A National Statistics publication for Scotland

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PEOPLE, COMMUNITIES AND PLACES

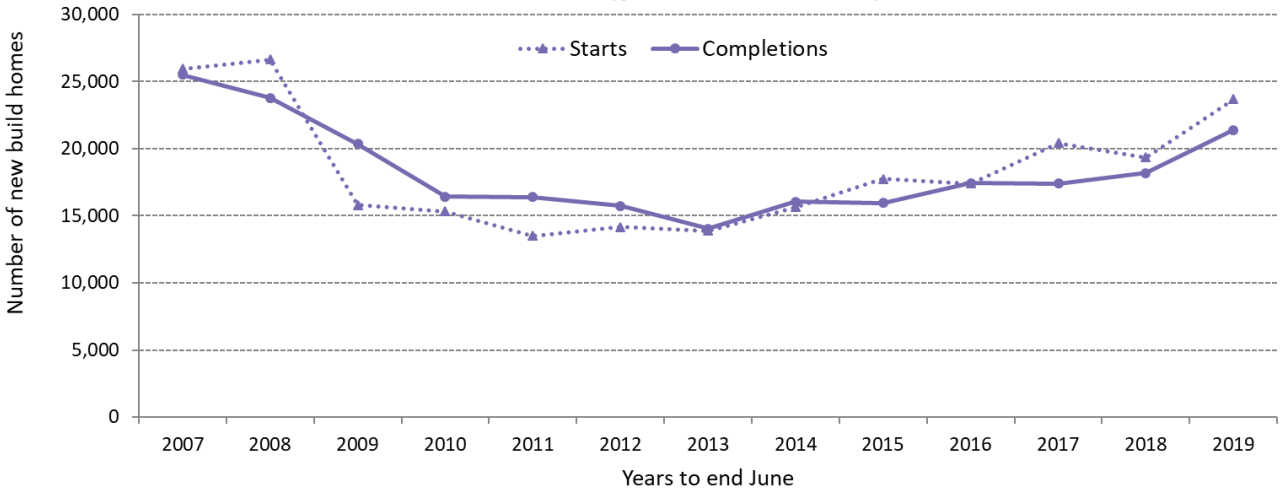
Housing Statistics for Scotland Quarterly Update (published 17 December 2019)

This quarterly statistical publication provides information on recent trends in:

- **New build housing starts and completions** by sector (up to end Jun-19, with more up-to-date social sector information available up to end Sept-19)
- **The Affordable Housing Supply Programme** (up to end Sept-19).
- **Long term empty properties and second homes** (as at September 2019)

Background information including Excel tables and explanatory notes on data sources and quality can be found in the Housing Statistics webpages.

Chart 1: Annual all-sector new build starts and completions have both increased in the latest year, and are approaching levels last seen in 2007 and 2008 (years to end June)



Key Points

New Build Housing – All Sectors – up to end June 2019

There were 5,342 **new build homes completed** between April and June 2019; a 2% increase (111 homes) on the same quarter in 2018. This brings the total for the year to end June 2019 to 21,403, up 18% (3,210 homes) compared to the 18,193 completed in the previous year.

There were 5,620 **new build homes started** between April and June 2019, 18% more (857 homes) than the same quarter in 2018. This brings the total for the year to end June 2019 to 23,700 which is up 22% (4,340 homes) compared to the 19,360 homes started in the previous year.

New Build Housing – Private-led Housing – up to end June 2019

Between April and June 2019, 4,486 **private sector led homes** were **completed**; 8% more (315 homes) than the same quarter in 2018. This brings the total for the year to end March 2019 to 16,025 which is 19% more (2,610 homes) than the 13,415 completions in the previous year.

There were 4,427 **private sector led starts** between April and June 2019, 22% more (800 homes) than the same quarter in 2018. This brings the total for the year ending June 2019 to 16,924 which is 33% more (4,175 homes) than the 12,749 starts in the previous year.

New Build Housing – Social Sector Housing (Housing Association and Local Authority combined) – up to end June 2019

There were 856 **social sector completions** between April and June 2019; 19% less than the same quarter in 2018. This brings the total for the year to end June 2019 to 5,378. This is a 13% increase on the 4,778 social sector completions in the previous year.

Meanwhile, 1,193 **social sector homes** were **started** between April and June 2019; 5% more than the same quarter in 2018. This brings the total for the year to end June 2019 to 6,776. This is a 2% increase on the 6,611 social sector starts in the previous year.

More up-to-date figures – up to end September 2019

Between July and September 2019, 1,317 social sector homes were completed (2% less than the 1,346 completions in the same quarter in 2018), and 1,342 were started (39% more than the same quarter in the previous year). This brings the total completions for the 12 months to end September 2019 to 5,349 (a 6% increase on the 5,070 social sector homes completed in the previous year). Total starts over the 12 months to end September 2019 are now at 7,154 (7% more than the 6,707 started in the previous year).

New Build Housing – Housing Association Homes – up to end June 2019

There were 410 **housing association completions** between April and June 2019, 37% less than the 652 completions in the same quarter in 2018. This brings the total for the year to end June 2019 to 3,927, a 20% (664 homes) increase on the 3,263 completions over the previous year.

There were 707 **housing association approvals** between April to June 2019; 15% more than the 613 approvals in the same quarter in the previous year. This brings the total for the year to end June 2019 to 4,932. This is a 1% (56 homes) increase on the 4,876 approvals in the previous year.

More up-to-date figures – up to end September 2019

A total of 896 Housing Association homes were completed between July and September 2019, 12% (124 homes) fewer completions than in the same period in the previous year. This brings the total completions for the 12 months to end September 2019 to 3,803 which is an increase of 6% on the 3,598 homes completed in the previous year. A total of 746 Housing Association homes were approved between July and September 2019, 23% more than the 606 approvals in the same quarter in 2018. This brings the total approvals for the 12 months to end September 2019 to 5,072, a 1% increase on the 5,002 approvals in the previous year.

New Build Housing – Local Authority Homes – up to end June 2019

There were 446 **local authority completions** between April and June 2019, which is a 9% increase (38 homes) than the number that were completed in the same quarter in 2018. This brings the total for year ending June 2019 to 1,451. This is a 4% (64 homes) decrease on the 1,515 completions in the previous year.

There were 486 **local authority starts** between April and June 2019; 7% less than in the same quarter in the previous year. This brings the total for year ending June 2019 to 1,844. This is a 6% (109 homes) increase on the 1,735 starts in the previous year.

More up-to-date figures – up to end September 2019

Between July and September 2019, 421 local authority houses were completed (29% more than the same quarter in the previous year), and 596 were started (66% more than in the same quarter in the previous year). This brings the total completions for the year to end September 2019 to 1,546, which is 5% more than the previous year. Total starts for the 12 months to end September 2019 now stands at 2,082 which is an increase of 22% on the 1,705 local authority homes started in the previous year.

Affordable Housing Supply – up to end September 2019

Affordable Housing Supply Programme (AHSP) statistics reflect the broader supply of affordable homes (i.e. for social rent, affordable rent and affordable home ownership) and include off-the-shelf purchases and rehabilitations as well as new builds.

The latest statistics for the year to end September 2019 show that **affordable housing supply completions** have totalled 8,976, down 1% (58 homes) on the previous year. This includes decreases in affordable rent (down 21% or 218 homes) and affordable home ownership completions (down 38% or 926 homes) but an increase in social rent completions (up by 20% or 1,086 homes).

There were 11,398 **affordable housing approvals** over the year up to end September 2019, down by 2% or 177 homes compared to the previous year. This includes decreases in affordable rent approvals (down 26% or 463 homes) and affordable home ownership approvals (down 35% or 881 homes), with an increase in social rent approvals (up 16% or 1,167 homes).

There were 10,855 **affordable houses started** in the year to end September 2019, up 1% or 128 homes compared to the previous year. This includes decreases in affordable rent starts (down by 29% or 530 homes) and affordable home ownership starts (down by 19% or 440 homes), but an increase in social rent starts (up 17% or 1,098 homes).

Quarterly affordable housing supply statistics are used to inform the Scottish Government target to deliver 50,000 affordable homes, including 35,000 homes for social rent, over the period 2016/17 to 2020/21, and reflect the number of affordable homes delivered that have received some form of government support through loans, grant or guarantees.

Long Term Empty Properties and Second Homes

The total number of **long term empty properties and second homes** has increased in the latest year by 1,260 properties (2%) from 64,017 in September 2018 to 65,277. However the figure as at September 2019 is 776 homes (1%) lower than the 66,053 properties recorded as at September 2012.

Contents

New Build Housing – All Sectors – up to end June 2019

The new-build section of this document provides figures on the number of homes started (when the foundations are begun) and completed (when a building inspector deems the property complete).

Figures are presented for homes built on privately led (referred to throughout as private sector), local authority led (referred to as local authority sector) and housing association led (referred to as housing association sector) sites. For the private sector the latest information available is for the quarter ending June 2019. Whilst more up-to-date information is available for local authority and housing association new builds, findings for these sectors are mainly presented up to June 2019 to simplify comparisons between sectors.

The figures have not been seasonally adjusted and so commentary tends to compare the latest quarter with the same quarter the previous year. To help with this, Quarter 3 figures (from July to September) have been highlighted in the charts to allow easy comparison over time. Some of the peaks in the number of starts in Quarter 1 each year are due to large numbers of housing association approvals being granted near the end of the financial year.

Trends since 2007 – all sectors

Chart 1 (see page 1) shows that annual all-sector new build starts and completions (years to end June) have both shown a broadly increasing trend since 2013. In the latest year, starts and completions have increased by 22% and 18% respectively, and are now approaching levels last seen in 2007 and 2008.

Chart 2 presents new build completion trends on a quarterly basis and by sector, which shows the impact of the recession in the second half of the last decade, with private sector led completions falling throughout 2008 due to the financial crisis.

Chart 3 presents quarterly trends in all-sector starts and completions, which are generally showing an upwards trend since 2013, with marked increases over the last 5 quarters.

Chart 2: Quarterly new build completions show a marked increase overall over the latest five quarters, although as with earlier time periods, figures for individual quarters can show some volatility over time

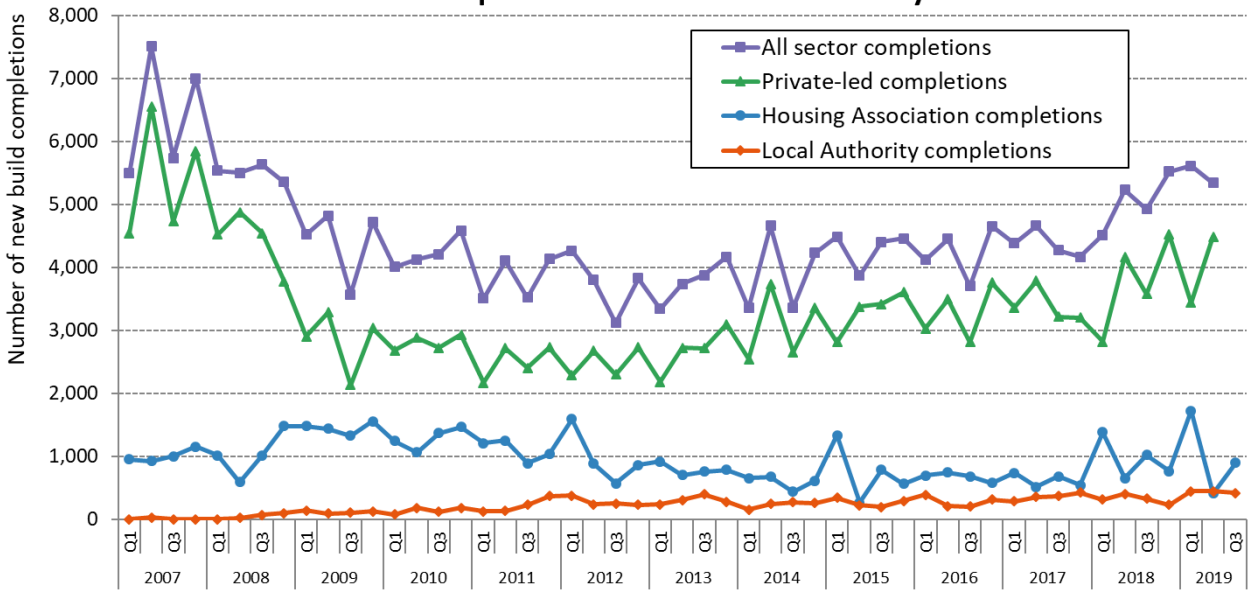
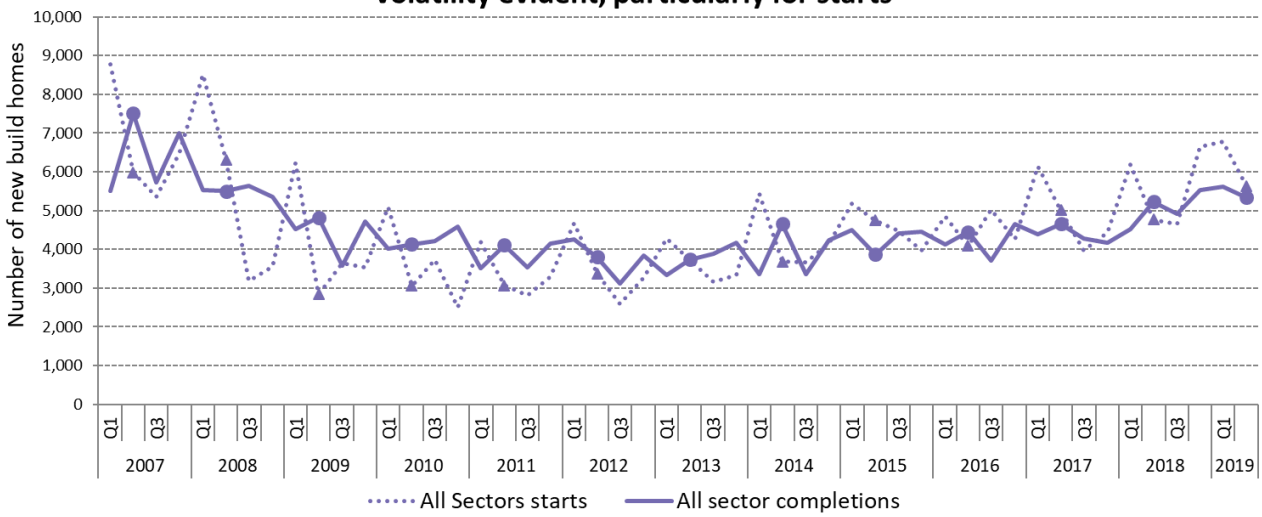


Chart 3: Quarterly new build starts and completions across all sectors show an generally upward trend since 2013, but with some quarterly volatility evident, particularly for starts



Trends to end June 2019 – all sectors

There were 5,342 new build homes completed between April and June 2019; a 2% increase (111 homes) on the same quarter in 2018. This brings the total for the year to end June 2019 to 21,403, up 18% (3,210 homes) compared to the 18,193 completed in the previous year.

There were 5,620 new build homes started between April and June 2019, 18% more (857 homes) than the same quarter in 2018. This brings the total for the

year to end June 2019 to 23,700 which is up 22% (4,340 homes) compared to the 19,360 homes started in the previous year.

Comparison with the rest of the UK from 2007 to 2019 – all sectors

Each of the countries of the UK produces their own statistics on quarterly new build housing starts and completions by tenure, and all use broadly consistent definitions. These new build statistics for each of the countries of the UK, as well as for Great Britain and the UK as a whole can be found here: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ukhousebuildingpermanentdwellingsstartedandcompleted.

In addition to this, the Ministry of Housing, Communities and Local Government (MHCLG) also produces an additional annual set of statistics for England on new build homes, as a component part of the 'Housing supply; net additional dwellings, England' set of statistics[1]. These statistics are collected on a different basis to the quarterly UK country statistics as local authorities can use a range of data sources to collate these figures rather than solely using building control information. Figures on this for 2018/19 were published on 03 October 2019, and this publication advised that the 'net additional dwellings' should be considered the primary and most comprehensive measure of housing supply in England.

MHCLG have advised that the quarterly new build statistical collection for England, whilst being a useful leading indicator of activity throughout the year, is not currently capturing all new build activity, largely due to difficulties in collecting accurate starts and completions data from independent building inspectors or where building control has been sourced out to strategic partnerships or the private sector. These data issues do not exist in the Scotland quarterly housing statistics, given that all of the 32 local authorities in Scotland directly manage building control and the associated provision of data to the Scottish Government on starts and completions.

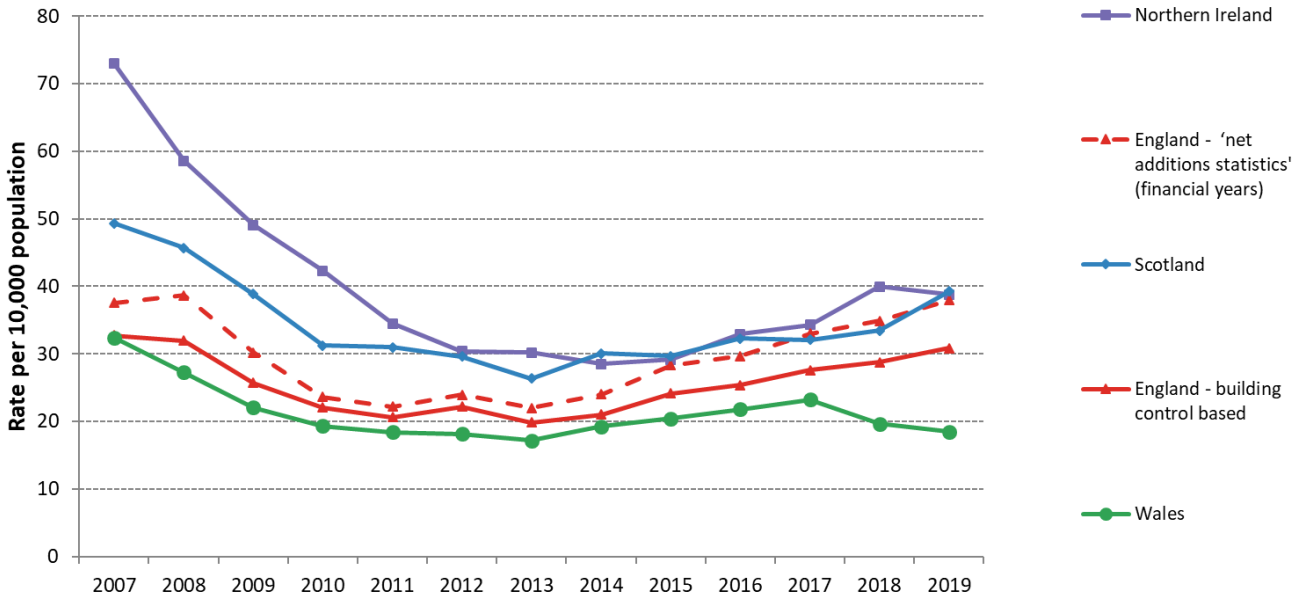
As a result of this advice, the new build component figures of the 'net additional dwellings' statistics for England are included in the UK comparisons as an additional set of figures to consider when comparing between countries.

Chart 4 presents trends in the rates of new house building per 10,000 population across each of the UK countries. The latest available Ministry of Housing, Communities and Local Government (MHCLG) annual 'net additional dwelling' statistics for England indicate that whilst Scotland had a higher rate of completions per 10,000 head of population than England over the period 2007 to 2016, the rate in Scotland was slightly lower than in England during both 2017 and 2018, however that in the latest year Scotland has had a slightly higher rate of completions per 10,000 (39 in Scotland, compared to 38 in England). Note that the 'net additional dwellings' are annual financial year figures, i.e. the year to end March, whilst the figures presented for Scotland are for the year to end June.

[1] https://www.gov.uk/government/collections/net-supply-of-housing

The 39 homes built per 10,000 population in the latest year in Scotland is similar to the rate seen in Northern Ireland (39 homes per 10,000), and higher than the rate seen in Wales (19 homes per 10,000). Prior to this, the rate in Scotland has been below the rate in Northern Ireland since 2007 apart from 2014 and 2015, but has been above the rate seen in Wales in each year since 2007.

Chart 4: New house building as a rate per 10,000 population (years to end June) - Scotland had a rate of 39 in the latest year, the same as Northern Ireland (39) and higher than England net additions statistics (financial years) (38) and Wales (18)

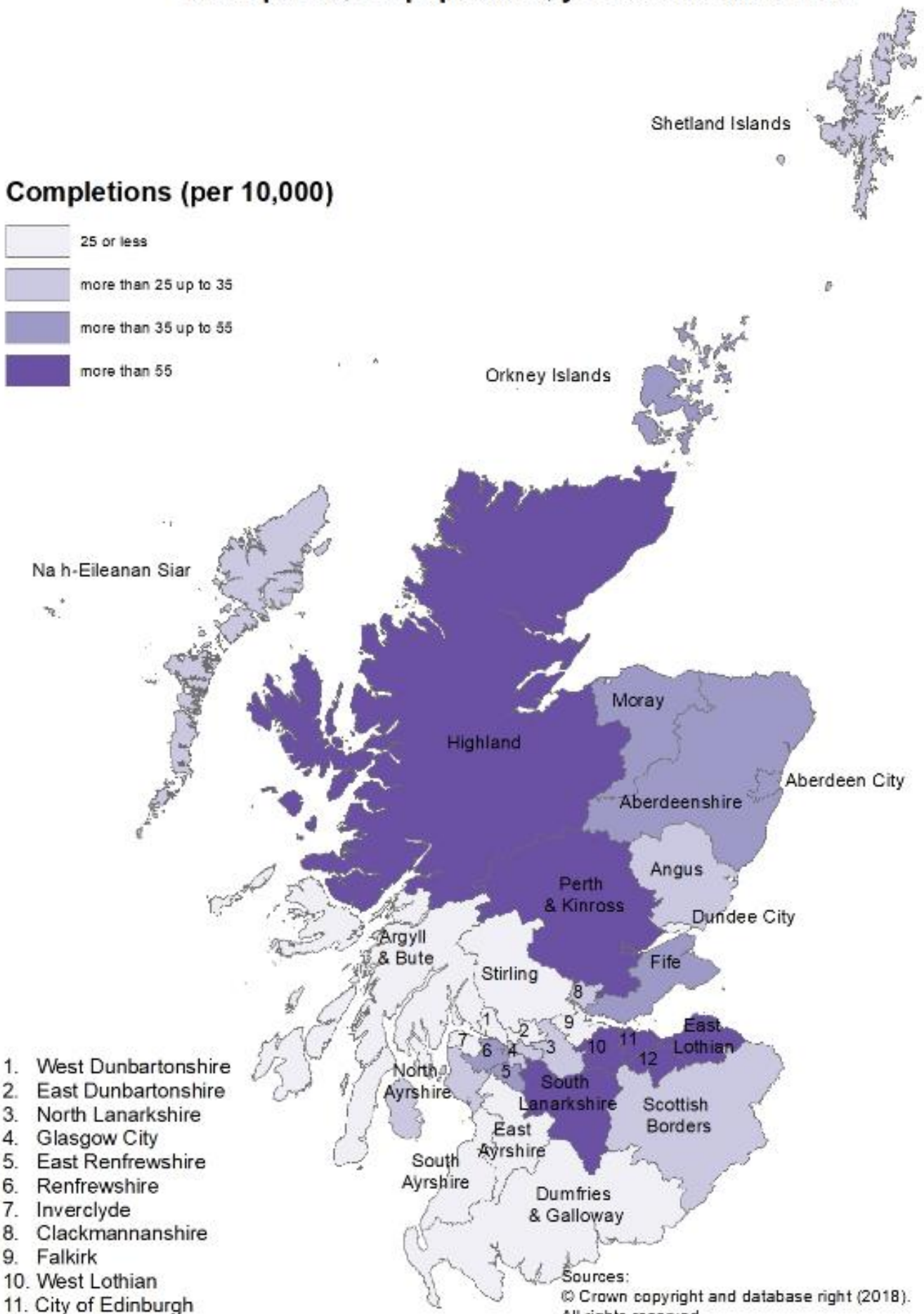


Sub-national figures for the year to end June 2019 – all sectors

The information on new build housing in Scotland is collected and published at local authority level. Map A, below, shows new house building in the year to end March 2019, as a rate per 10,000 population based on the latest mid-2018 population estimates.

In the year to end June 2019 the highest new build rates were observed in East Lothian, Midlothian, Perth & Kinross, West Lothian and South Lanarkshire. The lowest rates were observed in Dumfries & Galloway, Stirling, Inverclyde, East Dunbartonshire and West Dunbartonshire.

Map A: New build housing - All Sector completions: rates per 10,000 population, year to end June 2019



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New Build Housing – Private-led – up to end March 2019

The private sector is the biggest contributor to overall house building, accounting for three quarters (75%) of all homes completed in the 12 months to end June 2019.

Chart 5: Annual private sector led new build starts and completions have both increased in the latest year, but are still below levels seen in 2007 and 2008 (years to end June)

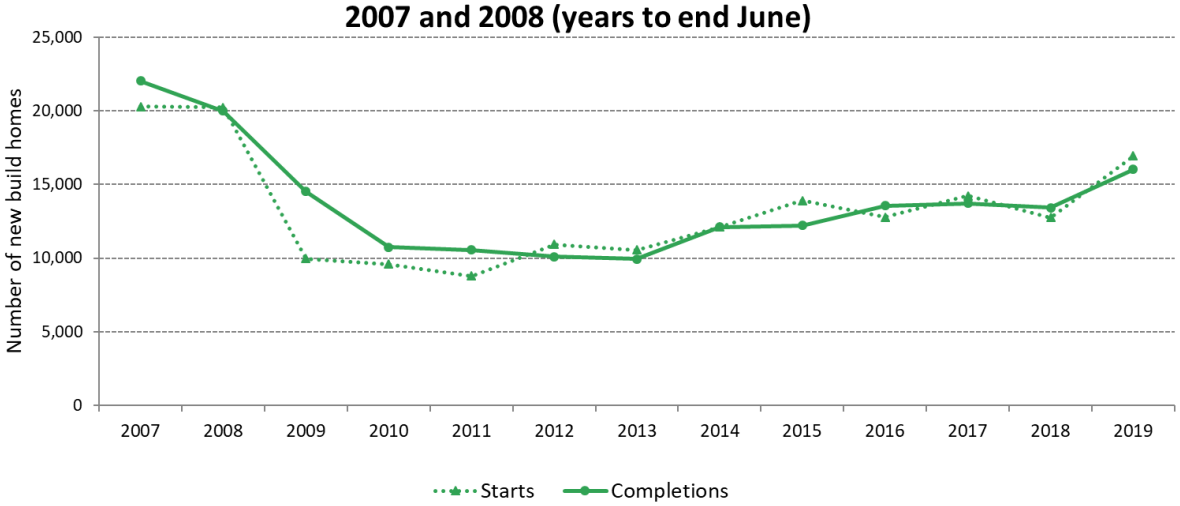
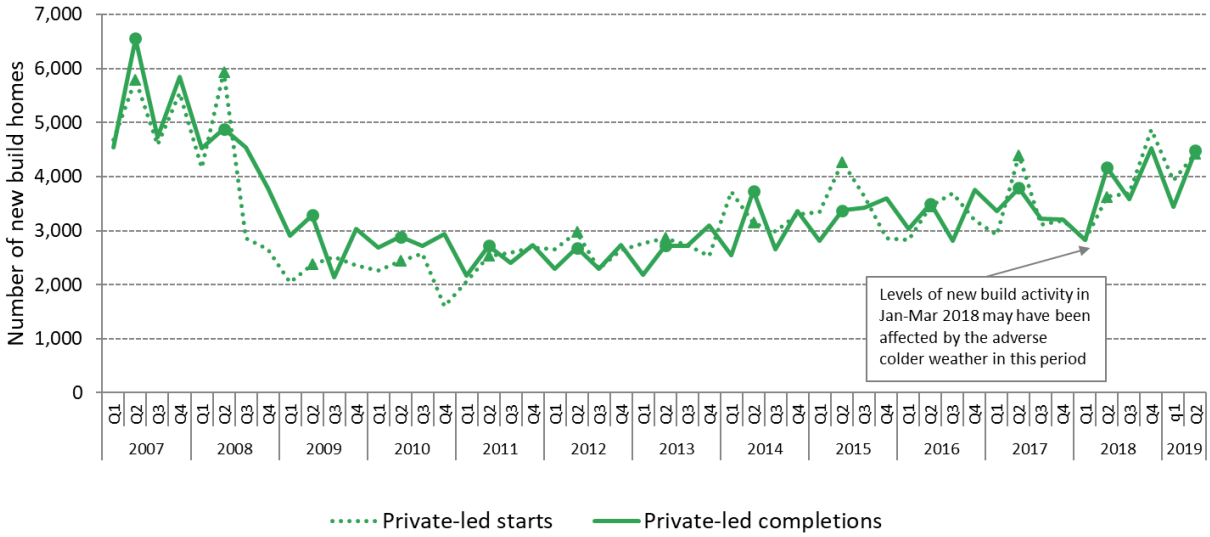


Chart 6: Quarterly new build starts and completions (private-led), show a generally upward trend since 2013, but with some quaterly volatility in the figures



Trends since 2007 – private sector

In 2007 (year to end June) the number of private sector homes started was around 20,000, while completions were just over 22,000. Private sector led new build housing was hit particularly hard by the recession. The number of homes completed dropped steeply between 2008 and 2010 then continued to decrease more gradually to just over 9,900 in 2013. Since then, the number of homes

completed has increased each year, until 2017, before decreasing slightly in 2018, and then increasing in the latest year ending June 2019 to 16,025.

It should be noted that levels of private-led new build activity in the January to March 2018 period may have been affected by the adverse cold weather during this period.

In September 2013 the Scottish Government introduced the Help to Buy (Scotland) scheme which has aimed to support buyers purchasing a new build home and to stimulate the house building industry. Following this, the Help to Buy (Scotland) Affordable New Build and Help to Buy (Scotland) Smaller Developers schemes were launched on 21 January 2016. Further information on the schemes, along with monitoring information setting out numbers of sales and the characteristics of buyers, is available at http://www.gov.scot/Topics/Built-Environment/Housing/BuyingSelling/help-to-buy.

Trends to end June 2019 – private sector

Between April and June 2019, 4,486 private sector led homes were completed; 8% more (315 homes) than the same quarter in 2018. This brings the total for the year to end March 2019 to 16,025 which is 19% more (2,610 homes) than the 13,415 completions in the previous year.

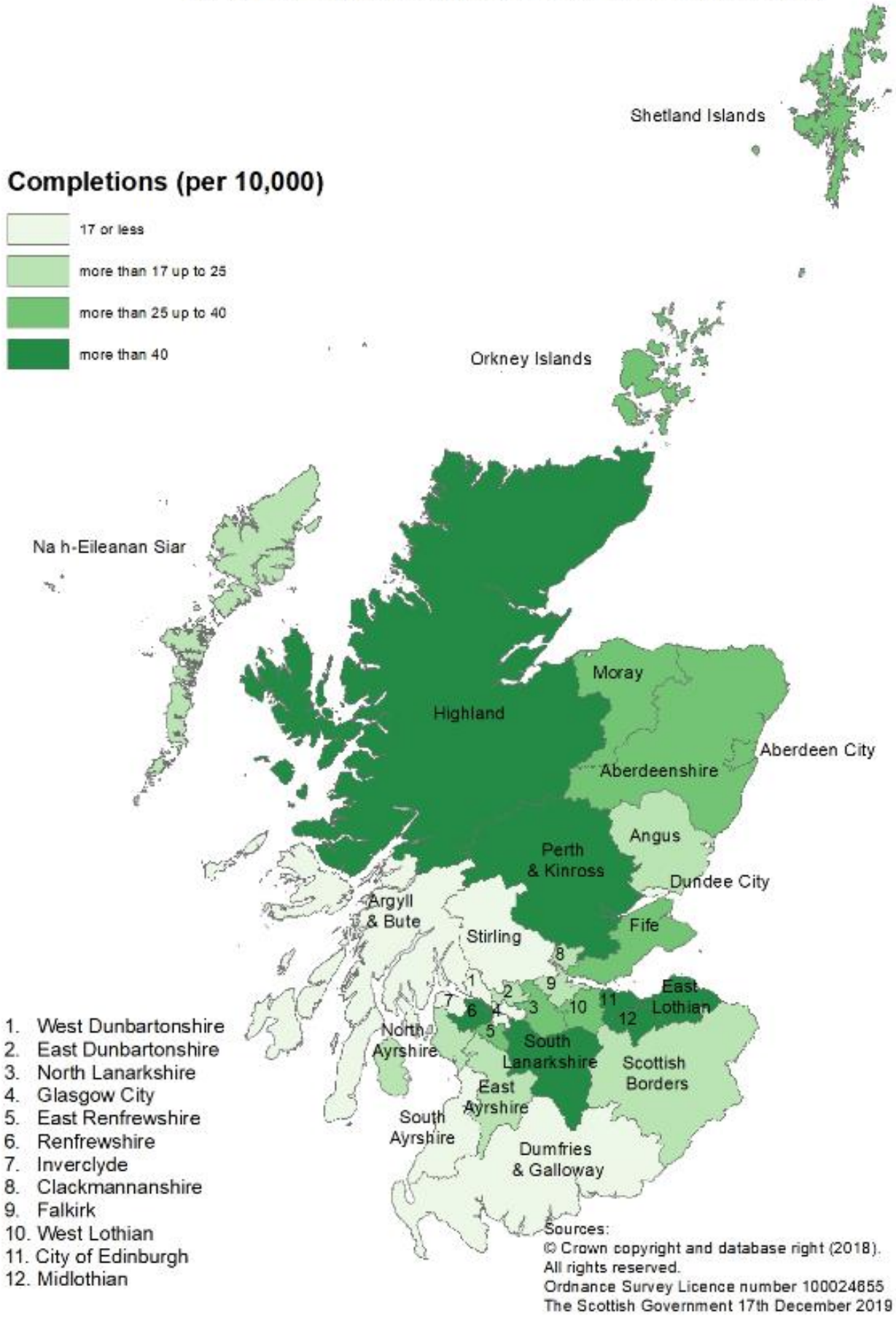
There were 4,427 private sector led starts between April and June 2019, 22% more (800 homes) than the same quarter in 2018. This brings the total for the year ending June 2019 to 16,924 which is 33% more (4,175 homes) than the 12,749 starts in the previous year.

Sub-national figures for the year to end June 2019 – private sector

Map B shows the rates per 10,000 head of population (based on the latest mid-2018 population estimates) of private sector led new build completions in each local authority for the year to end June 2019.

The highest completion rates have been in East Lothian, Midlothian, Perth & Kinross, Edinburgh and South Lanarkshire. The lowest rates meanwhile, have been in Inverclyde, Dumfries & Galloway, Stirling and South Ayrshire.

Map B: New build housing - Private Sector completions: rates per 10,000 population, year to end June 2019



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New Build Housing – Social Sector

Social sector housing consists of local authority and housing association housing, and has accounted for a quarter of all new build homes completed over the 12 months to end June 2019. Social sector figures are collected a quarter ahead of those for the private sector meaning that figures are available up to the end of September 2019. However, to enable easier understanding of how each sector contributes to the all sector totals described previously, figures are also presented for the same time period to end June (although quarterly charts include the latest quarter's data).

The more up-to-date figures for the social sector are presented later in this section.

Chart 7a: Annual Housing Association starts and completions have been at higher levels than Local Authority starts and completions in each year since 2007, with some varying trends across this period (years to end June)

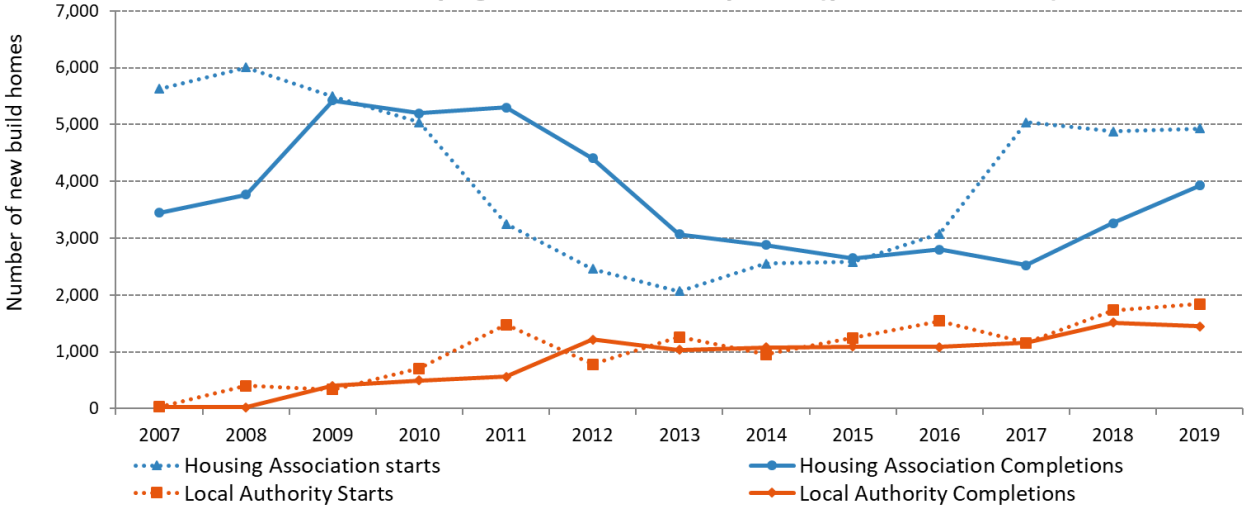


Chart 7b: Housing Association and Local Authority new build starts and completions figures for years to end September show a broadly similar trend to the figures for year to end June

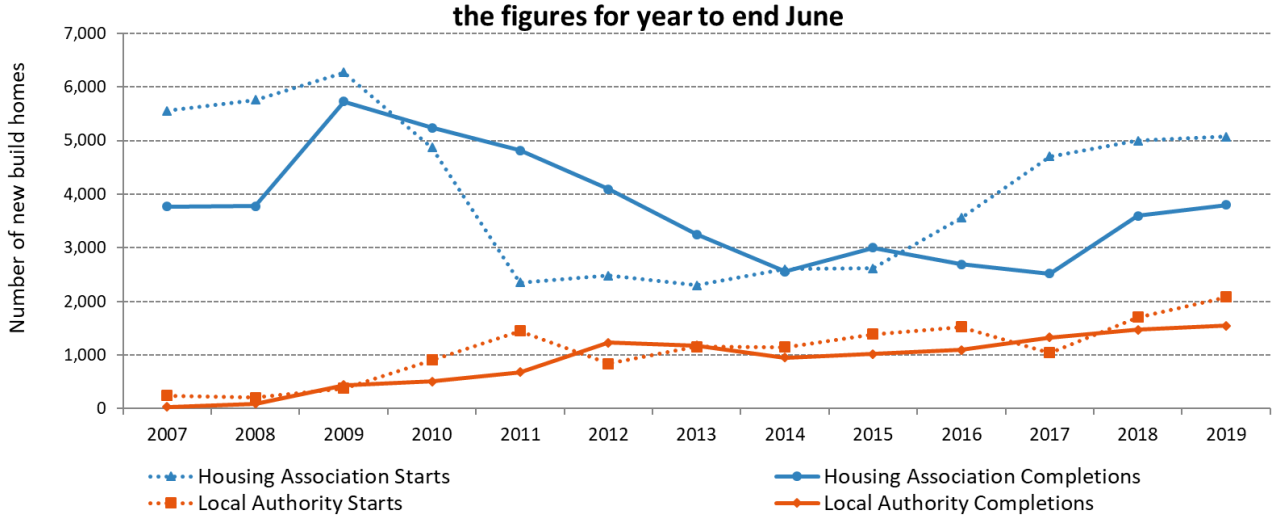


Chart 8: Quarterly Housing Association new build approvals show some quarterly volatility, with Q1 (Jan to Mar) typically seeing the highest numbers in each year

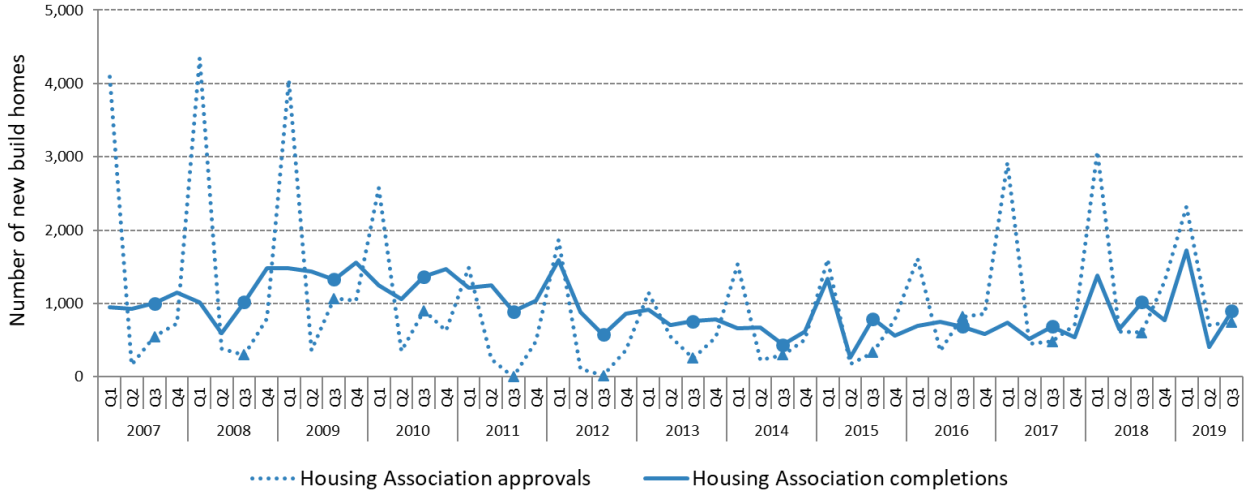
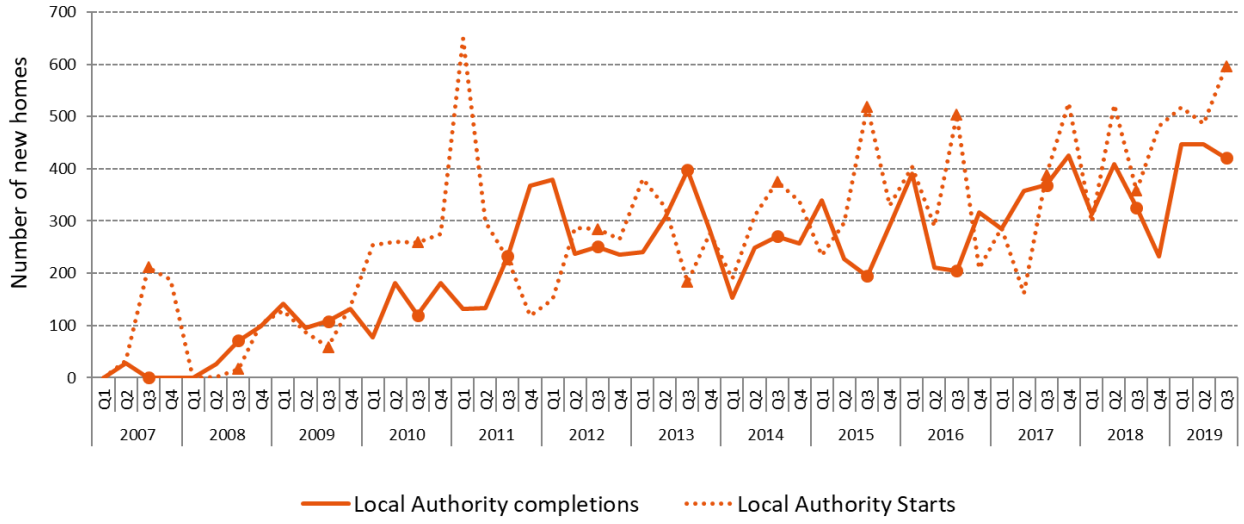


Chart 9: Quarterly Local Authority new build starts and completions also show some quarterly volatility, but with less clear annual seasonality patterns



Trends since 2007 – social sector

Chart 7a shows the number of local authority and housing association homes started and completed each year (to end June) since 2007, whilst Chart 7b shows the same information but up to end September (the most recent information available). Charts 8 and 9 show quarterly figures for housing associations and local authorities, respectively.

Social sector house building has not followed the same pattern as the private sector over time as the number of homes being built did not suddenly drop in 2008 following the recession.

Between 2007 and 2009 (years to end June) the number of housing association completions increased from just under 3,500 to just over 5,400. Completions

then decreased each year, apart from 2011, to just under 2,700 in 2015, before increasing to just over 2,800 in 2016. Completions then decreased in the following year to just over 2,500 in 2017. In the last two years, completions have increased to just under 4,000 in 2019.

The number of housing association approvals meanwhile decreased from just over 6,000 in 2008 to just over 2,000 in 2013 (years to end June). The figures then increased overall and are at just over 4,900 in 2019.

The number of local authority homes built has gradually increased from just 26 homes in 2008 up to just over 1,200 in 2012 (years to end June). Completions were then broadly flat until 2017, but have since increased to just over 1,400 in 2019. Local Authority housing has accounted for 7% of the total amount of new build homes completed across all sectors in the 12 months to end June 2019.

Trends to end June 2019 – social sector

There were 856 social sector completions between April and June 2019; 19% less than the same quarter in 2018. This brings the total for the year to end March 2019 to 5,378. This is a 13% increase on the 4,778 social sector completions in the previous year.

Meanwhile, 1,193 social sector homes were started between April and June 2019; 5% more than the same quarter in 2018. This brings the total for the year to end March 2019 to 6,776. This is a 2% increase on the 6,611 social sector starts in the previous year.

Sub-national figures for the year to end June 2019 – social sector

Maps C and D show the rates of housing association and local authority new build completions in each local authority for the year to end June 2019 per 10,000 of the population (based on the latest mid-2018 population estimates). The housing stock of 6 local authorities (Argyll & Bute, Dumfries & Galloway, Glasgow, Inverclyde, Na h-Eileanan Siar and Scottish Borders) has been transferred to housing associations and so these areas do not build new local authority houses.

In the year to end June 2019 rates of housing association new build completions were highest in Scottish Borders, Glasgow City, Orkney Islands and Na h-Eiliean Siar, whilst the lowest rates of housing association new build were in East Dunbartonshire, Falkirk, East Ayrshire and East Renfrewshire.

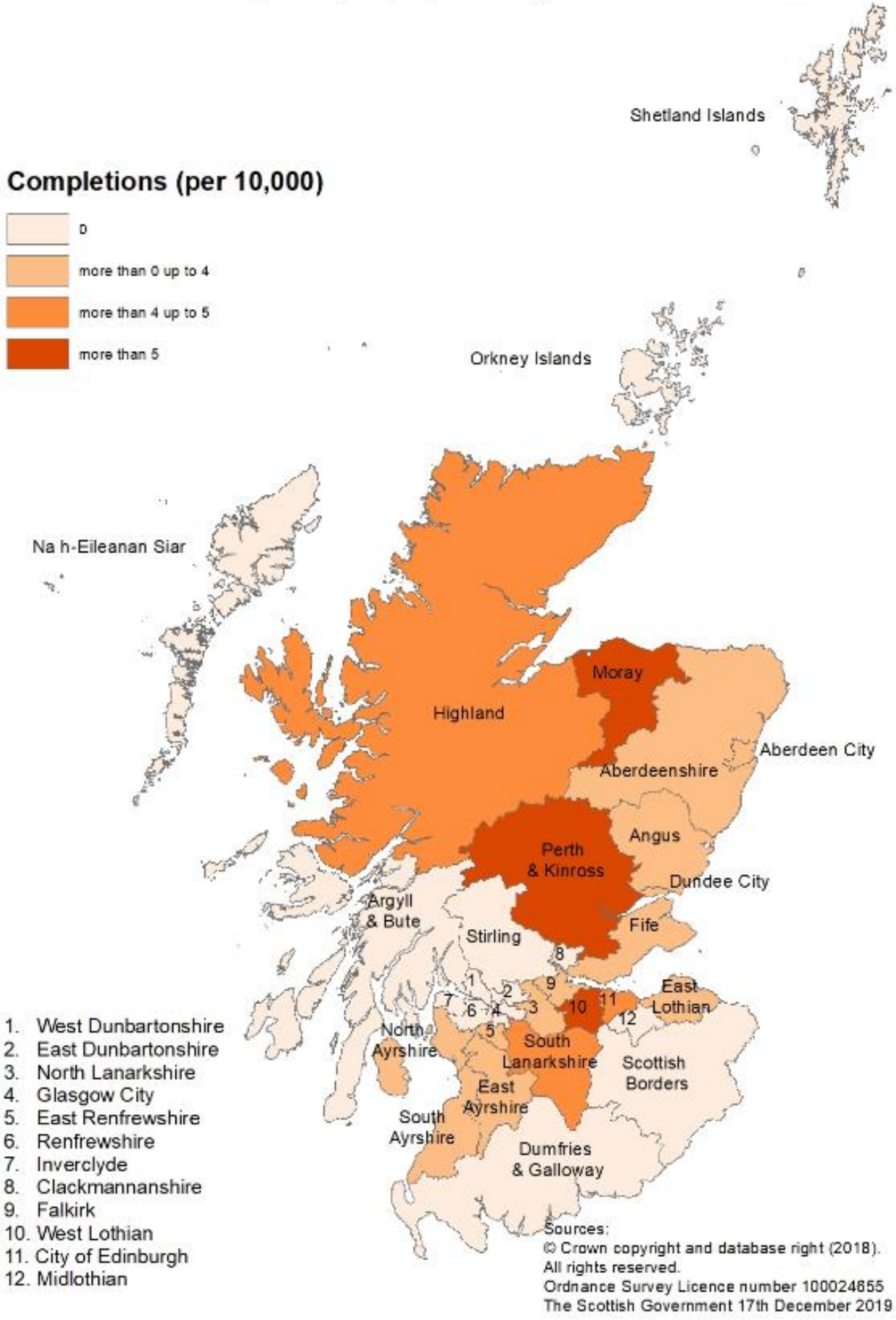
Meanwhile local authority new build rates were highest in West Lothian, Perth & Kinross, Moray, Edinburgh and Highland. As well as the 6 stock transfer authorities mentioned above, Stirling, West Dunbartonshire, EAST Dunbartonshire, Clackmannanshire, Shetland , Orkney Islands, Renfrewshire and Midlothian built no new homes in the year ending June 2019.

Latest data to end September 2019 – social sector

A total of 1,317 social sector homes were completed between July and September 2019, 2% less than the 1,346 completions in the same quarter in 2018. This brings the total completions for the 12 months to end September 2019 to 5,349 a 6% increase on the 5,070 social sector homes completed in the previous year.

Meanwhile, 1,342 social sector homes were started between July and September 2019. This is up 39% compared to the same quarter in the previous year. This brings the total for the 12 months to end September 2019 to 7,154 which is a 7% increase (447 homes) on the 6,707 starts in the previous year. The increase in the 12 months to end September 2019 is due to a 22% (377 homes) increase in Local Authority starts and a 1% (70 homes) increase in Housing Association led approvals.

Map C: New build housing - Local Authority Sector completions: rates per 10,000 population, year to end June 2019



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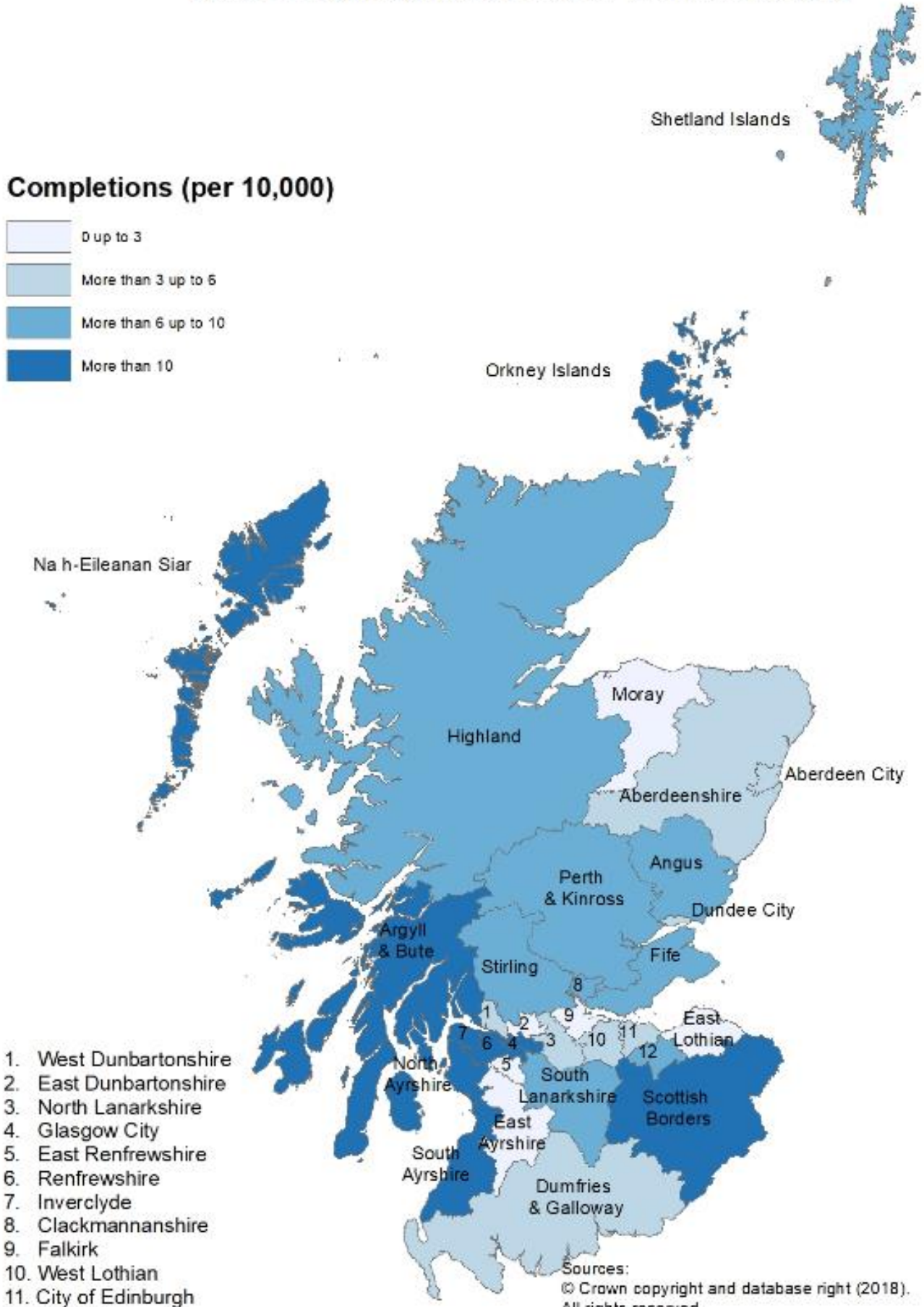
Map D: New build housing - Housing Association Sector completions: rates per 10,000 population, year to end June 2019



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Affordable Housing Supply – up to end September 2019

Affordable Housing Supply Programme (AHSP) statistics reflect the broader supply of affordable homes (i.e. for social rent, affordable rent and affordable home ownership) and include off the shelf purchases and rehabilitations as well as new builds. The social rent new build element of this covers largely the same houses referred to in the social sector new build section of this report. Statistics for the AHSP are available up to the end of June 2019. As a result they have been presented here for the year to end September. This differs from the figures in much of the remainder of this report which cover years to end June.

Quarterly affordable housing supply statistics are used to inform the Scottish Government target to deliver 50,000 affordable homes, including 35,000 homes for social rent, over the period 2016/17 to 2020/21, and reflect the number of affordable homes delivered that have received some form of government support through loans, grant or guarantees

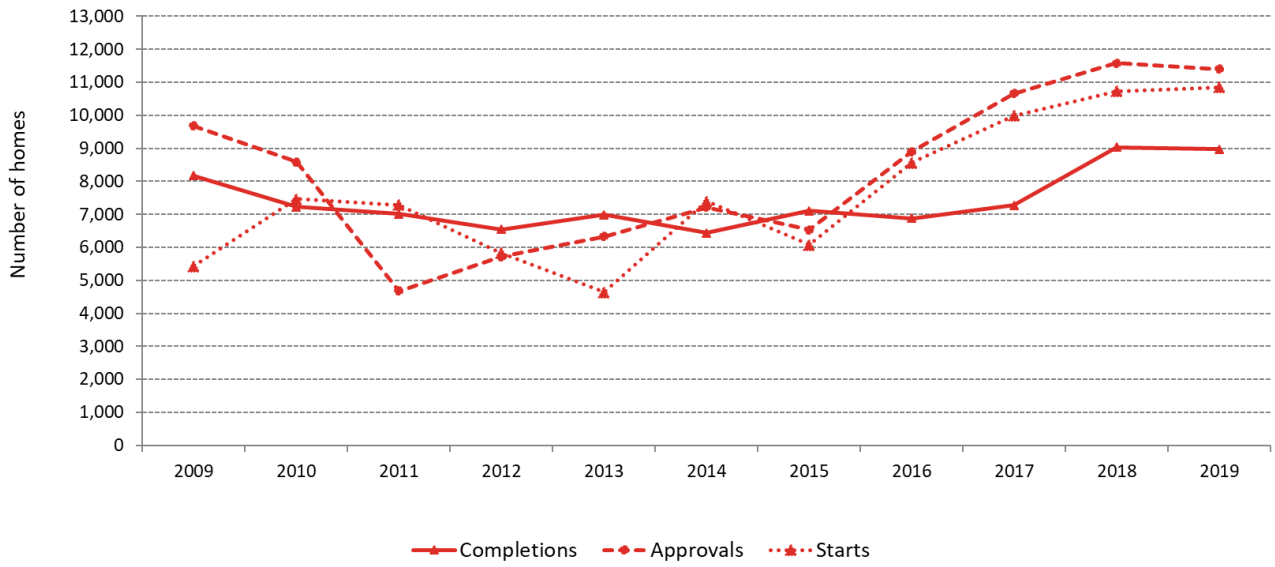
Approvals, starts and completions are all measured for the AHSP. Approval is the point at which funding is granted and, along with completion, is a significant part of the administration process meaning that the data should be of good quality. Starts meanwhile can be recorded at any point in the development, for example when site clearance begins or any point up to the beginning of ground works for foundations. As a result approvals are generally deemed a better measure than starts for AHSP data.

Social Rent includes Housing Association Rent, Council House Rent as well as Home Owner Support Fund Rent.

Affordable Rent includes Mid-Market Rent (MMR), National Housing Trust (NHT) Rent as well as other programmes such as the Empty Homes Loan Fund (EHLF) and Rural Homes for Rent (RHfR).

Affordable Home Ownership includes Open Market Shared Equity (OMSE), New Supply Shared Equity (NSSE), Shared Ownership (LCHO) as well as other programmes such as Home Owner Support Fund Shared Equity.

Chart 10: There have been substantial increases in annual Affordable Housing Supply Programme (AHSP) starts and approvals since 2015, and substantial increases in completions since 2017 (years to end Sept).



A total of 2,063 affordable homes were completed in the quarter between July and September 2019, a decrease of 7%, or 152 homes when compared to the equivalent quarter in the previous year. This brings the total for the year to end September 2019 to 8,976, down 1% (58 homes) on the 9,034 completions in the previous year.

Between July and September 2019 a total of 2,195 affordable homes were approved. This is 554 (34%) more than in the same quarter in the previous year. It brings the total for the year to end September 2019 to 11,398 approvals, down 2% on the previous year.

There were 2,644 affordable homes started in the quarter July and September 2019, a 22% increase, or 485 more homes than the same quarter last year. This brings the total for the year to end June 2019 to 10,855, up 1% (128 homes) on the 10,727 starts in the previous year.

Chart 11 below shows that total affordable housing supply programme completions decreased by 1% in 2019 (year to end September). In the latest year, social rent completions accounted for 74% of all completions, with affordable rent and affordable home ownership making up 9% and 17% of the total, respectively.

Chart 12 below shows that the total affordable housing supply programme approvals decreased by 2% in 2019 (year to end September). In the latest year, social rent approvals accounted for 74% of all approvals, with affordable rent and affordable home ownership making up 12% and 14% of the total, respectively.

Chart 11: In the latest year, Affordable Housing Supply Completions consisted of 74% social rent completions, 9% affordable rent and 17% affordable home ownership (years to end September)

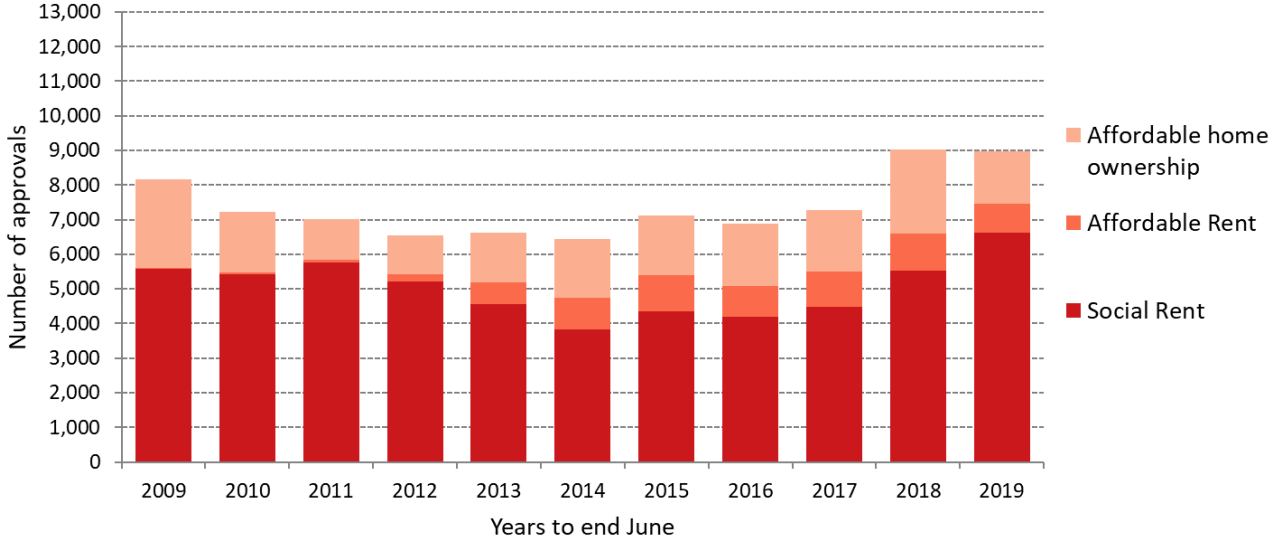
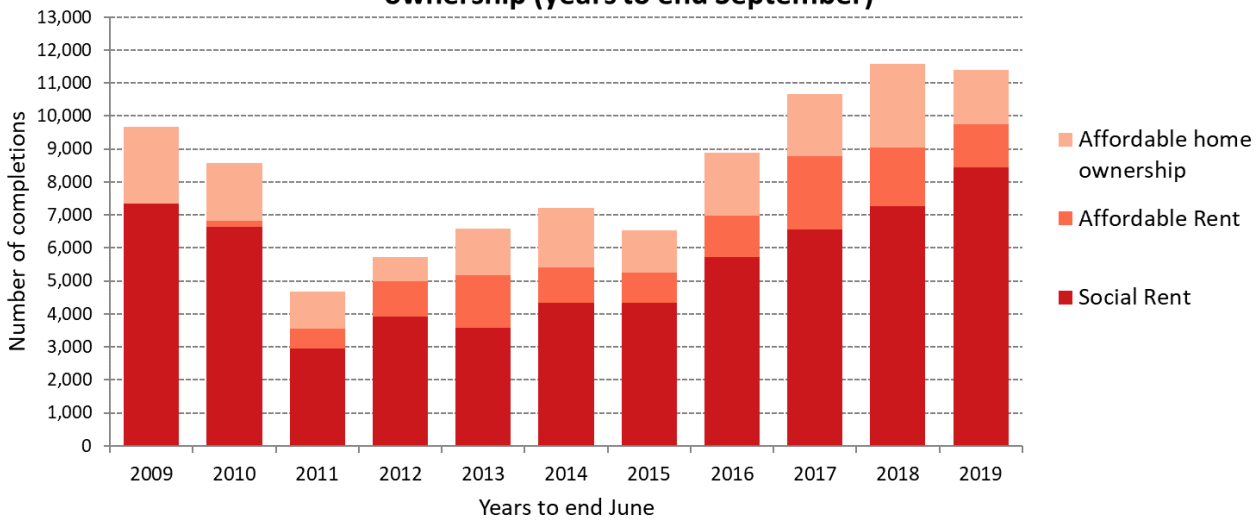


Chart 12: In the latest year, Affordable Housing Supply Approvals consisted of 74% social rent approvals, 12% affordable rent and 14% affordable home ownership (years to end September)



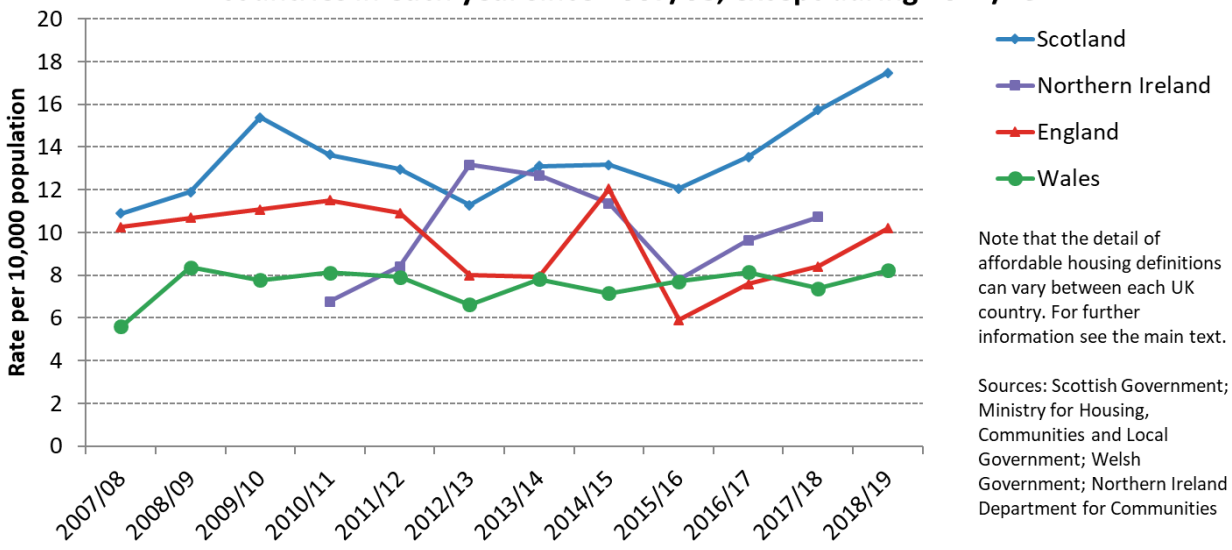
Comparison with the rest of the UK from 2007/08 to 2018/19

This section compares how the level of affordable housing supply per head of population varies between Scotland and other UK countries, to help meet user demand for cross country analysis on this.

Each of the countries of the UK produces their own statistics on affordable housing supply[2]. Whilst there are some differences in the detail of affordable housing definitions and products used by each country, some comparisons can be made on how affordable housing supply varies per head of population.

Chart 13 below illustrates how the figures per 10,000 population have varied across the 2007/08 to 2017/18 period. Between 2007/08 and 2017/18, the annual average supply of affordable housing per head of population in Scotland has been 13.4 homes per 10,000 population, higher than England (9.5 homes per 10,000 population), Wales (7.6 homes per 10,000 population), and Northern Ireland (10.1 homes per 10,000 population). In 2018/19 the figures were 17.5 homes per 10,000 population in Scotland, 10.2 in England, and 8.2 in Wales.

Chart 13: Total Affordable Housing Supply Completions as a rate per 10,000 population - Scotland has had annual rates above all other UK countries in each year since 2007/08, except during 2012/13



Note that the detail of affordable housing definitions can vary between each UK country. For further information see the main text.

Sources: Scottish Government; Ministry for Housing, Communities and Local Government; Welsh Government; Northern Ireland Department for Communities

Note that statistics for England and Wales both include developer-funded Section 106 supply, although for England it is thought that some will be missed as local authorities are not aware of it all. Northern Ireland does not currently have an equivalent mechanism. Data for Scotland include Section 75 units receiving some form of government funding. Data are not available to estimate the number of affordable homes delivered without central government funding in Scotland, but it is thought that the numbers of these homes may be relatively low based on current

[2] https://www.gov.uk/government/collections/affordable-housing-supply, https://statswales.gov.wales/Catalogue/Housing/Affordable-Housing/Provision, https://www.communities-ni.gov.uk/publications/northern-ireland-housing-statistics-2017-18

estimates of the number of funded Affordable and Section 75 homes being delivered.

In addition to the differences in total affordable supply between each country, there are also some differences in the use of different affordable housing products within the mix of overall affordable housing in each country. For example in England in recent years there has been a greater use of affordable / intermediate rent compared to social rent. Therefore when looking over the four years to 2018/19, in England there have been on average 4.6 affordable / intermediate rent homes completed per 10,000 head of population and 1.1 social rented homes completed 10,000 per-head of population. This compares to a rate of 1.8 for affordable rent homes and a rate of 9.3 for social rented homes in Scotland.

Work on the harmonisation and comparability of affordable housing statistics across the UK has been published as part of a programme of cross-UK Housing Statistics work[3]. On 6th November 2019 ONS released a comparison of affordable housing in the UK on affordable housing stock, supply, sales and characteristics compared between England, Scotland, Wales and Northern Ireland. The article brings together the published data from across the UK to present an overall picture of affordable housing, highlighting similarities and differences between the regions of the UK and discusses data considerations including data limitation and gaps: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/comparingaffordablehousingintheuk/april2008tomarch2018

In addition, a review of the definitions, terminology and the feasibility of the harmonisation of affordable housing statistical definitions was published on the same day. This report includes definitions and key types of affordable housing across the UK and provides a summary of the statistics available and a summary of next steps:
https://gss.civilservice.gov.uk/policy-store/affordable-housing/

Long Term Empty Properties and Second Homes

Councils classify some properties in their area as long term empty, unoccupied, or second homes for the purposes of calculating council tax liabilities. These statuses impact on the council tax through exemptions for unoccupied properties, discounts for second homes and some long term empty properties, or a levy for some long term empty properties. As a result information on the numbers of such properties is sourced from council tax statistics. It is collected annually from local authorities and is available for:

- **Unoccupied Exemptions:** generally properties which are empty and unfurnished for less than 6 months and exempt from paying council tax[4].

[4]Further details can be found here: http://www.gov.scot/Resource/0042/00423608.pdf

- **Long Term Empty Properties:** properties which have been empty for more than 6 months and are liable for council tax.

- **Second Homes:** homes which are furnished and lived in for at least 25 days in a 12 month period but not as someone's main residence.

Trends over time within each of these categories should be interpreted with some caution, given that increases and decreases can be caused in part by reclassification exercises which local authorities carry out from time to time, or issues with management information systems, rather than being real changes in the numbers of properties.

Empty properties are of particular interest as they can help increase the supply of occupied housing in Scotland when brought back into use.

There are several factors that can impact on the number of long term empty properties and second homes that are counted through the council tax statistics including changes to council tax liability policy and management information systems.

Regarding policy changes, from 1st April 2013, local authorities gained the discretionary power to remove the council tax discount associated with long term empty properties or to set a council tax increase of up to 100% on certain properties which have been empty for 12 months or more. Prior to April 2017, second homes were entitled to a council tax discount of between 10% and 50%, and as of April 2017, local authorities were also given the option to remove the council tax discount on second homes. For 2019-20, 25 out of the 32 local authorities have removed the council tax discount on second homes, 6 will retain the 10% discount and in one local authority from 1 October 2019 a second home discount of 10% will only apply for a period of 12 months from the date the property was last occupied as a sole or main residence, following the 12 month period the discount will be removed.
Management information systems can also have an impact on how properties are recorded. In addition, there have also been some improvements in the data held by some local authorities leading to the reclassification of a number of properties between the long term empty and second home categories. These changes should be kept in mind when comparing the numbers in recent years.

The latest figures, for September 2019, show that there were 24,314 second homes, 45,583 unoccupied exemptions which have generally been empty and unfurnished for less than 6 months, and 40,963 long term empty properties that had been empty for more than 6 months. Of those that had been empty for more than 6 months, around two-thirds (27,146 or 66%) had been empty for over 12 months, and of those 17,546 had a council tax discount below 10% or a council tax increase applied under the new powers described above.

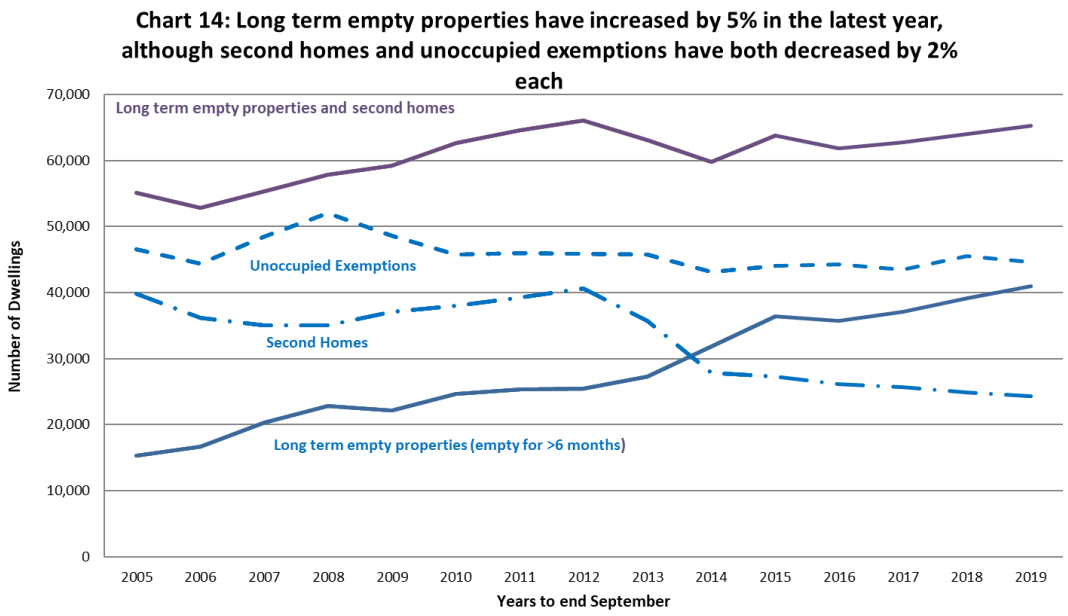


Chart 14 above shows that, since 2005, the number of long term empty properties has generally been on the rise, having more than doubled over this period, however some of the rises in 2013 to 2015 will be due to the reclassification of some properties in the light of the new powers described above. There has been a slight decrease between 2015 and 2016, but an increase since then until 2019. The number of second homes has remained more steady until recently, with the reductions in 2013 to 2016 also likely to be at least partly due to reclassification. The number of unoccupied exemptions has remained relatively steady since 2005, aside from a slight increase in 2008.

After a decrease between 2005 and 2006 the total number of long term empty properties and second homes increased from 52,823 in 2006 to 66,053 in 2012 (13,230 dwellings or 24%). It has since fallen to 59,763 in 2014 before increasing to 65,277 in 2019 (with a slight peak of 63,736 in 2015). This is an increase in the last year of 1,260 properties (2%). However, this change over time should be interpreted with some caution; increases and decreases can be caused in part by reclassification exercises which local authorities carry out from time to time, or issues with management information systems, rather than real changes in numbers of properties.

Notes

This document should be read along with the explanatory notes on data sources and quality can be found in the Housing Statistics webpages.

Starts and completions

New build information is provided for starts (when the foundations are begun) and completions (when a building inspector deems the property complete). In general, the number of starts will be a strong indicator of the likely trend in completions over the longer term, but there may well be differences over the short and medium term depending on factors such as the housing market, economic climate, access to finance, and speed of construction. A wide range of factors can influence the length of time it takes for a new private dwelling to be constructed, including the type of property (house, flat etc.), and the overall size of the site. Depending on the size of the site, the average time from start to completion of the entire site can range from anywhere between around 1.5 years to 2.75 years. Individual homes, or blocks of homes, might be completed in shorter timescales if parts of the site are completed in advance of the rest.

Comparing over time

New build figures are not seasonally adjusted and so it's not always appropriate to compare the latest quarter's figure with the previous one. In particular Housing Association approvals tend to peak in Quarter 1 of each year due to the way in which funding is allocated to these projects. This document generally compares the latest quarter's figures with those for the equivalent quarter in previous years or it compares the latest 12 month period with the previous one. For series where there is no obvious seasonal pattern it may also compare with the average quarterly figure over a period of time.

A National Statistics publication for Scotland

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

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How to access background or source data

The data collected for this statistical bulletin are available via an alternative route:
http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration

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