

Turning reality on its head – coalition statistical housing tricks

The Department of Communities and Local Government (DCLG), with the usual fanfare, has announced that "Housebuilding effort reaps real results". We go from one coalition success to another, or so they would like us to think. We are told that the net supply of additional homes (in England) has "increased by 10%" from 2012-13 to 2013-14. Net supply adds the number of new homes built together with the gains or losses through conversion (e.g. a house into flats), changes of use (a shop into a house or flats) and subtracts homes demolished. The increase over the last year is announced to be "the highest percentage increase in 12 years" (see Table 1 below). From this you are expected to believe that the government's housing strategy is a great success. The opposite is the case. They are turning reality on its head. In place of honest presentation of statistics the coalition's shameless misrepresentation of the stats *serves the purpose of obscuring the failure of their policy*. Read the DCLG's Housing Statistical Release of November 13th (for England) and their flimsy construction comes crashing down.

The increase in the net supply of dwellings of 11,890 in 2013-14, at 9.5%, *is* the largest percentage increase in 12 years. But in order to judge what it represents you have to look at it in context. The DCLG is quite happy to compare a percentage increase over 12 years to paint a pretty picture. But it's like looking at a still frame in a film. You know very little unless you know what has come before. The 9.5% doesn't look so impressive if you know that in the previous year there was a drop of 7.5%. In fact the number of net additional homes in 2013-14, this apparent success, is still less than the coalition was able to achieve in its first year in office. And that figure marked a decline from the last year of the previous government.

Kris Hopkins, coalition Housing Minister number 3, famously said that the previous government had "bequeathed a housing market" which was "a smoking ruin". Yet the fact is that the coalition has been unable to match the figure produced by the "smoking ruin" in the worst year of the housing crash - 144,870. This failure of the housing policy of the coalition government can be measured against the highpoint of 223,530 net additional homes prior to the crash. When the global crisis erupted there was a 35% drop in the number of net additional homes in just two years.

It *is* true that the coalition has achieved its highest level of new build completions at 130,340. Yet as you can see from the table 2 below this compares very unfavourably with 2007/08 and 2008/9.

Whatever happens in the real world there is no pause in the efforts of the coalition to present failure as success. Hence we are told of the "success" of the "affordable homes programme". Mr Brandon Lewis, Housing Minister No 4 (it seems to be one of those short straw Ministries) says that "the programme has already been a key part of government efforts that have got Britain building, and will ensure this success continues for years to come". You can see the degree of this "success" in Table 3 below where only 42,000 "affordable homes" have been provided in each of the last two years. You might also look at the number of homes with 'social rent' (Council Housing and Housing Association

homes). For 2013-14 only 10,840 were produced. Even if you add the number of the so-called “affordable rent” homes (up to 80% of market rents) it is still not very impressive.

Since the coalition came to office the number of Council homes in England has declined by 104,000. That doesn't appear to bother them since they are trying to drive up Council house sales.

The government's own estimate of the number of new homes required each year (in England) is in the region of 240,000. So in their 'best' year they are 110,000 short of that. If this “success continues for years to come” then we can guarantee only one thing: the housing crisis will get worse each and every year should they manage to cling onto office.

Table 1: Annual net additional dwellings 2000-01 to 2013-13, England

Financial Year	Net supply (dwellings)	Percentage change from previous year
2000-01	132,00	
2001-02	146,700	11%
2002-03	159,870	9%
2003-04	170,970	7%
2004-05	185,550	9%
2005-06	202,650	9%
2006-07	214,940	6%
2007-08	223,530	4%
2008-09	182,770	- 18%
2009-10	144,870	- 21%
2010-11	137,390	- 5%
2011-12	134,390	- 2%
2012-13	124,720	- 8%
2013-14	136,610	10%

Table 2 Components of net housing supply, 2007-08 to 2013-14, England

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
New build completions	200,300	157,630	124,200	117,700	128,160	118,540	130,340
<i>Plus</i> Net conversions	9,020	8,640	6,230	5,050	5,240	4,100	4,470
<i>Plus</i> Net change of use	17,640	16,640	13,600	11,540	12,590	12,780	12,520
<i>Plus</i> net other gains	1,020	270	970	1,810	1,100	1,370	1,330
<i>Less</i> demolitions	20,500	16,590	16,330	14,890	12,200	12,060	12,060
<i>Plus</i> adjustments to Census 2011	16,190	16,190	16,190	16,190	-	-	-
Net additional dwellings	223,530	182,770	144,870	137,390	134,900	124,720	136,610

Table 3 trends in the gross supply of affordable housing, England 2004-05 to 2013-14

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Social rent	21,670	23,630	24,670	29,640	30,900	33,180	38,950	37,680	17,620	10,840
Affordable rent	-	-	-	-	-	-	-	930	6,980	19,740
Intermediate affordable <i>of which</i>	15,800	22,350	19,630	23,530	24,600	24,800	21,530	19,500	18,320	12,130
<i>Intermediate rent</i>	<i>1,510</i>	<i>1,680</i>	<i>1,200</i>	<i>1,100</i>	<i>1,710</i>	<i>2,560</i>	<i>4,520</i>	<i>1,920</i>	<i>1,0710</i>	<i>790</i>
<i>Affordable home ownership</i>	<i>14,280</i>	<i>20,680</i>	<i>18,430</i>	<i>22,420</i>	<i>22,900</i>	<i>22,240</i>	<i>17,010</i>	<i>17,590</i>	<i>17,260</i>	<i>11,330</i>
Total	37,470	45,980	44,300	53,180	55,500	57,980	60,480	58,110	42,920	42,710

Totals may not sum due to rounding of figures to the nearest 10.