

Estimates of housing need in Wales at a national and regional level (2018-based)

What are these statistics?

These statistics are estimates of additional housing units at both a National and Regional level. The estimates of additional housing need are calculated using the 2014-based household projections, as well as estimates of a number of elements of existing unmet need. The previous estimates produced by Public Policy Institute for Wales were based on 2011-based household projections so are now out of date.

This is the first [Statistical Article on these estimates](#) and a second will be published in Spring 2019 with estimates split by tenure. [All results are available on StatsWales](#)

These statistics should not be used as a housing target in Wales.

Policy and operational context

The main requirements of these estimates is to

- inform ongoing housing policy decision making
- inform the National Development Framework
- support assessments of local well-being required under the Well-being of Future Generations (Wales).

Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators (“national indicators”) that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

Users and uses

The data in this Statistical Article forms part of the evidence base for future planning in Wales and is used by the Welsh Government and other housing organisations to produce a picture of the overall need for additional housing units in Wales. The data will be used to inform the National Development Framework, future policy development as well as informing Future Trends reporting (as required by the Well-being of Future Generations (Wales) Act 2015

The data will be used for answering Assembly Questions, ministerial correspondence, Freedom of Information Act cases and queries from the public. A variety of users will use these statistics including national and local government, researchers, academics and students.

Strengths and limitations of the data

Strengths

- The information is processed and published in an ordered manner to enable users to see the statistics when they are current and of greatest relevance
- Outputs have a clear focus on Wales and have been developed to meet both the needs of Welsh government and other external users
- The estimates are based on an established and transparent methodology (agreed with a technical group) and use the most up to date official data that is currently available
- [Estimates are provided via our StatsWales](#) website at a national and regional level

Limitations

- These estimates are based on 2014-based household projections. Household projections provide estimates of the future numbers of households and are based on population projections and a range of assumptions about household composition and characteristics. The assumptions are based on relatively recent past trends and indicate what may happen should these trends continue into the future. The further into the future the estimates go, the less certain they become. The projections do not attempt to reflect the impact of future policies or events such as Brexit.
- The overall estimates are not a housing target. They are an indication of overall need of additional housing units in Wales, given the projected change in number of households.
- The methodology only considers households that are in need of an additional unit. It therefore does not take into account those households that are living in unsuitable accommodation and need a different type of housing unit.
- The estimates of existing unmet need are calculated on the best available data. This is likely to be an undercount of the true number of households in existing unmet need.

Data processing cycle

Input data

There are two components that make up estimates of housing need: newly arising need and existing unmet need.

Newly arising need in the 2018-based estimates of housing need are based on the [2014 based household projections](#), published in 2017.

Under some variants of the household projections, towards the end of the projection period, the household projections indicate an annual decrease in the number of households. This leads to a negative figure for newly arising need. This value is therefore not applicable for the purpose of this work and has been treated as zero at the regional level throughout the statistical article and the StatsWales tables. Estimates of newly arising housing need at the Wales level are based on Wales level household projections, and do not correspond to the sum of the regions in cases where one or more of the region's values are not applicable.

Existing unmet need is made up of homeless [households in temporary accommodation](#) (as at June 2018) as well as [households that are both overcrowded and concealed](#) (which comes from the 2011 census and was compiled by ONS in a commissioned table).

Publication

Once the estimates were calculated, the release was compiled and the key points and commentary drafted.

Quality assurance

In order to ensure that the estimates and output from this work are robust, transparent and of the highest standard, a Housing Need and Demand Technical group was established at the outset which includes analytical and policy experts from both Welsh Government and Local Government. The role of this group was to advise on methodology and technical issues.

The adopted approach to calculating estimates for housing need and demand was also peer reviewed by the Chief Analysts and other senior officials in Welsh Government.

All input data has been quality assured by analysts in Welsh Government. All output data has been checked against manually calculated figures.

The release was independently checked and a final sense check carried out by the relevant statistician prior to publication on the website.

Official Statistics status

The statistics that are prepared adhere to recognised professional standards. They are produced in accordance with the [Code of Practice for Statistics](#) independently under the responsibility of the Welsh Government Chief Statistician.

Official Statistics are produced to high professional standards set out in the Code of Practice for Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

Quality

The [2014-based household projections technical report](#) covers key definitions and limitations relating to population and household projections. The [homelessness quality report](#) discusses key quality information on homelessness data. The Office for National Statistics (ONS) publishes information on the [quality and methods of the 2011 census](#).

Additional quality information relating to the estimates of housing need is provided below.

Welsh housing statistics adhere to the Welsh Government's [Statistical Quality Management Strategy](#), and this is in line with the European Statistical System's six dimensions of quality, as listed in Principle 4 of the Code of Practice for Official Statistics.

Details of the six dimensions, and how we adhere to them, are provided below:

Relevance

The degree to which the statistical product meets user needs for both coverage and content.

The data in the Statistical Article form the basis of estimates of future housing need in Wales at a national and regional level. They will be used by both Welsh Government and Local Government. The estimates will be used to inform the National Development Framework, and provide context for future policy development, as well as informing Future Trends reporting (as required by the Well-being of Future Generations (Wales) Act 2015).

We actively review all our outputs and welcome feedback.

Accuracy

The closeness between an estimates result and the (unknown) true value.

In the case of estimates of future housing need, it is difficult to quantify how accurate the estimates will prove to be in the future. Each component of the estimates (existing unmet need and newly arising need) is considered very carefully to try to ensure that the most appropriate assumptions are made.

An element of uncertainty is associated with estimates of future housing need. To illustrate the uncertainty associated with these figures, a range of estimates are presented in this article.

The household projections (a key component of the housing need model) estimate the number and size of households in future; and assume that past trends in births, deaths, and migration (that is, people moving into and out of an area) continue. Projections produced in this way do not make allowances for the effects of local or central government policies or external influences on future population levels and household composition, or for changes in the lifestyles of the population. Changes in the economy, in individual, family and household behaviours and events outside the UK may influence the main components of household projections.

We recognise the difficulty in consistently measuring the existing unmet need for additional housing units (local authority social housing waiting list information for example is not recorded consistently across the country and the information is not collated centrally).

The technical group considered potential data sources and concluded that the sources used were robust and suitable for the purpose of this work (although not necessarily up to date). We recognise that these provide an incomplete picture of existing unmet need in Wales, and are likely to be an undercount.

An assumption is required on the number of years it would take to clear the existing need for additional housing units. The technical group concluded that it was reasonable to assume that existing need should be cleared within 5 years.

This means assuming that 1/5th of the total existing unmet need is cleared each year for 5 years. At the end of this period, this assumption could be tested. These figures would be reviewed and updated at this point.

Timeliness and punctuality

Timeliness refers to the lapse of time between publication and the period to which the data refer.

Punctuality refers to the time lag between the actual and planned dates of publication.

All outputs adhere to the Code of Practice for Statistics by pre-announcing the date of publication through the [Upcoming](#) pages on the Statistics for Wales website. Furthermore, should the need arise to postpone an output this would follow the Welsh Government's [Revisions, Errors and Postponements](#) arrangements.

We publish releases as soon as practical after the relevant time period.

Accessibility and clarity

Accessibility is the ease with which users are able to access the data, also reflecting the format(s) in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the metadata, illustrations and accompanying advice.

Estimates of future need in Wales are published in an accessible, orderly, pre-announced manner on the Welsh Government website at 9:30am on the day of publication.

An RSS feed alerts registered users to this publication and a tweet from [@StatisticsWales](#) alerts Twitter users to its release. Simultaneously the releases are also published on GOV.UK.

We aim to inform known key users of the publication of the statistics when they are published. An e-mail is circulated to the [Housing Information Group](#).

All releases are available to download for free. [More detailed data](#) are also available at the same time on the StatsWales website and this can be manipulated online or downloaded into spreadsheets for use offline.

In our outputs, we aim to provide a balance of commentary, summary tables, charts and maps where relevant. The aim is to 'tell the story' in the output, without the bulletin or report becoming overly long.

We aim to use Plain English in our outputs and all outputs adhere to the Welsh Government accessibility policy. The article is published bilingually.

We regularly peer review our outputs internally.

Further information regarding the statistics can be obtained by contacting the relevant staff detailed on the release or via stats.housing@gov.wales

Comparability

The degree to which data can be compared over time and domain.

These estimates replace the [previous estimates of future housing need and demand in Wales](#) produced by Alan Holmans and published by the Public Policy Institute for Wales (PPIW) in 2015. The estimates published by PPIW used 2011-based household projections.

These previous estimates did not include an estimate of existing unmet need. While it was identified as an important aspect of need for additional housing units it was not included in the final overall calculation. The presentation of the Holmans estimates does not enable a direct comparison with the new estimates broken down for the same 5 year periods.

Further information is available in section 2.5 of the statistical article.

Coherence

The degree to which data that are derived from different sources or methods, but which refer to the same phenomenon, are similar

England

The [current guidance on housing need assessment in England](#) was been updated in line with the new National Planning Policy Framework published in July 2018.

The Ministry for Housing Communities and Local Government [recently launched a consultation](#) seeking views on changes to planning practice guidance relating to the standard method for assessing local housing need and policy clarifications relating to housing land supply, the definition of deliverable and appropriate assessment.

Scotland

In Scotland, no official estimates of housing need and demand are published at a national or local level. However estimates of the future number of additional housing units, by tenure, to meet existing and future housing need and demand are set out in Housing Need and Demand Assessments (HNDAs). These are undertaken by local authorities in Scotland as the strategic housing and planning authority and are supported centrally by the Scottish Government Centre for Housing Market Analysis (CHMA). An excel-based HNDA Tool was created by the Scottish Government to help local authorities produce these strategic, long run estimates.

However, HNDAs also captures information on the operation of the housing system to assist local authorities to develop policies on new housing supply, management of existing stock and the provision of specialist housing and housing-related services. The purpose of the HNDA is to provide a robust, shared and agreed evidence-base for housing policy and land use planning and to ensure that both Local Housing Strategies (LHSs) and Development Plans are based upon a common understanding of existing and future housing requirements.

The CHMA formally appraise all HNDA's and where they are satisfied that the HNDA is robust and credible, the approach used will not normally be considered further at a Development Plan examination.

Northern Ireland

Housing Growth Indicators (HGIs) provide an estimate of future housing need in Northern Ireland. The figures use household projections produced by the Northern Ireland Statistics and Research Agency (NISRA) as their basis. The figures are therefore based on current population/household formation trends making the assumption that these trends will continue into the future. They should therefore be used for guidance rather than seen as a cap on housing development in the area or a target to be achieved.

Housing Growth Indicators were previously published in the Regional Development Strategy 2035 in March 2012 for the time period 2008-2025. The household projections used for these HGIs were based on 2008 data. [The latest HGIs](#) use [2012 based household projections](#) and will therefore be calculated for the time period 2012-2025. The HGIs have been calculated for Northern Ireland and also for each of the 11 Local Government Districts (LGDs).

New house building

The statistical release on [New House Building in Wales](#) covers the number of new dwellings started, where building has commenced and those completed. Data is available at local authority level, by dwelling type (house or flat) and by number of bedrooms

Evaluation

We always welcome feedback on any of our statistics. Please contact us via email: stats.housing@gov.wales

Useful links

Welsh Government

- [2014-based Household Projections Statistical Release](#)
- [Dwelling Stock Estimates](#)
- [Homelessness](#)
- [Affordable Housing Provision](#)
- [New House Building](#)

Other

- [PPIW Estimates of Future Need and Demand for Housing in Wales](#)

Produced by Knowledge and Analytical Services, Welsh Government

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