

PEOPLE, COMMUNITIES AND PLACES

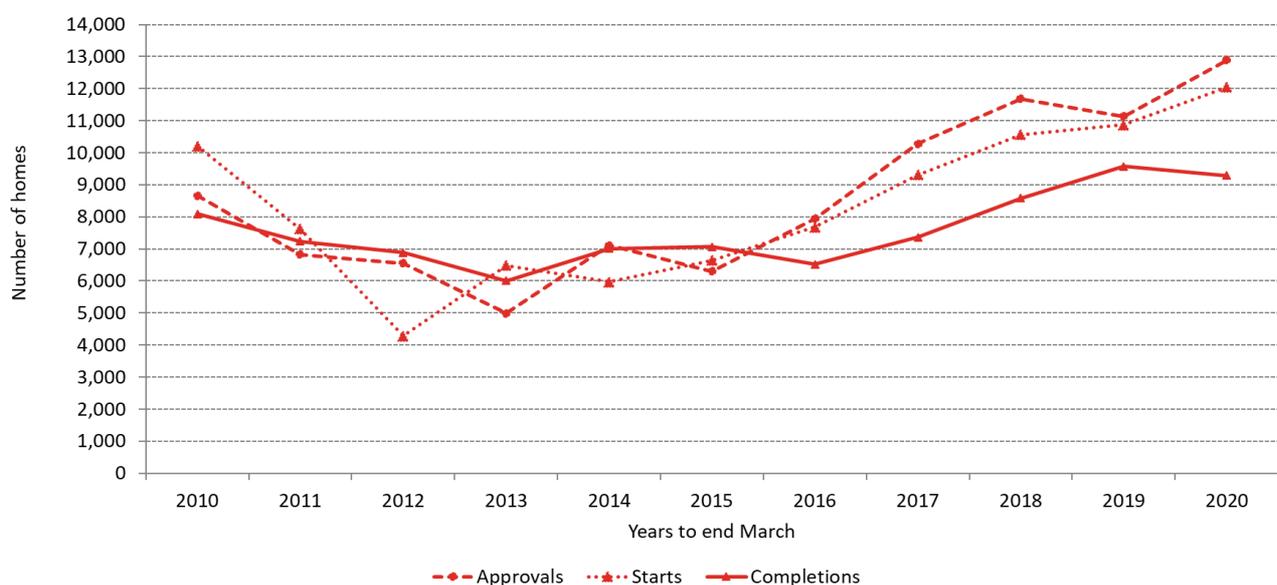
Housing Statistics for Scotland Quarterly Update: Affordable Housing Supply (published 23 June 2020)

This quarterly statistical publication provides information on recent trends in the number of Affordable Housing Supply Programme approvals, starts and completions to end March 2020, including a comparison of the rate of supply to other UK countries.

Due to the impacts of COVID-19, the latest statistics on new housebuilding that would usually be included in this publication have been delayed, as some local authorities have been unable to provide new build data to the usual timescales. We are working with local authorities to agree reasonable extensions to submission deadlines, and are aiming to publish this new build housing data as soon as we can. Further information on this is available in Section 2.

Background information including Excel tables and explanatory notes on data sources and quality are available in the [Housing Statistics webpages](#).

Chart 1: There have been substantial increases in annual Affordable Housing Supply Programme approvals, starts and completions since 2016 (years to end March)



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1. Main Points

In the year to end March 2020, there were a total of 12,886 homes approved through the Scottish Government affordable housing supply programme, which includes off-the-shelf purchases and rehabilitations as well as new builds. This is an increase of 1,756 homes (16%) on the previous year, and an increase of 62% compared with the year to end March 2016.

In the same period, 12,045 affordable homes were started, an increase of 1,173 homes (11%) on the previous year, and an increase of 57% compared with the year to end March 2016.

There were 9,286 homes delivered in the year to end March 2020, a decrease of 282 homes (3%) on the previous year, but an increase of 42% compared with the year to end March 2016.

It should be noted that the amount of affordable housing supply activity recorded in the most recent quarter January to March 2020 will have been impacted on by the introduction of government advice and measures to reduce the spread of the coronavirus (COVID-19) from mid-March onwards, in which non-essential construction activity stopped, and home buyers were advised to delay moving to a new home where possible.

This has lowered the total amount of activity recorded for this quarter compared to what would otherwise have been the case. Year to date totals to end March 2020 will also have been affected.

Figures for the next quarter April to June 2020, which are due to be reported on in the quarterly housing statistics update in September 2020, are likely to see an even greater impact due to COVID measures continuing throughout April and May, and into June 2020.

2. Delays to new housebuilding statistics due to COVID-19

This Housing Statistics for Scotland Quarterly update was due to include an update on all-sector new house building starts and completions to end December 2019, with more recent figures on social sector new builds to end March 2020.

However due to focussing efforts to respond to COVID-19 and the impact of lockdown on some local authorities being able to access their new house building Management

Information Systems, this has led to usual new build data collection deadlines being unable to be met by some local authority data suppliers, meaning that the new house building data cannot be published to the original June timelines.

We are closely monitoring the situation, and are working to agree reasonable extensions to submission deadlines. We plan to publish the new house building statistics as soon as we can.

Previous quarterly publications on new housebuilding statistics can be found on the Housing Statistics webpages of the Scottish Government website:

<https://www.gov.scot/collections/housing-statistics/>.

The most recent published Excel tables on all-sector house building starts and completions to end September 2019, and social sector new build figures to end December 2019, can be accessed at: <https://www.gov.scot/publications/housing-statistics-for-scotland-new-house-building/>.

The quarterly affordable housing supply statistics have been unaffected by these data supply delays, given that the data is sourced from the Scottish Government Affordable Housing Supply Programme database, which has continued to operate as usual.

3. Affordable Housing Supply

Affordable Housing Supply Programme 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. Statistics are available up to the end of March 2020.

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 Affordable Housing Supply Programme. Approval is the point at which funding is granted. Starts are recorded when site clearance begins, or any point up to the beginning of ground works for foundations. Completion measures when the units are delivered and ready for occupation.

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.

Summary Table – Affordable Housing Supply to March 2020

	Approvals	Starts	Completions
Quarter Jan to Mar 2016	3,708	2,783	2,153
Quarter Jan to Mar 2017	5,032	3,705	2,245
Quarter Jan to Mar 2018	6,428	3,206	3,374
Quarter Jan to Mar 2019	5,013	3,693	3,698
Quarter Jan to Mar 2020	6,069	4,766	3,483
Change over latest year	+1,056	+1,073	-215
Change (%) over latest year	+21%	+29%	-6%
Year to Mar 2016	7,945	7,682	6,518
Year to Mar 2017	10,276	9,308	7,359
Year to Mar 2018	11,677	10,569	8,578
Year to Mar 2019	11,130	10,872	9,568
Year to Mar 2020	12,866	12,045	9,286
Change over latest year	+1,736	+1,173	-282
Change (%) over latest year	+16%	+11%	-3%

Chart 1, along with the Summary Table above, show that a total of 6,069 affordable homes were approved in the quarter January to March 2020. This is 1,056 (21%) more than in the same quarter in the previous year and 64% higher than the 3,708 approvals in the same quarter in 2016. It brings the total for the year to end March 2020 to 12,886 approvals, up 16% (1,736 homes) on the previous year, and an increase of 62% compared to year end March 2016.

Between January and March 2020, there were 4,766 affordable homes started, a 29% increase, or 1,073 more homes than the same quarter last year, and an increase of 71% on the same quarter in 2016. This brings the total for the year to end March 2020 to 12,045, up 11% (1,173 homes) on the 10,872 starts in the previous year, an increase of 57% when compared to year end March 2016.

A total of 3,483 affordable homes were completed in the quarter January to March 2020, an decrease of 6%, or 215 homes, when compared to the equivalent quarter in the previous year, but 62% more than in the same quarter in 2016. This brings the total for the year to end March 2020 to 9,286, down 3% (282 homes) on the 9,568 completions in the previous year, but an increase of 42% on the 6,518 homes delivered in the year to March 2016.

It should be noted that the amount of affordable housing supply activity recorded in the most recent quarter January to March 2020 will have been impacted by the introduction of

government advice and measures to reduce the spread of the coronavirus (COVID-19) from mid-March onwards, in which non-essential construction activity stopped, and home buyers were advised to delay moving to a new home where possible.

This has lowered the total amount of activity recorded for this quarter compared to what would otherwise have been the case. Year to date totals to end March 2020 will also have been affected.

Figures for the next quarter April to June 2020, which are due to be reported on in the quarterly housing statistics update in September 2020, are likely to see an even greater impact due to COVID measures continuing throughout April and May, and into June 2020.

Chart 2: In the latest year, Affordable Housing Supply Approvals consisted of 78% social rent approvals, 11% affordable rent approvals and 11% affordable home ownership approvals (years to end March)

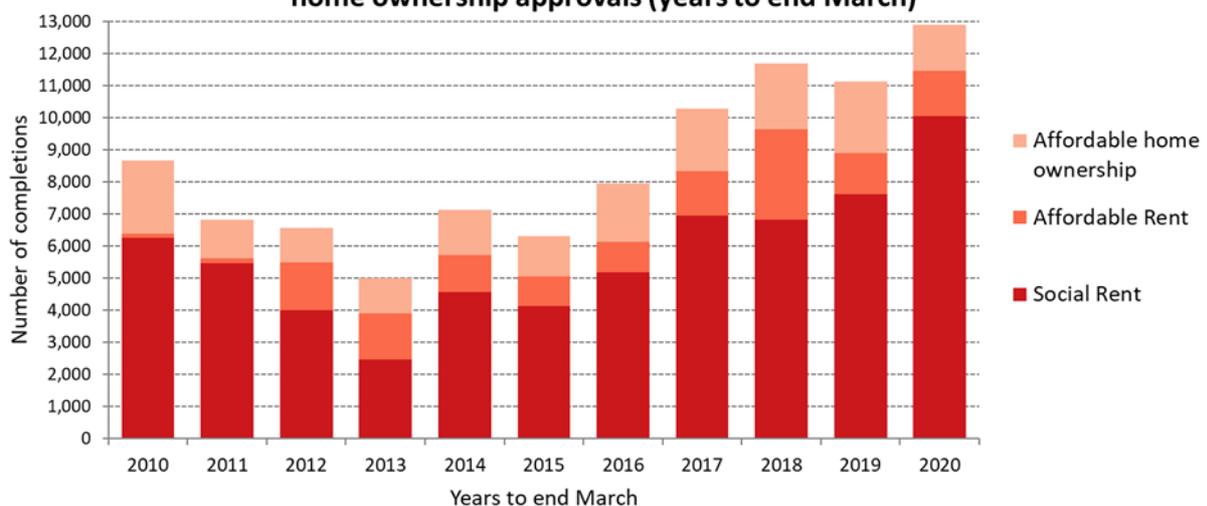


Chart 2 shows that total affordable housing supply programme approvals increased by 16% between 2019 and 2020 (years to end March). In the latest year 2020, social rent approvals accounted for 78% of all approvals, with affordable rent and affordable home ownership both making up 11% of the total each.

In the year end to March 2020, there were 10,057 homes approved for social rent, 32% (2,446 homes) more than the same period in 2019. There were 1,397 approvals for affordable rent, 9% (120 homes) more than the same period in 2019. 1,432 homes were approved for affordable home ownership in the year to end March 2020, 36% less (810 homes) than the previous year.

Chart 3: In the latest year, Affordable Housing Supply Starts consisted of 73% social rent starts, 16% affordable rent starts and 11% affordable home ownership starts (years to end March)

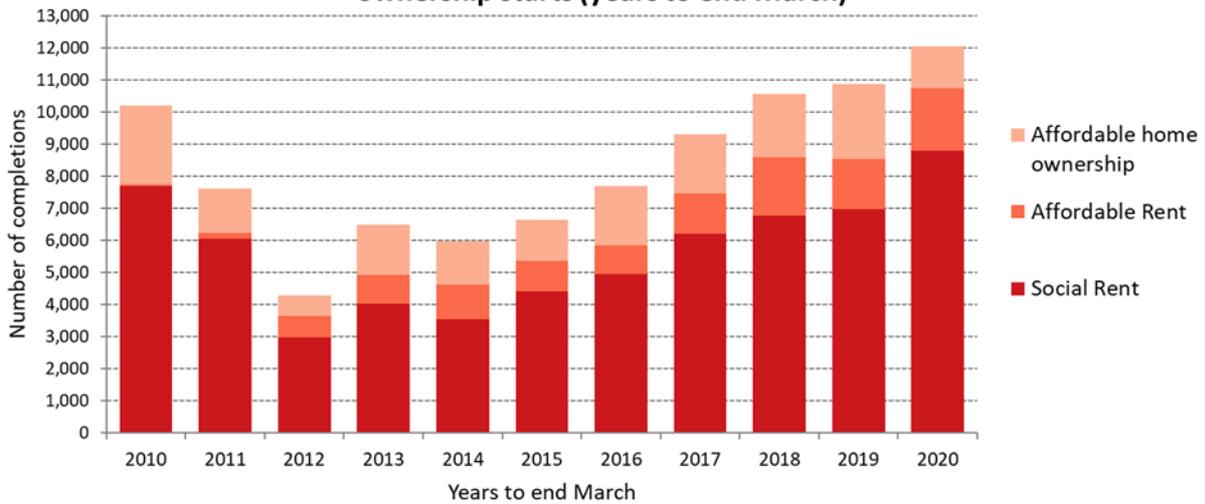


Chart 3 illustrates that total affordable housing supply programme starts increased by 11% between 2019 and 2020 (years to end March). In the latest year, social rent starts accounted for 73% of all starts, with affordable rent and affordable home ownership making up 16% and 11% of the total, respectively.

In the year to end March 2020, there were 8,782 starts for social rent, 26% more (1,810 homes) than the previous year. There were 1,962 homes started for affordable rent in the year to end March 2020, 26% more (399 homes) than the same period in 2019. In the year to end March 2020, 1,301 homes were started for affordable home ownership, 44% (1,036 homes) less than in the previous year.

Chart 4: In the latest year, Affordable Housing Supply Completions consisted of 75% social rent completions, 10% affordable rent completions and 15% affordable home ownership completions (years to end March)

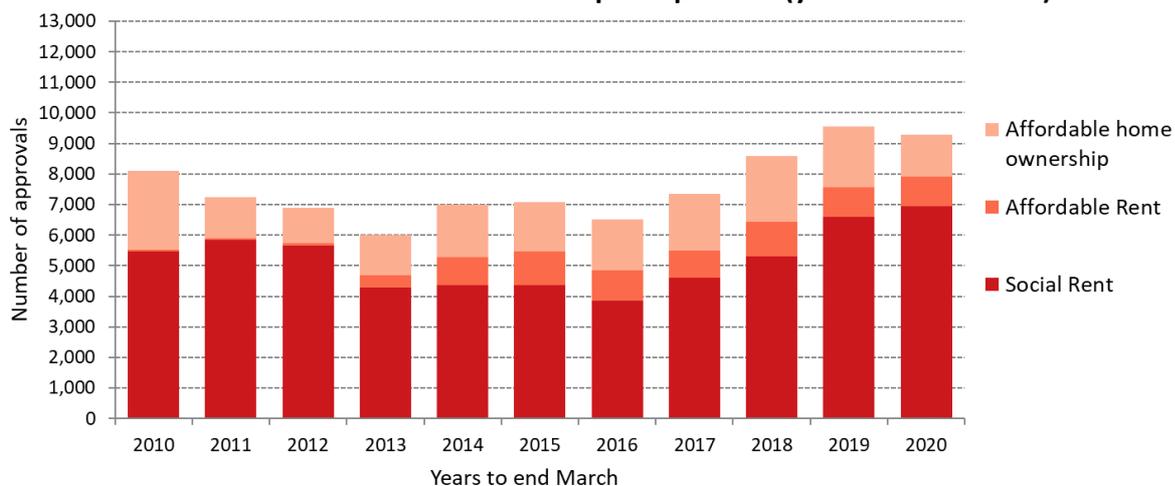


Chart 4 shows that total affordable housing supply programme completions decreased by 3% between 2019 and 2020 (years to end March). In the latest year, social rent completions accounted for 75% of all completions, with affordable rent and affordable home ownership making up 10% and 15% of the total, respectively.

In the year to end March 2020, there were 6,952 homes completed for social rent, 5% (358 homes) more than the previous year. There were 967 affordable rent homes completed in the year to end March 2020, 1% less (10 homes) than in 2019. 1,367 homes were completed for affordable home ownership in the year to end March 2020, 32% (630 homes) less than in 2019.

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.

Each of the countries of the UK produces their own statistics on affordable housing supply¹. 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.

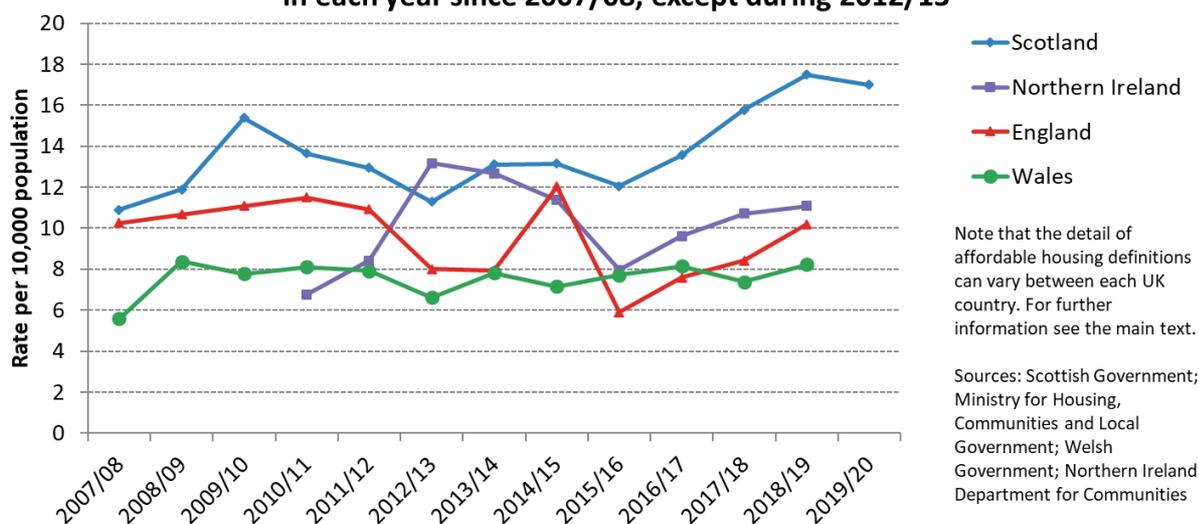
Chart 5 below illustrates how the figures per 10,000 population have varied across the 2007/08 to 2018/19 period.

Between 2007/08 and 2018/19, 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 (10.2 homes per 10,000 population). In 2018/19 the figures were 17.5 homes per 10,000 population in Scotland, 10.2 in England, 8.2 in Wales, and 11.1 in Northern Ireland.

In 2019/20 the rate in Scotland was 17.0. Affordable housing supply figures for England, Wales and Northern Ireland for 2019/20 are not yet available, but will be added to this chart in future publications once these are released.

¹ <https://www.gov.uk/government/collections/affordable-housing-supply>, <https://stats.wales.gov.wales/Catalogue/Housing/Affordable-Housing/Provision>, <https://www.communities-ni.gov.uk/publications/northern-ireland-housing-statistics-2018-19>

Chart 5: 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 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 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.

4. Notes

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

Comparing over time

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 the Affordable Housing Supply Programme, comparisons are also made with the 12 month period to March 2016, the last year prior to the current Scottish Government target period to deliver 50,000 affordable homes by March 2021.

Housing Statistics across the UK

Information on housing statistics developments across the UK is available on the Government Statistical Service (GSS) webpages at <https://gss.civilservice.gov.uk/user-facing-pages/housing-and-planning-statistics>.

This includes material such as:

- A GSS housing and planning statistics interactive tool, which contain a searchable database of all housing and planning statistics produced by UK public bodies and devolved administrations, along with a summary of the UK housing topic landscape.
- Topic reports on cross-UK areas such as on Affordable Housing Statistics.
- A report on the definitions, terminology and feasibility of harmonisation of affordable housing statistics across the UK.

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.

Some presentational changes have been made to this publication, such as the shortening of main findings, the addition of detailed summary tables at the start of each section and amending the commentary to emphasise trends. We would welcome feedback on these changes via the contact details below.

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 may be made available on request, subject to consideration of legal and ethical factors. Please contact housingstatistics@gov.scot for further information.

Complaints and suggestions

If you are not satisfied with our service or have any comments or suggestions, please write to the Chief Statistician, 3WR, St Andrews House, Edinburgh, EH1 3DG, Telephone: (0131) 244 0302, e-mail statistics.enquiries@gov.scot.

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