

Developing small area household estimates - progress

Purpose

1. To provide HARG members with an update on progress in developing neighbourhood-level household estimates from Council Tax systems.

Background

2. GROS currently publishes household estimates based on Council Tax information (see HARG 2005(11)). There is strong demand among local authorities for household estimates for areas other than local authority areas, so GROS has investigated the potential to develop a new data collection, based on Council Tax systems, which would allow the production of household estimates (or, more accurately, estimates of the number of occupied and vacant dwellings) for each data zone in Scotland. A data zone is a standard geography, developed by the Scottish Neighbourhood Statistics project, which contains an average of 750 people. Data zone figures can then be used to produce aggregate figures for the area of interest.

3. Earlier this year, GROS met with Allan Traynor from the IRRV, to discuss the feasibility of this. Following his recommendation, GROS wrote to each councils' finance department to find out what information was available, and whether they would be able to provide it. Following this, GROS produced a detailed data specification of the information required, and presented it at a meeting of the Council Tax software suppliers' group, which contained representatives from the councils and the software suppliers. The conclusion of this has been that GROS should take this work forward, with the aim of collecting the first set of data from each council in September 2006, to ensure that the figures tie in with the council-level household estimates.

4. The attached paper was sent to the lead council representative for each software supplier (shown below) on 31 October, to ask them to take this work forward. They will ask their software supplier to produce a report that each council can use to extract the information required, for GROS. It contains a description of the background to this work, the information required, and the data specification. A draft of this paper was circulated to HARG members, for comment, on 6 October.

Software supplier	Name	Council
SX3	Alison Barrett	Aberdeenshire
Anite	Les Robertson	Clackmannanshire
Academy	Margaret Campbell	Stirling
Civica	Maureen Duff	West Lothian
IBS	Donald Hay	Shetland

Small area tenure estimates

5. Ruth Harris, from the Scottish Executive, carried out a related project to investigate the potential to develop small area estimates of tenure. The council tax billing system was identified as the only possible source of information on tenure at small areas. A number of

methodologies for producing the estimates were developed using information from the council tax register.

6. Ruth carried out a consultation of all local authorities, to help determine the feasibility of developing the estimates and identify the methodology to be used. The conclusion was that local authorities collect varied information, and there is no single methodology that could be used. Any tenure estimates produced in this way would vary in accuracy, not be comparable across Scotland and require a great deal of effort from some local authorities to produce. In addition, some local authorities do not collect any information that could be used to produce the estimates. **As a result, the Scottish Executive will not request that local authorities produce small area estimates of housing stock by tenure.**

7. However, it is possible that tenure estimates could be produced in the future. The Scottish Executive is currently investigating the possibility of developing a register of social housing, and has just consulted on the detailed requirements for a register of private landlords. These registers could potentially be used alongside the council tax register to produce small area estimates of tenure.

8. A report summarising the findings of Ruth's work is available on request.

Conclusion

9. The aim of this work is to provide small area household estimates that will meet the needs of local authorities, and others. HARG members are asked to confirm whether they are content that this approach, outlined in the attached paper, will produce the information that is required.

GROS: Household estimates branch
November 2005

Neighbourhood level information on occupied and vacant dwellings from Council Tax systems

Summary

1. I work for the General Register Office for Scotland (GROS), and I am responsible for producing household estimates and projections for Scotland. In August, I attended a meeting of the software suppliers group, and presented a paper outlining a proposal to collect neighbourhood level information on occupied and vacant dwellings, on an annual basis, from Council Tax systems. The council and software supplier representatives agreed that it would be possible to obtain this information from all the existing software systems, and recommended that I should take this forward with the lead council representative for each software system.
2. This paper is based on the paper presented at that meeting. Annex A contains a proposed data specification for the information required, and Annex B consists of an Excel workbook which illustrates how the data may be provided. **I am writing to you to ask you to take this work forward with your software supplier.**

Background

3. Household estimates and projections are used by councils to develop local housing strategies, and for the provision of services. Currently, GROS publishes household estimates at local authority level, based on Council Tax figures; following consultation with local authorities, we found **strong demand for producing household estimates for smaller areas**. This information would be published as part of the Scottish Neighbourhood Statistics (SNS) project (www.sns.gov.uk). The main users of this information would be local authorities, and the advantage of this approach is that the information will be consistent across Scotland, will allow more detailed analysis at the local level, and will provide users with the flexibility to aggregate the data to the areas of interest to them, in addition to the council-level statistics that we currently publish.
4. The Council Tax (Supply of Information) (Scotland) Regulations 2003, permit local authorities to supply non-personal information from Council Tax billing systems. These systems contain information on dwellings on the valuation list, and any discounts or exemptions that they are subject to, which could be used to estimate the number of occupied and vacant dwellings in an area.

Information required

5. It would be simplest to request information on whether each dwelling is vacant or occupied, and GROS could use the postcode of the property to aggregate the figures. However, this may lead to problems of confidentiality, so **we are instead proposing to request summary data on the number of occupied and vacant dwellings in each 'data zone'**. This is a standard geography, used across Scotland, which contains an average of 750 people. The data zone of each dwelling can be determined from its postcode, and GROS would supply a spreadsheet which links postcodes and data zones. This would be done in Access, but a simpler Excel version, is shown in Annex B, for illustrative purposes.

6. **The information we would require, for each data zone, at a specific date, is:**
- Total number of dwellings on the valuation list (excluding free-standing private lock-ups and garages)
 - Number of exempt dwellings:
 - Number of unoccupied exempt dwellings
 - Number of occupied exempt dwellings
 - Number of dwellings subject to a 25% discount
 - Number of dwellings subject to the following discounts of between 10 and 50% (if this level of detail is not available, enter the combined total):
 - Number of dwellings subject to a discount due to being second homes
 - Number of dwellings subject to a discount due to being long term empty properties.
 - Number of dwellings subject to a discount due to being dwellings occupied entirely by adults who are 'disregarded' for Council Tax purposes.
 - Number of other dwellings (subject to no discounts or exemptions)
7. This is a simplified version of the information supplied to the Scottish Executive's Local Government Finance Statistics branch in the form 'CTAXBASE', each September – the difference is that we would ask for this information at the level of the data zone, rather than the council.
8. In June, I wrote to each local authority, to ask for their views on these proposals. Around half replied, and the results were generally positive. The main request was for a more detailed data specification (which I have produced and attached in Annex A), and several councils suggested that we should speak to the software suppliers, who will have a better idea of the feasibility of this work – following this, I presented an earlier draft of this paper at the software suppliers meeting in August.
9. In the replies from councils, most said that they can distinguish vacant dwellings, second homes, and dwellings subject to a discount because they are occupied entirely by adults who are disregarded for Council Tax purposes. There were a few councils that could not provide this information, in which case we would ask them to provide the combined figure.
10. We think that the simplest approach would be for councils to:
- Use a report (which we understand would need to be produced by the software supplier) to extract the postcode and discount/exemption status of each dwelling.
 - Use the Access workbook, provided by GROS, to allocate a data zone to each dwelling, based on its postcode;
 - Use the Access workbook to aggregate this data to provide summary figures for each data zone, which would be returned to GROS.

Date of data collection

11. We would want to set this up as an ongoing data collection, collecting summary data once a year. We are proposing to carry out the first data collection in September 2006, which would have the advantage that the figures would tie in with those collected in CTAXBASE. This would enable us to check the accuracy of the data. A potential disadvantage of collecting the figures in September is that students may not be at their term-time address, which could affect the vacancy rates. Therefore, we are considering carrying out a further

data collection in an area with a large student population, in October 2006, to see how much this affects vacancy levels.

12. Before then, we would wish to carry out a test of the data collection with a council representative from each software system, to check for any potential problems. We want to obtain consistent data for the whole of Scotland, so any issues identified by one council will be passed on to the others, as appropriate.

Missing/incomplete postcodes

13. In order to identify the correct data zone, the full postcode of each dwelling is needed. Some councils noted that they had a number of records with missing postcodes. GROS may be able to make available some postcode/address matching software, for the purpose of identifying the postcode and data zone for these dwellings. We are currently investigating any potential licensing issues which may arise from this.

Funding

14. We have bid for some money, provided by the Scottish Neighbourhood Statistics Project, to help councils to fund this work. This would be a one-off payment, to help councils to pay for the software suppliers' costs, and developmental work required by the council to start this data collection and carry out quality checks as necessary. It may not cover every cost, and the payment will be a one-off, although the data collection will be annual. However, the main users of this data will be councils themselves (mainly the housing and planning departments), so there are strong benefits for councils in providing this data.

The money that is available is a maximum of £2,000 per council. We would expect councils that use the same software supplier to submit joint bids, stating the amount of money required (up to this maximum), and outlining why the funding is required and how it will be used. I will provide a form for this. The councils can then use this money to help pay the software suppliers, as required. I would be grateful if you could co-ordinate the bids from the councils that use your software supplier.

Action required from you

- I am now asking you, as the lead council representative for your software supplier, to take this work forward with your software supplier. They will need to produce a report, based on the data specification provided, to allow each council which uses this system to extract the information specified. I would be grateful if you could keep me informed of your progress on this.
- Before contacting the software supplier, you may need to contact the other councils in your user group, and I would be very happy to get involved with this, or attend any meetings that you hold, if required.
- If you think that more work will be required before you can contact the software supplier, or you need more information, please get in touch with me at the address below.

Esther Roughsedge
Household estimates branch, General Register Office for Scotland
Tel (0131) 3144251
Esther.Roughsedge@gro-scotland.gsi.gov.uk
31 October 2005

DATA SPECIFICATION FOR NEIGHBOURHOOD LEVEL INFORMATION ON OCCUPIED AND VACANT DWELLINGS

Introduction

1. The attached Excel workbook is to be completed to show the number of dwellings recorded on the local authority's valuation list on <DATE>, and certain discounts or exemptions that they are subject to, which indicate whether they are occupied or vacant.
2. For the purpose of this form, dwellings are defined as under the Local Government Finance Act 1992 ('the 1992 Act').
3. Information on each dwelling (the postcode, and its discount/exemption status) should be added to the workbook ('CTOCC'). The workbook contains formulae which automatically add the data zone of each dwelling and then summarise this information by data zone. It is just this summary information that is required by GROS.

Notes on each column

Column 1: Postcode and data zone

4. In order to avoid any confidentiality issues, GROS is requesting information aggregated to the level of a 'data zone'. This is a standard geography, used across Scotland, which contains an average of 750 people. The data zone of each dwelling can be determined from its postcode – insert the postcode of each dwelling into column 1(a), and a formula will automatically insert the corresponding data zone into column 1(b).

Columns 2-3: Exempt dwellings

5. Enter whether the dwelling is exempt as prescribed by Classes 1-24 of Schedule 1 to the Council Tax (Exempt Dwellings) (Scotland) Order 1997 (SI 1997 No.728 (S.68) as amended by SI 1998 No. 561 (S.19), SI 1999 No. 757 (S.61), SSI 1999 No.140, SSI 2002 No.101 and SSI 2005 No.51).
6. Separately record:
 - Column 2: Unoccupied exempt dwellings: include dwellings in each of classes 1-9, 11-15, 19 and 21.
 - Column 3: Occupied exempt dwellings: include dwellings in each of classes 10, 16-18 and 22-24. This includes dwellings which are the sole residence only of people aged under 18, severely mentally impaired persons, dwellings only occupied by students, trial flats used by registered housing associations, armed forces' accommodation and prisons.

Columns 4-6: Dwellings subject to discounts for second homes, long-term empty properties and dwellings occupied entirely by adults who are disregarded for Council Tax purposes.

7. Enter whether the amount of council tax payable is subject to a discount of between 10% and 50%. Most dwellings in this category will be second homes and long-term vacant properties, subject to a discount under the Council Tax (Discount for Unoccupied Dwellings

(Scotland) Order 2005 (SSI 2005/51). In rare cases, they may be occupied entirely by people who are disregarded for the purposes of determining the amount of council tax payable, where the dwelling is subject to a discount 'equal to twice the appropriate percentage' under Section 79(2)(b) of the 1992 Act..

8. *If the information is available*, split this information into three categories:
- Column 4: Long-term empty properties (which are not second homes).
 - Column 5: Second homes (including self-catering holiday accommodation available to let for a total of less than 140 days per year).
 - Column 6: Discounts for dwellings occupied entirely by adults who are disregarded for Council Tax purposes, as defined in Section 79(2)(b) of the Local Government Finance Act 1992.

If this information is not available separately, enter the total in column 4, and explain the reason for this in your covering letter.

Column 7: 25% discounts

9. Enter dwellings shown in the valuation list, where the amount of council tax payable is subject to a 'discount equal to the appropriate percentage' (25%) of council tax under section 79(1) of the 1992 Act.

10. This may include, for example, dwellings with a single adult, or dwellings containing two adults, one of whom is disregarded for Council Tax purposes.

Column 8: Other dwellings

11. Enter dwellings shown in the valuation list, where the amount of council tax payable is not subject to any discounts under section 79 of the 1992 Act, as recorded in columns 2-7.

12. Where an authority does not have information about the discounts or exempt status of a dwelling on the valuation list, assume, for the purposes of this return, that such a dwelling is a chargeable dwelling not subject to any discounts.

Summary data

13. The worksheet 'results summary' automatically summarises the data to show the number of occupied and vacant dwellings in each data zone, which can be forwarded by email to GROS at the address below.

Contact details

If you have any queries about this, please contact:

Esther Roughsedge
Household estimates branch, General Register Office for Scotland
Ladywell House, Ladywell Road, Edinburgh
Tel (0131) 314 4251
Esther.Roughsedge@gro-scotland.gsi.gov.uk