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**Chair of the UK Statistics Authority, Sir Andrew Dilnot CBE**

Rt Hon John Healey MP  
Shadow Secretary of State for Housing  
House of Commons  
London  
SW1A 0AA

17 February 2017

Dear Mr Healey,

Thank you for your letter of 19 January regarding house building targets and in particular, the Government's use of the 'net addition' measure of housing supply.

The Department for Communities and Local Government's (DCLG) departmental plan for 2015-2020<sup>1</sup> states the ambition "*to deliver 1 million new homes over the next 5 years*"<sup>2</sup>. The measure used to track the progress against this target is 'net additions'. Net additions are a measure of the net change 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.

Data on 'net additions' are published in the annual statistical release *Housing Supply: net additional dwellings, England*<sup>3</sup>, which tracks changes in the size of the dwelling stock during the latest financial year. The release includes 'net additions' as well as figures on conversions, change of property use and demolitions. The release notes that it provides the most comprehensive measure of housing supply.

DCLG also publishes quarterly figures on new builds based on building control inspection data. This is included in the statistical release *House Building; New build dwelling statistics*<sup>4</sup>. There are therefore three sets of figures that a user could draw on in this area;

- The annual net dwellings figures published in *Housing Supply: net additional dwellings, England*<sup>5</sup>;
- the annual new build figure published in *Housing Supply: net additional dwellings, England*<sup>6</sup>; and
- the annual new build figure from the quarterly *House Building; New build dwelling statistics*<sup>7</sup> release.

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<sup>1</sup><https://www.gov.uk/government/publications/dclg-single-departmental-plan-2015-to-2020/single-departmental-plan-2015-to-2020>

<sup>2</sup> See footnote 1, Section 1.1

<sup>3</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/568403/Housing\\_Supply\\_England\\_2015-16.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/568403/Housing_Supply_England_2015-16.pdf)

<sup>4</sup> <https://www.gov.uk/government/collections/house-building-statistics>

<sup>5</sup> See footnote 3, Page 3, Table 1

<sup>6</sup> See footnote 3, Page 5, Table 2

There is a marked difference between the three sets of figures as the table at **Annex A** demonstrates over the period 2011-12 and 2015-16.

Where there is a target such as this we expect there to be clarity over which official statistics are being used to measure progress and that where public statements are made they are consistent in referring to the relevant measure.

The UK Statistics Authority's Office for Statistics Regulation will be discussing with statisticians at DCLG improvements in the clarity and presentation of these statistics.

Yours sincerely,

A handwritten signature in black ink that reads "Andrew Dilnot". The signature is written in a cursive, slightly slanted style.

**Sir Andrew Dilnot CBE**

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<sup>7</sup>See footnote 4

## Annex A

	The annual net additional dwellings figures published in <i>Housing Supply: net additional dwellings, England</i> <sup>8</sup>	The annual new build completion figure published in <i>Housing Supply: net additional dwellings, England</i> <sup>9</sup>	The annual new build completion figure from the quarterly <i>House Building; New build dwelling statistics</i> <sup>10</sup>
2015-16	189,650	163,940	139,840
2014-15	170,690	155,080	124,640
2013-14	136,610	130,340	112,330
2012-13	124,720	118,540	107,980
2011-12	134,900	128,160	118,510

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<sup>8</sup> See footnote 5

<sup>9</sup> See footnote 6

<sup>10</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building>, Table 209, Permanent Dwellings Completed. The live tables incorporate new build dwelling data from the quarterly statistical release and are the preferred source of data for a time series analysis as they incorporate any revisions to previously published data.