

Council Tax Replacement Statistics

1. Purpose.....	1
2. Background.....	1
3. Possible options.....	1
4. Housing data.....	2
5. Population data	2
6. Communal Establishments	3
7. Planned work	3

1. Purpose

1.1 To inform HARG about the implications for our work of the proposed abolition of Council Tax, which will affect the household statistics produced by GROS. This paper also outlines the steps we are planning to take to identify replacement household data.

2. Background

2.1 Over the last few years, GROS has moved to basing household estimates and dwelling counts on information from Council Tax systems. Council Tax systems contain a lot of relevant information at the neighbourhood level such as the number of occupied dwellings, empty properties and second homes. Other useful data include dwellings with a single adult discount, and certain types of exemptions such as all-student households. GROS has also developed a system to obtain neighbourhood statistics on households from Council Tax systems, and the first neighbourhood information will be published in May 2008, at www.sns.gov.uk.

2.2 The new Scottish administration is currently consulting on proposals to abolish Council Tax and replace it with a Local Income Tax within the next three years (the consultation documents are available at <http://www.scotland.gov.uk/Publications/2008/03/11131725/0>). A side-effect of this would be that we would lose the source of most of our household statistics. As a result, we are now working to identify replacement household statistics, which can be put into place by the time that our existing data sources will be lost. **At a minimum, a count of the number of dwellings and households (or occupied dwellings) in each data zone is required.** It would also be helpful to obtain as much additional information as possible. This could include dwelling type and household composition, as well as vacant properties and second homes, if possible.

3. Possible options

3.1 There are two main approaches that we can consider when producing small area household estimates:

a) **Housing data.** A source of information on all dwellings and unoccupied dwellings can be used to estimate the number of occupied dwellings. The number of occupied

dwellings can be used as a proxy for the number of households. Unlike the population data approach described below, this will also provide information about the total housing stock.

b) **Population data.** The second approach is to find a source of data on all people in the country, along with their address or Unique Property Reference Number (UPRN), then aggregate the data by address or UPRN to estimate the number of households. This should also tell us something about the size of the household, and perhaps other information such as the age and gender of the household members.

3.2 The possible options available for each of these approaches are outlined below.

4. Housing data

Below is a list of sources of housing data which can be investigated.

4.1 **Definitive National Addressing for Scotland (DNA-S)**, is a new source based on councils' address lists. This aims to bring together a single Corporate Address Gazetteer (CAG) for each local authority into a national address gazetteer for Scotland. There are plans to include a 'residential' flag, which should allow us to identify residential properties. It is expected that the national gazetteer will be launched later this year.

4.2 Royal Mail's **Postal Address File (PAF)** / Ordnance Survey's Address Layer. This provides information about the number of delivery points at postcode level.

4.3 **Registers of Scotland** data. The Registers of Scotland maintain details of all property transactions which have taken place in Scotland.

4.4 **Vacant properties and second homes.** The Scottish Government is consulting on the possibility of taxing second homes and vacant properties via the non-domestic rates system (<http://www.scotland.gov.uk/Publications/2008/03/11131725/7>). It may be possible to use this system to obtain statistics on the number of second homes and vacant properties in different areas. This information could then be combined with data on all dwellings from one of the sources listed above, to obtain an estimate of the number of occupied dwellings and thus a proxy for the number of households.

5. Population data

This section considers sources of population data which can be investigated:

5.1 **The NHS Central Register (NHS-CR)** contains basic details of everyone born in Scotland, plus anyone else who is (or has been) on the list of a general medical practitioner in Scotland. The Register exists mainly to allow the smooth transfer of patients who move between Health Board areas (or across borders within the UK). This system also holds information on age and gender of patients, and is used to

help estimate the migration component of GROS population statistics. In the future, some information may be added on the postcode and Unique Property Reference Number (UPRN), and it may become possible for us to access this information in some form.

If it becomes possible for us to access UPRN information from this system, we could investigate whether it can be used to produce household statistics by aggregating the figures by the UPRN. As well as giving us the number of households, it could also provide information on household composition (i.e., the number of people in the household by age and gender).

5.2 The **Electoral Register** includes information on all adults registered to vote. It includes the address and postcode, so it should be possible to aggregate the figures by address to show the number of households, and the number of adults in the household. Initial analysis shows a strong correlation between the number of households recorded in the Electoral Register and neighbourhood level Household Estimates from Council Tax systems, though it will exclude children and people who haven't registered to vote.

5.3 **Child Benefit** data is collected by HMRC. They have information on households claiming Child Benefit, and some information on household type (such as the number of children in the household). This will only cover households with children, and it won't record the number of adults in the household. It is thought to be pretty comprehensive – it is estimated that around 98% of households with children claim Child Benefit.

6. Communal Establishments

6.1 The Household Estimates and Projections Branch has also been compiling a list of communal establishments, and the number of residents by age and gender. This is mainly for use in the household projections, but they will also be useful when comparing population and household figures, as significant discrepancies at neighbourhood level may be due to a large communal establishment in the area.

7. Planned work

7.1 GROS will investigate the feasibility of using these sources and their quality and coverage. Where possible, this will include comparing them to current small-area household and dwelling counts.

7.2 **HARG members are asked what further data sources or analysis they recommend GROS should consider, to make this work as focused and relevant as possible.**

GROS household estimates and projections branch
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