

Report

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Hearing Statement: Matter 3 Gladman Developments Ltd

October 2017

Gladman Developments Ltd Contents

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3. The housing strategy: the objectively assessed need for housing and the housing requirement (Policy SP8)

Date: October 2017

For and on behalf of GVA Grimley Limited

The housing strategy: the objectively assessed need for housing and the housing requirement (Policy SP8)

Set out below are our responses (shown in non-bold text) to the matters and issues raised by the Inspector (shown in bold text)

Figure 3 of the Plan identifies most of the District as being within the Stevenage Housing Market Area (HMA) and part of it as being within the Luton HMA. This is based on the conclusions of Housing Market Areas in Bedfordshire and Surrounding Areas –Report of Findings (December 2015) by Opinion Research Services [HOU2]. Is this a robust evidential basis?

3.1 No Comment

Paragraph 2.39 of the Plan says that the objectively assessed need for housing ('the OAN') in the District over the plan period (2011 to 2031) is 13,800 homes.

- a) I understand that this stems from the conclusions of Updating the Overall Housing Need Based on 2014-based Projections for Stevenage and North Herts (August 2016) by Opinion Research Services [HOU3]. Is that correct?
- 3.2 It is our understanding that the derivation of the 13,800 dwelling requirement is from HOU3.
 - b) Does the 13,800 figure include housing need arising in the part of the District that falls within the Luton HMA?
- 3.3 It is our understanding that it covers the entirety of the district and therefore includes any part of it which falls into the Luton HMA.
 - c) Does Stevenage accept that its OAN is 7,600 homes, as HOU3 indicates, and has its Local Plan been based on that OAN figure?
- 3.4 It is our understanding that Stevenage propose to deliver 7,600 dwellings as part of their modified Local Plan (Page 20 of modified Local Plan, Para 4.6)

What methodological approach has been used to establish the OAN, and does it follow the advice set out in the Planning Practice Guidance (under the heading 'Methodology: assessing housing need')? In particular:

- a) I understand that the OAN is based on applying a 10 year migration trend (2005 to 2015) to the ONS 2014-based sub-national population projections and the Government's 2014based household projections. Is that correct? If so, why? Why is this more appropriate than the 'starting point' estimate provided by the Government's household projections?
- 3.5 The 2014-based Household Projections were published on 12 July 2016. The 'Statistical Release' report¹ (12 July 2016) describes the latest dataset thus:

This statistical release presents **National Statistics** on the projected number of households in England and its local authority districts up to 2039. The figures in this release are based upon the 2014-based sub-national population projections (SNPP), published by the Office for National Statistics (ONS) in May 2016.²

- 3.6 GVA has highlighted the term National Statistics as, according to UK Statistics Authority³, they are a subset of official statistics which have been independently assessed by the UK Statistics Authority and "reach the highest standards of trustworthiness, quality and value". The DCLG Household Projections are therefore of the highest statistical importance.
- 3.7 The PPG notes the importance of the Household Projections when it states "The household projections produced by the Department for Communities and Local Government are statistically robust and are based on nationally consistent assumptions." 4
- 3.8 The 2014-based Household Projections project between 2011 and 2031 the number of households in North Herts will increase by 14,210 dwellings or 711 dwellings per annum⁵. They show a good degree of alignment with the 2012 Projections; a 0.7% change from 2012 to 2014, showing some stability in the projections.
- 3.9 Policy SP8 is based on HOU3, however the brevity of HOU3 means that much of the justification and evidence is not contained there, but appears to be founded on the 2015 SHMA (HOU4).
- 3.10 HOU46 and HOU37 provide a discussion about the suitability of Household Projections for long term population and household projections. Specifically:
 - HOU3 states that "PAS advice to Local Authorities suggests that the official projections are
 "very unstable" and it is more appropriate to adopt a longer base period to establish
 robust migration trends [...] Furthermore, the Public Administrations Select Committee has

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/536702/Household_Projections - 2014 - 2039.pdf (Appendix 1)

² Page 2 of the Statistical Release report (Appendix 1)

³ Page 5 of the National Statisticians Guidance (June 2016) (Appendix 2)

⁴ Paragraph 2a-017 of PPG

⁵ This is on the basis of a vacancy rate of 2.9% as set out by the 2015 SHMA

⁶ Para 2.11 to 2.15

⁷ Para 6

identified the Census as "the only reliable source of data on migrant populations in local areas." 8

- HOU4 concludes that 5-year trend migration scenarios are less reliable: they have the potential to roll-forward short-term trends that are unduly high or low and therefore are unlikely to provide a robust basis for long-term planning. Conversely, 10-year migration trends, it states, are more likely to capture both highs and lows and are not as dependent on trends that may be unlikely to be repeated. "Therefore, we favour using 10-year migration trends as the basis for our analysis." 9
- 3.11 There are several issues with this justification which undermines the soundness of Policy SP8.
 - 1. Figure 1 of this Hearing Statement, provides a breakdown of population change in North Herts. It shows that net migration averaged 752 persons per annum (ppa) between 2001 and 2016 compared to 759 ppa in the reference period¹⁰ 'feeding' into the 2014-based Household Projections. Overall there is strong alignment between long term migration trends and the base period feeding into the Household Projections. Whilst it is clear from Figure 1 that net migration has fluctuated over the last 15 years the 'reference period' for the 2014 Projections is neither "unduly high or low" as HOU4 makes out. In fact, contrary to this, it projects forwards a period when migration was almost perfectly aligned with long term trends.
 - 2. The SNPP, which feed into the Household Projections, are constrained nationally to the level of growth anticipated by National Projections. This means that the population data feeding into the Household Projections is not simply a linear projection or a projection based purely on past trends as HOU3 suggests. The methodological paper which accompanies the SNPP confirms that to take account of national trends, 'migration assumptions will entail scaling of local trends [...] Therefore there may be a step change between recent trends locally and the assumptions used in the subnational projections, however the national projections use different models and much longer time series in setting the national long term assumptions. Therefore it is not unusual for the assumptions made [...] to be at a different level to a simple average of the latest local data.'

In addition, the SNPP is a multi-regional model meaning it takes into account not only past trends in a given authority area, such as North Hertfordshire, but also where migration flows have been coming from (i.e. Stevenage, Luton, London etc..) and how those are likely to change in the future. This means that the past migration relationships between its neighbours are fundamentally ingrained into the model. Significant caution is therefore needed when making adjustments to the SNPP as the flows are inextricably linked to other areas in the sub-region.

⁸ Para 6

⁹ Para 2.13

¹⁰ 2008/09 to 2013/14 for UK migration and 2007/08 to 2013/14 for International Migration

| | Population | Natural Change | IN UK | OUT UK | NET UK | IN OV | OUT OV | NET OV | Net Migration | UPC |
|----------------------------|------------|-------------------|----------|-----------|-----------|----------|-----------|-----------|------------------|--------|
| 2001 | 117,051 | 51 | 6879 | 6085 | 794 | 438 | 377 | 61 | 855 | 12 |
| 2002 | 117,959 | 160 | 7103 | 6196 | 907 | 401 | 260 | 141 | 1048 | -19 |
| 2003 | 119,148 | 311 | 6863 | 6076 | 787 | 269 | 432 | -163 | 624 | -1 |
| 2004 | 120,092 | 235 | 6522 | 6052 | 470 | 330 | 344 | -14 | 456 | -8 |
| 2005 | 120,757 | 248 | 7020 | 6095 | 925 | 462 | 488 | -26 | 899 | -18 |
| 2006 | 121,890 | 293 | 7421 | 6618 | 803 | 539 | 519 | 20 | 823 | -16 |
| 2007 | 122,974 | 320 | 7314 | 6151 | 1163 | 517 | 556 | -39 | 1124 | -22 |
| 2008 | 124,391 | 354 | 6249 | 5597 | 652 | 473 | 585 | -112 | 540 | -17 |
| 2009 | 125,269 | 344 | 6813 | 6039 | 774 | 396 | 478 | -82 | 692 | -17 |
| 2010 | 126,286 | 430 | 6852 | 5992 | 860 | 413 | 426 | -13 | 847 | -78 |
| 2011 | 127,494 | 397 | 7288 | 6611 | 677 | 335 | 489 | -154 | 523 | - |
| 2012 | 128,428 | 358 | 7206 | 6524 | 682 | 338 | 485 | -147 | 535 | - |
| 2013 | 129,318 | 462 | 7810 | 6722 | 1088 | 423 | 261 | 162 | 1250 | - |
| 2014 | 131,046 | 218 | 7389 | 7095 | 294 | 439 | 308 | 131 | 425 | - |
| 2015 | 131,696 | 412 | 7356 | 6824 | 532 | 461 | 358 | 103 | 635 | - |
| 2016 | 132,747 | | | | | | | | | |
| 15 Yr Ave | | | | | | | | | 752 | |
| 2014 HP Base ¹¹ | | | | | | | | | 759 | |
| HOU3 Base ¹² | | and a | | to of | ! - | | | | 766 | 1 2017 |

Figure 1 Population change and components of population change between 2001 and 2016. The numbers represent people. Natural change is the balance of births minus deaths. Net migration is the balance of people coming in minus people going out. UK migration is the movement of people within the UK. OV migration is the movement of people to and from overseas. (ONS MYE)

- 3.12 There is therefore nothing within the data feeding into the Household Projections which would lead us to depart from them. Certainly, the 2014-based Household Projections would appear to be in line with long term trends. Secondly, they provide a nationally consistent set of projections which align demographic trends at the local level with those at the national level. National Projections utilise long term projections of international migration (30+ years) and therefore provide a more stable view of this element of population change over the long term.
- Overall, there is not sufficient justification for a reduction in the OAN in North Hertfordshire from 711 dpa (as stated by the 2014 Household Projections).

An uplift has been added to the OAN to take account of concealed families and homeless households. Precisely what level of uplift is used? How has this figure been arrived at and is it justified?

¹¹ 2008/09 to 2013/14 for UK migration and 2007/08 to 2013/14 for International Migration

^{12 2005/6} to 2014/15 for UK and International Migration

3.14 The HOU4¹³ highlights the PPG which states that "indicators on overcrowding, concealed and sharing households, homelessness and the numbers in temporary accommodation demonstrate un-met need for housing" It makes an assessment of the number of concealed households in the HMA and how these numbers have changed between 2001 and 2011. HOU4 then concludes 14 that "as a response to market signals, it is appropriate to increase the overall housing number to take account of the growth of 244 concealed families".

3.15 There are a number of issues with this:

- Figure 35 of HOU4 sets out the analysis on which that adjustment is based. HOU4 excludes from the adjustment families older than 55 as "concealed families with younger family representatives are more likely to demonstrate un-met need for housing." The "244" adjustment is therefore based on growth in concealed families under 55 between 2001 and 2011. There is no explanation of "why?" is it only the growth of concealed families between two arbitrary points in time that is adjusted for rather than the entirety of that younger concealed group. If the entirety of the group which HOU4 recognises is likely to demonstrate un-met need was to be met within the OAN it would increase the number from 244 to 607 households (around 625 dwellings with an adjustment for vacancy). This suggested approach is the same as that adopted by the HOU4 in Figure 38 and paragraph 3.68, where the total number of households living in temporary accommodation are provided for, rather than the net change between 2001 and 2011.
- It makes an adjustment for concealed families (not concealed households). The difference between a concealed family and a concealed household is that the latter would contain individuals (as an individual can represent a household). The report 'Clipped Wings Generation' produced by the housing and homelessness charity Shelter (2014) identifies that there are 4,763 concealed individuals within North Herts young adults aged 20 to 34 in employment living at home. If this age group were to form households at the average headship rate within the 2014 Household Projections it would result in an additional 2,096 households over the projection period. When added to the concealed families identified in HOU415 this equates to 2,255 households. Divided by 20 (i.e. across the Plan period) this equates to an additional 113 dpa. If this is added to the household projections estimate of need this would equate to a need for around 824 dpa or an adjustment of 16%.
- 3.16 The adjustments discussed above demonstrate the likely effect of an improvement in the ability of younger adults to form households.

¹³ Paragraph 3.56

¹⁴ Paragraph 3.59

¹⁵ Figure 40 of the SHMA identified a total adjustment of 317 households which equates to around 159 households each.

An uplift of 10% has been added to reflect market signals. I understand that this relates to house prices –in short, that it is to improve affordability. Is that correct? How has this 10% figure been arrived at and is it justified?

- 3.17 The market signals analysis within the HOU4 concludes that there is justification for a 10% increase in the demographic assessment to take account of market signals.
- 3.18 On the basis of the analysis within this critique a 10% adjustment would increase the 2014-based Household Projections figure to 782 dpa (almost 100 dpa more than the OAN within the HOU3). Notwithstanding, there are several elements of the HOU4 analysis which are deficient.
- 3.19 The PPG states that "appropriate comparisons of indicators should be made. This includes comparison with longer term trends (both in absolute levels and rates of change) in the housing market area; similar demographic and economic areas; and nationally." ¹⁶ HOU4, at paragraph 3.41, sets out what it considers to be "areas with similar demographic and economic characteristics". There is no justification on how this has been done, why specific areas have been chosen or grouped together or how indicators have been weighted between areas to produce 'HMA-wide' indices from local authority areas. This provides a great deal of uncertainty when critiquing the assessment.
- 3.20 When looking at the most up to date information (2016-based) for North Hertfordshire there are some important market signals which show there is a significantly level of market pressure. In 2016 North Hertfordshire house prices were 10.52 times local earnings¹⁷. This is compared to 7.59 in England. North Hertfordshire is in the top 26% of authorities in terms of poor affordability¹⁸. When London is removed, North Hertfordshire is within the top 19% in terms of poor affordability¹⁹. Affordability has worsened since 1997 by 159% (average for England 118%). In terms of house prices, between 1995 and 2016 median house prices in North Herts increased by 391%. This is compared to an average across England of 301%.
- 3.21 Whilst GVA does not endorse the comparator areas chosen by HOU4, there are several key price-related indicators where North Hertfordshire demonstrates market signals pressure relative to these areas. The increase of house prices between 1995 and 2016 (the largest time period offered by the ONS Small Area Statistics) and the increase in affordability ratio between 1997 and 2016 (the time period offered by the newly updated DCLG live tables for affordability) both show North Hertfordshire performing worse than many of the comparator areas chosen by HOU4. This is notwithstanding some of these areas being among the least affordable areas in England.

¹⁶ Paragraph: 020 Reference ID: 2a-020-20140306

¹⁷ Median earnings of local workers and median house prices

¹⁸ I.e. it is ranked 90th out of 340 authorities in terms of poor affordability

¹⁹ It is ranked 59th out of 309 authorities in terms of poor affordability

| Increase in house price ²⁰ | 95 to 16 | Fall in affordability ²¹ | 97 to 16 |
|---------------------------------------|----------|-------------------------------------|----------|
| Thurrock | 411% | Thurrock | 236% |
| Epping Forest | 402% | Mid Sussex | 198% |
| Brentwood | 394% | Harlow | 189% |
| North Hertfordshire | 391% | Horsham | 173% |
| Mid Sussex | 380% | Basildon | 167% |
| Reigate and Banstead | 378% | North Hertfordshire | 159% |
| East Hertfordshire | 370% | Epping Forest | 151% |
| Stevenage | 367% | Reigate and Banstead | 142% |
| Tandridge | 360% | Mole Valley | 140% |
| Crawley | 353% | East Hertfordshire | 132% |
| Mole Valley | 353% | Uttlesford | 132% |
| Basildon | 347% | Brentwood | 130% |
| Uttlesford | 347% | Stevenage | 128% |
| Harlow | 344% | Tandridge | 128% |
| Horsham | 342% | Crawley | 126% |
| England | 301% | England | 118% |

Figure 2 Additional affordability indicators not assessed by 2015 SHMA

- 3.22 Overall, it is considered that a greater increase is justified. If, for example, the Local Plan Expert Group methodology were to be employed in the case of North Hertfordshire it would warrant an increase of 25% above household projections.²² This would increase the annual requirement in North Hertfordshire to 889 dpa from household projections.
- In September 2017 DCLG published a consultation entitled 'Planning for the right homes in the right places'. The consultation paper references the housing White Paper and LPEG process when setting out 'the Government's proposed approach'. The paper states "The starting point should continue to be a demographic baseline, which is then modified to account for market signals (the price of homes)." The Government's proposed methodology (as with the PPG) places great stock in the DCLG Household Projections as the demographic base for understanding housing need. North Herts is given a market signals adjustment of 40% (above household projections) in the proposed methodology. For North Herts, 'the Government's proposed approach' results in a need for 996 dpa.
- 3.24 There are several considerations when deciding on the level of weight that can be attributed to the standardised methodology.
 - Whilst the standardised methodology is out for consultation and therefore potentially subject to change the methodology has its genesis in both the housing white paper and the LPEG, both of which were subject to extensive consultation. Given the genesis of the methodology it is unlikely that the methodology will change significantly.

²⁰ Lower quartile

²¹ Lower quartile

²² This is due to the average median house price ratio being 9.35 over the last 3 years which is above the 8.7 ratio identified in Appendix 6 of the LPEG Recommendations as warranting an increase of 25%.

- Methodology. The standard methodology exhibits a level of similarity to the method
 espoused by the LPEG in that it removed the consideration of economic growth and
 focuses on a standard uplift for affordability pressures. There is therefore a clear lineage of
 methodology between the LPEG and the standardised methodology.
- Compliance with national policy. The standardised methodology is entirely consistent with
 the provisions of the NPPF. Paragraph 159 of the NPPF states that an assessment of housing
 need should meet population and household projections. The NPPF's core principles
 (paragraph 17) states that "plans should take account of market signals, such as land
 prices and housing affordability."
- 3.25 We therefore consider that the 'Government's proposed approach', and the resulting need for North Herts of 996 dpa, should be given moderate weight in the consideration of housing need in North Herts. We are not seeking for the Inspector to adopt the Government's standard approach for this local plan, rather we are encourage the Inspector to use the standard need figure as a sense check for the appropriateness of the Council's proposed OAN. We consider that it is further evidence the Council's OAN is unsound.
- 3.26 On balance we consider that a 15% upward adjustment is appropriate. This would increase the need from 711 dpa to 818 dpa.

Have employment trends been taken into account? If so, how, and what conclusions are drawn in this regard?

Does the OAN provide enough new homes to cater for those taking up the new jobs expected over the plan period?

- 3.27 HOU4 (section 3) undertakes an analysis of the likely change in job numbers at the HMA level (i.e. it includes both Stevenage and North Hertfordshire together). It makes no distinction between whether a job will be created in Stevenage or North Hertfordshire, where the growth in labour force is likely to occur or whether assumptions around commuting are likely to change as a result this HMA-wide analysis. Whilst the PPG does make reference to the 'housing market area' in paragraph 18, it makes it clear that migration assumptions between administrative areas should be assessed and justified in light of economic needs. Paragraph 3.35 of HOU4 states that there is a surplus of 2,700 workers relative to jobs over the projection period however, it does not state where this surplus is likely to occur and what effect this will have at the local authority level.
- 3.28 The importance of this is clearly set out in the Oadby and Wigston judgement. Hinkinbottom J.²³ at paragraph 34 concluded that:

²³ [2015] EWHC 1879 (Admin)

"For an **authority** to decide not to accommodate additional workers drawn to **its area** by increased employment opportunities **is clearly a policy on decision** which affects **adjacent authorities** who would be expected to house those additional commuting workers, unless there was evidence (accepted by the inspector or other planning decision-maker) that in fact the increase in employment in the borough would not increase the overall accommodation needs"

- 3.29 It therefore considered that the balance of employment and labour force supply should be tested at both the HMA and the local authority level to ensure that the assessment of need at the local authority level is policy-off and is not constrained or redistributed artificially.
- 3.30 Reviewing the latest (2016-based) East of England Forecasting Model forecasts, it shows that across the Stevenage and North Hertfordshire there is forecast to be growth of around 14,100 jobs between 2011 and 2031. However, these jobs are not forecast to be distributed equally between the two authorities. In fact, 73% of this employment growth is forecast to take place in North Hertfordshire. The implication of this is that there could be a shortfall in the level of labour force growth in North Hertfordshire and an over-provision in Stevenage. HOU4, by calculating the balance of employment and labour force supply at the HMA-wide basis only, has no way of knowing how its analysis affects issues such as commuting. This is the same position as encountered in Oadby and Wigston and ruled within the Court of Appeal to be 'policy-on' adjustments.
- In terms of the total level of employment growth assumed by the HOU4, it assumes that the likely change in job numbers in the HMA is 11,400 between 2011 and 2031. This is taken from the 2014-based EEFM. Reviewing the latest 2016-based forecasts this has increased to 14,700.²⁴ HOU3 does not update the employment side of the analysis and instead focusses on the demographic analysis which it uses to propose a reduction in the OAN.

Overall, has the OAN figure been arrived at on the basis of a robust methodology?

3.32 No. There are several concerns, identified above, with the methodology employed by the Council's evidence base which underestimates housing need in the authority. It is likely that housing needs are in excess of 800 dpa.

Policy SP8 says that between 2011 and 2031 the Council will release sufficient land to deliver at least

14,000 new homes for North Hertfordshire's own needs, and will provide additional land within the Luton HMA for a further 1,950 homes as a contribution towards the unmet needs for housing arising in Luton. This amounts to a housing requirement of 15,950.

²⁴ An increase of 3,300 jobs or around 29%

a) Are these intended to be net figures?

No comment

b) Will the housing requirement ensure that the need for affordable housing will be met?

Whilst the SHMA Part 2 (HOU5) suggests 33% of housing should come forward as affordable in the local plan and the local plan targets delivery of in excess of 33%, it is not clear from the Council's Examination Library how this will be delivered when considered against the likely supply of sites and their likely affordable housing contribution.



2014-based Household Projections: England, 2014-2039

- The number of households in England is projected to increase from 22.7 million in 2014 to 28.0 million in 2039.
- Annual average household growth is projected to be 210,000 per year between 2014 and 2039.
- Average household size is projected to fall from 2.35 in 2014 to 2.21 in 2039.
- One person households are projected to increase by 68,000 per year, about one third (33 per cent) of the total household growth up to 2039.
- Households headed by someone aged 65 or over are projected to increase by 155,000 per year, about three quarters (74 per cent) of total household growth up to 2039.
- Households headed by someone aged 25 to 34 are projected to decrease by 9,000 per year up to 2039.
- Changes in population account for around 94 per cent of household growth from 2014 to 2039.
- Net migration (as assumed in the population projections) accounts for 37 per cent of projected household growth.
- Over the period from 2012 to 2037, annual average household growth is projected to be 214,000 per year, higher than the 2012-based household projections figure of 210,000 per year for the same period.



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Introduction

This statistical release presents National Statistics on the projected number of households in England and its local authority districts up to 2039. The figures in this release are based upon the 2014-based sub-national population projections, published by the Office for National Statistics (ONS) in May 2016. They replace the 2012-based household projections released in 2015.

The methodology for the 2014-based household projections is based upon the 2012-based household projections. A description is provided in the Methodology Document. The methodology uses the latest ONS sub-national population projections and incorporates information from the Census 2011 on household population and numbers down to local authority level and household formation rates at a national level.

As with the previous projections, the methodology is split into two stages: Stage One produces summary household numbers based on long-term demographic trends and Stage Two gives a more detailed breakdown of household type.

The assumptions underlying national household and population projections are based on demographic trends. They are not forecasts as, for example, they do not attempt to predict the impact of future Government policies, changing economic circumstances or other factors that might influence household growth. The projections show the household numbers that would result if the assumptions based in previous demographic trends in the population and rates of household formation were to be realised in practice.

Household Projections for England

The number of households in England is projected to grow to 28.0 million from 22.7 million by 2039, an increase of 5.3 million (23 per cent) from 2014. This equates to an average of 210,000 additional households per year. The projected change in household population over the same period is an additional 8.7 million people, increasing the household population in England to 62.0 million by 2039 and representing a 16 per cent change.

Average household size is projected to fall from 2.35 in 2014 to 2.21 in 2039.

| Table 1: National Household Projections, England, 2014-2039 | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--|
| | 2014 | 2019 | 2024 | 2029 | 2034 | 2039 | |
| Total Households (thousands) | 22,746 | 23,927 | 25,015 | 26,083 | 27,088 | 28,004 | |
| Change in Households (thousands) | - | 1,180 | 2,268 | 3,337 | 4,342 | 5,257 | |
| Percentage Change in Households (%) | | 5% | 10% | 15% | 19% | 23% | |
| Average household Size | 2.35 | 2.32 | 2.29 | 2.27 | 2.24 | 2.21 | |
| Total Household Population (thousands) | 53,351 | 55,477 | 57,359 | 59,086 | 60,612 | 62,027 | |
| Change in Household Population (thousands) | | 2,126 | 4,007 | 5,735 | 7,261 | 8,675 | |
| Percentage Change in Household Population (%) | | 4% | 8% | 11% | 14% | 16% | |

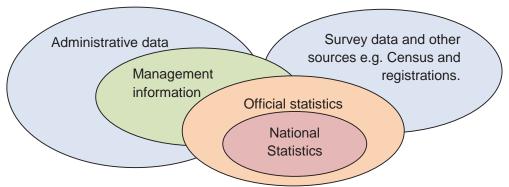


National Statistician's Guidance Management Information and Official Statistics

June 2016

3. Scope and definitions

- 3.1 Government bodies collect numerical information, carry out research, and make estimates of various kinds in order to run their own businesses, and will often wish to make these numbers public. Such data when made public can sometimes be described as official statistics, and in these cases the Code of Practice for Official Statistics² applies.
- 3.2 The following terms describe some different types of numerical information.
 - Administrative data refers to information collected primarily for administrative reasons (i.e. not initially for statistics or research). This type of data is collected by government departments and other organisations for uses such as registration, transactions and record-keeping, usually as a by-product of delivering a service. Administrative data is often used for operational purposes and their statistical use is usually secondary.
 - ii. Management information describes aggregate information collated and used in the normal course of business to inform operational delivery, policy development or the management of organisational performance. It is usually based on administrative data but can also be a product of survey data. The terms administrative data and management information are sometimes used interchangeably.
 - iii. **Official statistics.** These are statistics published by a Crown body, or a body listed within an Official Statistics Order. They are sometimes based on administrative data, but also can be based on survey data. Official statistics fall under the remit of the Code of Practice for Official Statistics.
 - iv. **National Statistics** are a subset of official statistics which have been independently assessed by the UK Statistics Authority's regulatory function and have been found to be compliant with the Code. The National Statistics label can only be granted or removed by the Authority. The National Statistics label is a mark that the statistics reach the highest standards of trustworthiness, quality and value.



3.3 Administrative data and management information sometimes feed into official statistics. Sometimes management information is made public in its own right, and this data may or may not subsequently feed into official statistics. Crime statistics are a good example of this.

² http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf.