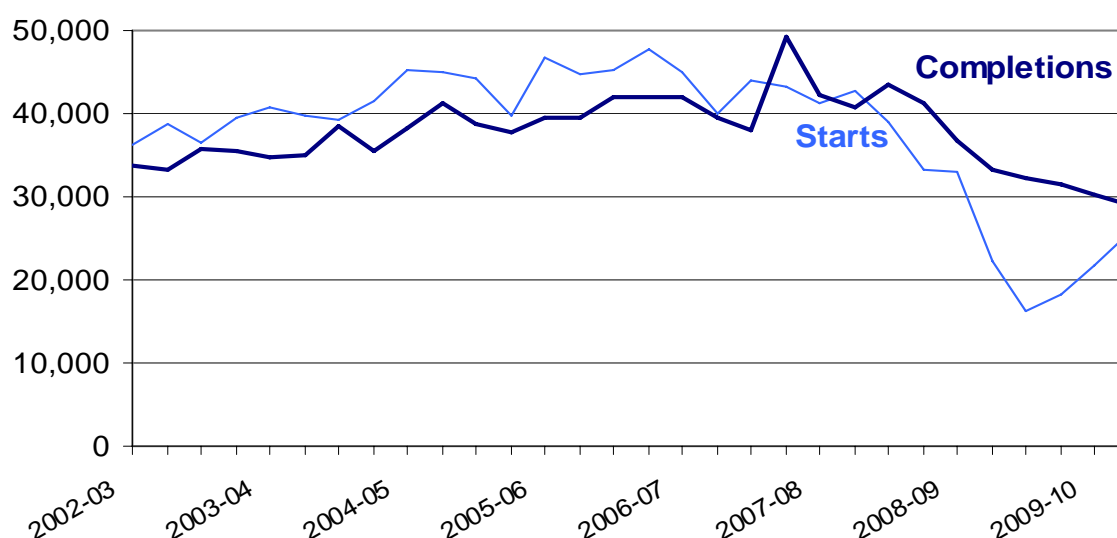


Table 1: Quarterly starts and completions, England, seasonally adjusted

Financial Year	Quarter	Starts			Completions		
		Dwellings	% change on previous quarter	% change on same quarter previous year	Dwellings	% change on previous quarter	% change on same quarter previous year
2006-07	Apr-June	45,020	-6%	-4%	41,940	0%	6%
	July-Sept	39,900	-11%	-11%	39,560	-6%	0%
	Oct-Dec	43,980	10%	-3%	37,920	-4%	-10%
	Jan-Mar	43,230	-2%	-10%	49,170	30%	17%
2007-08	Apr-June	41,150	-5%	-9%	42,180	-14%	1%
	July-Sept	42,730	4%	7%	40,820	-3%	3%
	Oct-Dec	39,030	-9%	-11%	43,430	6%	15%
	Jan-Mar	^P 33,310	-15%	-23%	41,190	-5%	-16%
2008-09	Apr-June	^P 32,900	-1%	-20%	36,820	-11%	-13%
	July-Sept	^P 22,340	-32%	-48%	33,170	-10%	-19%
	Oct-Dec	^P 16,210	-27%	-58%	32,210	-3%	-26%
	Jan-Mar	^P 18,350	13%	-45%	31,590	-2%	-23%
2009-10	Apr-June	^P 21,840	19%	-34%	30,150	-5%	-18%
	July-Sept	^P 25,820	18%	16%	29,050	-4%	-12%

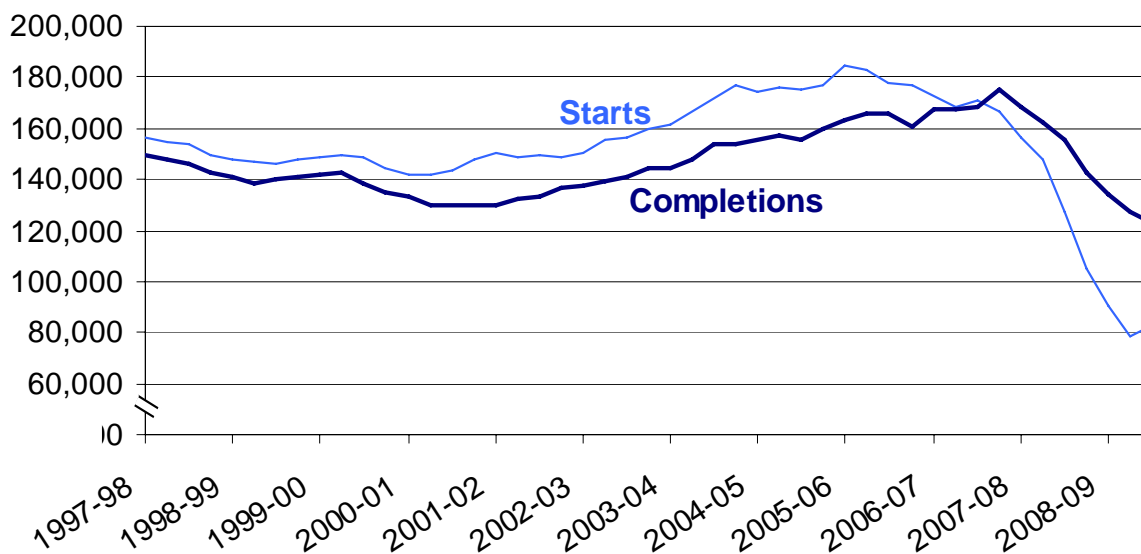
Seasonally adjusted housing starts in England rose by 18 per cent from 21,840 in the June quarter 2009 to 25,820 in the September quarter 2009. This is the third successive quarterly rise, although quarterly housing starts remain 46 per cent below their March quarter 2006 peak.

Seasonally adjusted housing starts were 16 per cent higher in the September quarter 2009 than in the September quarter 2008. This compares with a 34 per cent fall between the June 2008 and the June 2009 quarters.

Housing completions in England (seasonally adjusted) were down by four per cent to 29,050 in the September quarter 2009, from 30,150 in the previous quarter. This compares to a five per cent fall between the March 2009 and the June 2009 quarters.

Seasonally adjusted housing completions were 12 per cent lower in the September quarter 2009 than in the September quarter 2008. This compares with a decline of 18 per cent between the June 2008 and the June 2009 quarters.

Figure 2: Trends in starts and completions, England, 12 month rolling totals



Annual housing starts rose from a low of 141,650 in the 12 months to March 2001 to a peak of 184,910 in the 12 months to March 2006. A downward trend has followed, and in the 12 months to September 2009 there were 83,080 starts in England, 55 per cent lower than the peak in the 12 months ending March 2006, but five per cent higher than in the 12 months ending June 2009.

Annual housing completions increased from 129,870 in the 12 months ending March 2002, reaching a peak of 168,140 in the 12 months ending March 2008. Completions then fell to 122,800 in the 12 months to Sept 2009, 27 per cent below the peak.

Trends by housing tenure

Comparisons between tenures in this section are based on the non-seasonally adjusted series. At present only the private enterprise England figures are seasonally adjusted, therefore, to make comparisons with other tenures, non-seasonally adjusted figures are required. Because these series are not seasonally adjusted it may be misleading to draw conclusions from quarter on quarter changes.

Because the number of local authority housing starts and completions is very small, quarterly comparisons can be very volatile. Accordingly percentage changes are not reported for this tenure in Tables 2 and 3 below.

Table 2: Quarterly housing starts by tenure, England, not seasonally adjusted

		Private Enterprise		Registered Social Landlords		Local Authority	All Tenures	
		Starts	% change on same quarter previous year	Starts	% change on same quarter previous year	Starts	Starts	% change on same quarter previous year*
2006-07	Apr-June	42,740	-5%	4,210	2%	90	47,040	-4%
	July-Sept	36,000	-12%	3,840	-5%	30	39,860	-11%
	Oct-Dec	37,340	-3%	4,750	10%	30	42,120	-1%
	Jan-Mar	39,170	-10%	4,060	-14%	50	43,270	-10%
2007-08	Apr-June	38,940	-9%	3,740	-11%	70	42,760	-9%
	July-Sept	38,630	7%	4,000	4%	30	42,660	7%
	Oct-Dec	34,000	-9%	3,760	-21%	10	37,770	-10%
	Jan-Mar ^P	28,850	-26%	4,310	6%	80	33,250	-23%
2008-09	Apr-June ^P	27,960	-28%	5,800	55%	120	33,880	-21%
	July-Sept ^P	17,370	-55%	4,930	23%	10	22,310	-48%
	Oct-Dec ^P	12,190	-64%	3,500	-7%	160	15,850	-58%
	Jan-Mar ^P	13,640	-53%	4,620	7%	20	18,280	-45%
2009-10	Apr-June ^P	17,770	-36%	4,580	-21%	50	22,390	-34%
	July-Sept ^P	21,600	24%	4,930	0%	30	26,550	19%

* Percentages for all tenures “% change on same quarter previous year” in table 2 and 3 may differ from those in table 1. Adjustment for trading days and the Easter in effect slightly affects year ratios in year on year comparisons.

Private enterprise housing starts in the September quarter 2009 were 24 per cent higher than in the September quarter 2008, this compares to a fall of 36 per cent between the June 2008 quarter and the June 2009 quarter.

By comparison, starts by Registered Social Landlords did not change in percentage terms between the September quarter 2008 and the September quarter 2009.

Table 3: Quarterly housing completions by tenure, England, not seasonally adjusted

		Private Enterprise		Registered Social Landlords		Local Authority	All Tenures	
		Completions	% change on same quarter previous year	Completions	% change on same quarter previous year	Completions	Completions	% change on same quarter previous year*
2006-07	Apr-June	38,350	4%	4,840	18%	60	43,250	6%
	July-Sept	32,340	-4%	5,270	21%	60	37,670	-1%
	Oct-Dec	36,550	-13%	5,620	18%	50	42,220	-10%
	Jan-Mar	38,450	18%	6,010	22%	90	44,540	18%
2007-08	Apr-June	38,490	0%	4,600	-5%	170	43,260	0%
	July-Sept	33,950	5%	4,680	-11%	60	38,680	3%
	Oct-Dec	41,590	14%	6,810	21%	20	48,420	15%
	Jan-Mar	^P 30,720	-20%	7,010	17%	50	37,780	-15%
2008-09	Apr-June	^P 31,730	-18%	5,640	23%	140	37,510	-13%
	July-Sept	^P 25,800	-24%	5,590	20%	60	31,450	-19%
	Oct-Dec	^P 28,000	-33%	7,470	10%	180	35,660	-26%
	Jan-Mar	^P 22,180	-28%	6,840	-2%	180	29,210	-23%
2009-10	Apr-June	^P 24,760	-22%	5,730	2%	60	30,550	-19%
	July-Sept	^P 20,780	-19%	6,510	16%	100	27,390	-13%

* Percentages for all tenures “% change on same quarter previous year” in table 2 and 3 may differ from those in table 1. Adjustment for trading days and the Easter in effect slightly affects year ratios in year on year comparisons.

Private enterprise housing completions were 19 per cent lower in the September 2009 quarter than in the September 2008 quarter. By comparison, completions by Registered Social Landlords rose by 16 per cent over the same period.

Regional trends

Comparisons between regional and national figures in this section are based on the non-seasonally adjusted series. It is our policy only to seasonally adjust the private enterprise England figures.

All regions experienced a fall in annual starts between the 12 months ending September 2008 and 12 months ending September 2009 (see Figures 3a, 3b and 3c below).

In the 12 month period ending September 2009, the number of housing starts was highest in the South East and lowest in the North East, accounting for 21 per cent and four per cent respectively of starts in England. The pattern of completions across the regions is very similar to that of starts.

In all regions except Yorkshire and the Humber starts were higher in the September quarter 2009 than the September quarter 2008, with the largest increases experienced in the West Midlands (53%), the North East (52%) and in the East of England (36%). In Yorkshire and the Humber quarterly housing starts were four per cent lower in the September quarter 2009 than the September quarter 2008.

Figure 3a: Trends in housing starts in the North East, North West and Yorkshire and the Humber, 12 month rolling totals

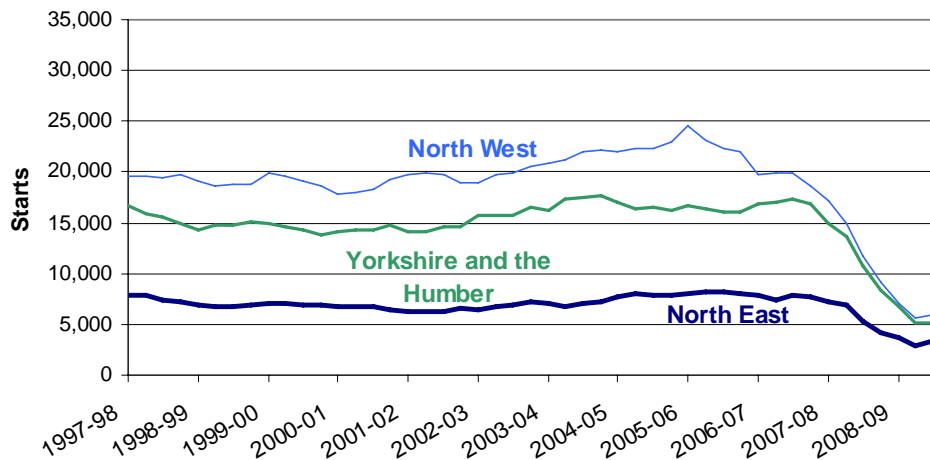


Figure 3b: Trends in housing starts in the East of England, East Midlands and West Midlands, 12 month rolling totals

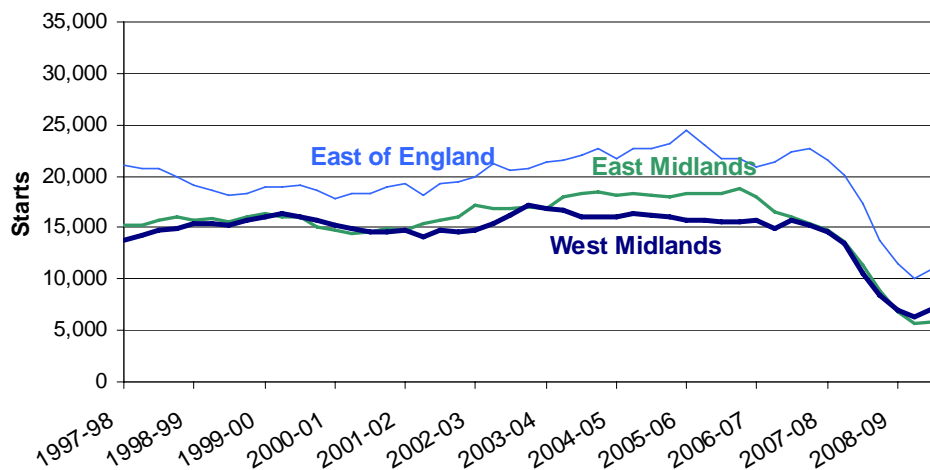
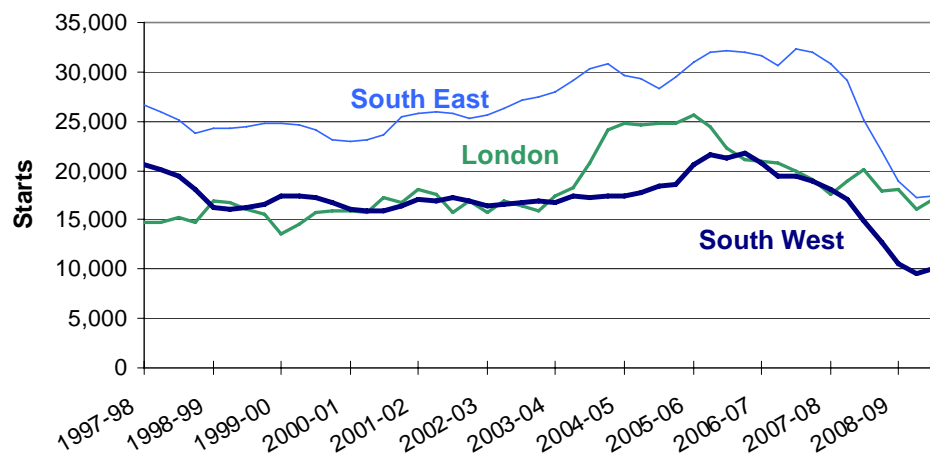


Figure 3c: Trends in housing starts in London, the South East and South West, 12 month rolling totals



All regions experienced a decrease in annual completions between 12 months ending September 2008 and 12 months ending September 2009 (see Figures 4a, 4b and 4c below).

In the 12 month period ending September 2009, the number of housing completions was highest in the South East and lowest in the North East, accounting for 20 per cent and four per cent respectively of completions in England.

Completions were higher in London (25%) and in the North East (five per cent) in the September quarter 2009 than in the September quarter 2008. In all other regions completions were lower in the September quarter 2009 than in the September quarter 2008. The largest falls were experienced in Yorkshire and the Humber (40%), the South West (38%) and in the West Midlands (24%).

Figure 4a: Trends in housing completions in the North East, North West and Yorkshire and the Humber, 12 month rolling totals

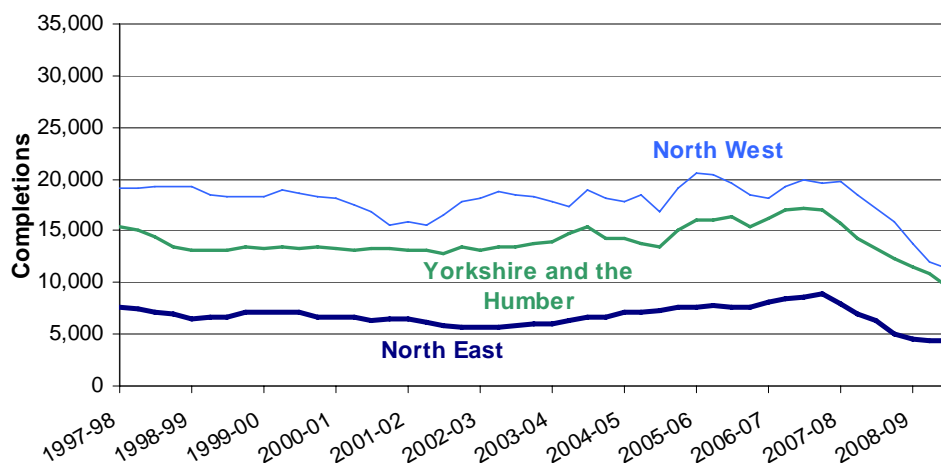


Figure 4b: Trends in housing completions in the East of England, East Midlands and West Midlands, 12 month rolling totals

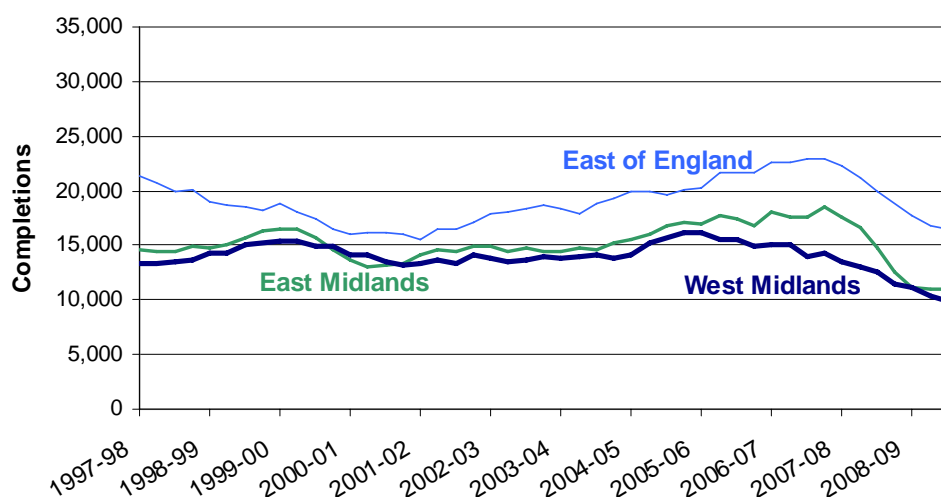
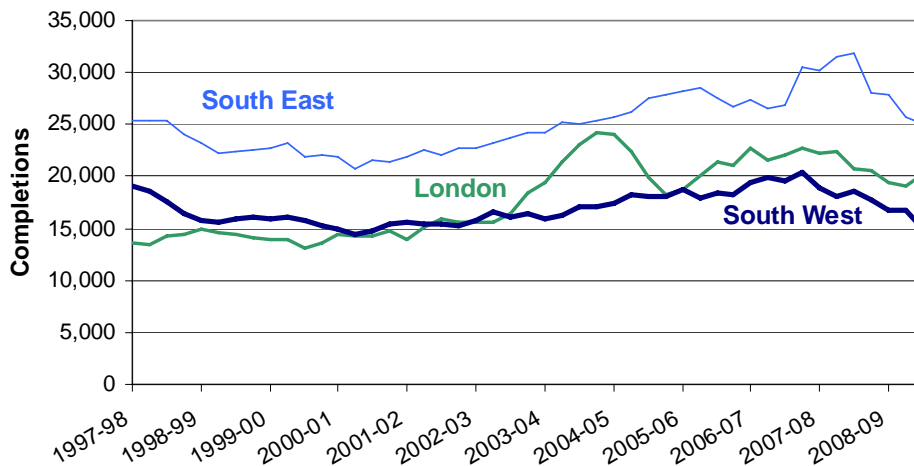


Figure 4c: Trends in housing completions in London, the South East and South West, 12 month rolling totals



Other Approved Inspectors

In addition to local authorities and the National House-Building Council, house building starts and completions can be certified by other independent Approved Inspectors. The numbers in this release do not include activity for these other Approved Inspectors and, as such, are underestimates of the true level of house building starts and completions. We have now begun collecting information from other Approved Inspectors in order to gain a complete picture of house building activity.

Early findings show that in the 2008-09 financial year approximately six per cent of all starts and four per cent of completions were inspected by other independent Approved Inspectors. At national level this translates to approximately 6,000 extra house building starts and approximately 5,000 extra completions for the 2008-09 financial year.

House building targets

House building figures are a leading indicator for monitoring the 2007 Comprehensive Spending Review (CSR07) target to increase the number of net additional homes provided per annum to 240,000 by 2016. Progress against the above target is published on an annual basis; the latest figures for 2007-08 show that the number of net additional homes reached 207,500 dwellings.

New build completions were stable between 2006-07 and 2007-08. However, completions in financial year 2008-09 were 20 per cent lower than in financial year 2007-08. Thus, it is likely that the number of net additional homes will fall between 2007-08 and 2008-09.

Data collection

This release takes information from two data sources on building control:

- around half of the new build activity is recorded through P2 quarterly house building returns submitted to Communities and Local Government by local authority building control departments; and
- quarterly information from the National House-Building Council (NHBC) on the volume of building control inspections they undertake in each local authority.

Strengths and weaknesses of the data

The NHBC figures record all starts and completions inspected by NHBC building control. We are currently reviewing the quality assurance of these data to ensure they remain robust.

The P2 data received from local authorities record starts and completions inspected by local authority building control and include imputation for a small number of missing returns; in the September quarter 2009, a 91 per cent local authority response rate was achieved.

In addition to local authorities and the NHBC, house building starts and completions can be certified by other independent Approved Inspectors. This release does not include activity for these other Approved Inspectors and, as such, the numbers in this release are underestimates of the true level of starts and completions but represent our best estimates at this time. We have included an estimate of the number of house building starts and completions certified by these other Approved Inspectors in the 2008-09 financial year in a separate chapter. We plan to collect information regularly from other Approved Inspectors to provide a complete picture of house building activity.

The house building data in this release are not used directly to monitor progress towards the Department's net additional homes target, but the figures are used to provide an early indication of trends in net additional dwellings and more generally to provide information on the state of the housing market.

Accompanying tables

Accompanying tables are available to download alongside this release:

Tables:

- 1a** House building starts and completions, including seasonally adjusted series: England;
- 1b** House building starts and completions unadjusted: North East;
- 1c** House building starts and completions unadjusted: North West;
- 1d** House building starts and completions unadjusted: Yorkshire and the Humber;
- 1e** House building starts and completions unadjusted: East Midlands;
- 1f** House building starts and completions unadjusted: West Midlands;
- 1g** House building starts and completions unadjusted: East of England;
- 1h** House building starts and completions unadjusted: London;
- 1j** House building starts and completions unadjusted: South East;
- 1k** House building starts and completions unadjusted: South West;
- 2a** House building starts and completions unadjusted: Wales;
- 2b** House building starts and completions unadjusted: Scotland;
- 2c** House building starts and completions unadjusted: Great Britain;
- 2d** House building starts and completions unadjusted: Northern Ireland;
- 2e** House building starts and completions unadjusted: United Kingdom;

Additional tables, earlier quarterly data and historic series can be accessed in the 'Live tables' section ("Live tables on house building") at www.communities.gov.uk/housingstatistics.

Background notes

1. The starts and completions reported in this publication are for new house building in England and exclude conversions and change of use.
2. Figures in the accompanying tables are presented rounded to the nearest 10 dwellings.
3. Sources are shown at the foot of individual accompanying tables and live tables.
4. The charts give seasonally adjusted quarterly house building trends and annual trends by showing a rolling 12 month total. Only the private enterprise England series is seasonally adjusted.
5. Accompanying Table 1a gives non-seasonally adjusted and seasonally adjusted England figures. All figures for other countries and the English regions are shown on an unadjusted basis only.
6. The Registered Social Landlord (RSL) category includes dwellings built for housing associations and Local Housing Companies that are registered with the Tenant Services

Authority (previously the Housing Corporation) and also for unregistered social landlords.

7. Figures on housing starts and completions are from records kept for building control purposes. It is sometimes difficult for data providers to identify whether a dwelling is being built for a housing association or for a private developer. This may lead to an understatement of Registered Social Landlord starts and completions recorded in these tables, and a corresponding overstatement of private enterprise figures. This problem is more likely to occur with starts than completions.
8. National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. We are currently reviewing the quality assurance of these data to ensure they remain robust.
9. The tables and charts accompanying this release are shown above in the 'Accompanying tables' section and are provided in Microsoft Excel format.
10. Additional tables showing house building starts and completions by type and size of property and for individual local authorities can be found in the Communities and Local Government Housing Live Tables.
11. Data in this release have been revised for the June quarter 2009 to incorporate any changes made by local authorities in their returns to Communities and Local Government. The data from the March quarter 2008 to the September quarter 2009 in this release are provisional and subject to revision.
12. Details of officials who receive pre-release access to the Communities and Local Government quarterly House Building release up to 24 hours before release can be found at:
<http://www.communities.gov.uk/corporate/researchandstatistics/statistics/nationalstatistics/>
13. The next quarterly release will be published on Thursday 18 February 2010, and will cover house building up to the December quarter 2009.

User consultation

Until the September quarter 2009 only private enterprise figures have been seasonally adjusted. We have investigated whether Registered Social Landlords house building starts and completions displayed seasonality and found that identifiable seasonality was present in both the starts and completions series for Registered Social Landlords.

We intend to introduce seasonally adjusted figures for Registered Social Landlords in our next release.

Users' comments on any issues relating to this statistical release are welcomed and encouraged. Responses should be addressed to the "statistical enquiries" contact given in the "Enquiries" section below.

Enquiries

Media Enquiries:

office hours: 020 7944 3049

out of hours: 0303 44 41201

e-mail: press@communities.gov.uk

Statistical enquiries:

e-mail: housing.statistics@communities.gov.uk

telephone: 0303 444 2278

Department for Communities and Local Government. © Crown Copyright, 2009

If you require this publication in an alternative format please email: alternativeformats@communities.gsi.gov.uk.
Please note that the nature of content means that we may not be able to provide the Statistical series of publications in all requested formats.

November 2009

ISBN: 978-1-4098-2045-1