A National Statistics publication for Scotland

PEOPLE, COMMUNITIES AND PLACES

Housing Statistics for Scotland Quarterly Update: New Housebuilding and Affordable Housing Supply (published 23 March 2021)

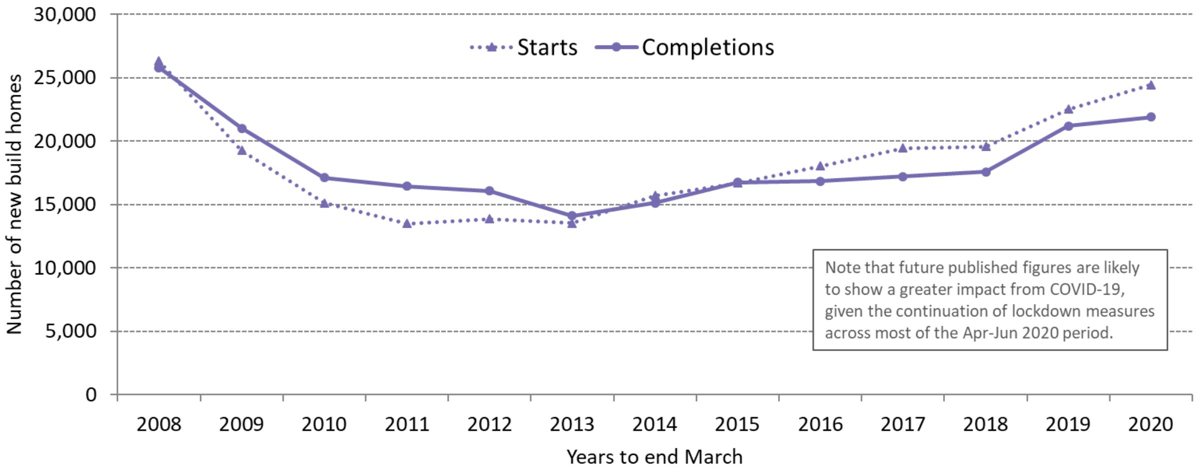
This statistical publication provides information on the latest trends in:

- Quarterly private-led and all-sector new housebuilding starts and completions to end March 2020.
- Quarterly social sector new housebuilding starts and completions to end June 2020.
- UK House Price Index Official Statistics on new build sales transactions, as a measure of private-led new housebuilding activity in Scotland to end October 2020.
- Quarterly Affordable Housing Supply Programme approvals, starts and completions, by type, to end December 2020.

The publication also presents annual rates of new housebuilding and affordable housing supply per head of population, including comparisons to other UK countries.

Note that the latest private-led and all-sector new housebuilding figures contain some estimates for a small number of authorities. Further details are provided in Section 2.

Chart 1: Annual all-sector new housebuilding starts and completions both increased in the year to end Mar-20, despite activity levels being affected by the introduction of COVID-19 lockdown measures in the final month of this annual period



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

Contents

1. Main points

Note that the latest private-led and all-sector new housebuilding figures contain some estimates for a small number of authorities. Further details are provided in Section 2.

- There were 21,910 new build homes completed across all sectors in Scotland in the year to end March 2020. This is an increase of 3% (722 homes) on the previous year, despite activity levels being affected by the introduction of COVID-19 lockdown measures in the final month of the latest annual period. Increases were seen across private-led completions (3% or 528 homes), housing association completions (3% or 118 homes) and local authority completions (5% or 76 homes).
- The number of new build homes started across all sectors also increased in the year to end March 2020, with a total of 24,458 starts, an increase of 9% (1,954 homes) on the previous year. Local authority starts increased by 18% (328 homes), housing association approvals increased by 37% (1,636 homes), whilst private-led starts dropped very slightly by 0.1% (10 homes).
- More recent figures published as part of the UK House Price Index show a total of 1,114 new build sales transactions in Scotland in the month of October 2020. This is an increase of 47 transactions (4%) on October 2019, indicating a recovery in the level of monthly private-led new housebuilding sales transaction activity, following the reduced levels of activity between April and June 2020 due to COVID-19 measures.
- Latest social sector new housebuilding figures for April to June 2020 show the impact of the COVID-19 lockdown on construction activity across this period, with

only 407 starts and 20 completions recorded, drops of 67% and 98% on the same quarter in 2019, respectively.

- 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. The 1,918 affordable homes completed in the latest quarter Oct-Dec 2020 is an increase of 861 (81%) homes on the previous quarter, and an increase of 1,721 homes on Apr-Jun 2020. These increases over the latest two quarters reflect the phased re-start of construction and supply activity since late June 2020, which brings the level of quarterly completions above levels seen in 2016 and 2017, but below levels in 2018 and 2019.
- The number of affordable homes approved and started have also increased over the latest two quarters, with approvals in Oct-Dec 2020 being over double (1,062 homes more) the amount in the previous quarter and 1,205 homes more than in Apr-Jun 2020. Starts in Oct-Dec 2020 are up by 11% (221 homes) on the previous quarter Jul-Sept 2020, and by 1,429 homes on Apr-Jun 2020.
- The latest annual figures on affordable housing supply also show the impact of COVID-19 on activity levels, with a total of 10,066 approvals, 9,806 starts and 6,655 completions recorded in the year to December 2020. These are decreases on the previous year of 15% (1,764 homes), 11% (1,166 homes), and 30% (2,846 homes), respectively.

2. Delays to new housebuilding statistics due to COVID-19, and estimates made for a small number of authorities

The Housing Statistics for Scotland Quarterly Update as at March would usually include an update on all-sector new house building starts and completions to end September in the preceding year, with more recent figures on social sector new builds to end December. However due to COVID-19 related delays in data provision by some local authorities, this publication includes figures on all-sector new house building starts and completions only up to end March 2020, with more recent figures on social sector new builds only up to end June 2020.

These impacts on the provision of data have also meant that two local authories have been unable so far to provide any data on new build figures since the start of the pandemic period. We have therefore estimated private-led new build starts and completions figures for both East Dunbartonshire and Glasgow City local authority areas for the two quarters 2019 Q4 and 2020 Q1. We have also estimated private-led new build starts and completions figures for Dundee City for the most recent quarter 2020 Q1 due to a delay in provision of this data.

These private-led new build estimates have been based on an average of the previous four quarters, with an adjustment made for 2020 Q1 to account for the slightly lower levels of construction activity seen in this quarter due to the impact of COVID-19. This adjustment is based on aggregate trends from the 29 local authorities who provided data for Q1 2020.

Separate figures from the UK House Price Index on new build sales transactions are provided in Section 5 as an alternative measure of private-led new housebuilding activity in Scotland over the more recent period to end October 2020.

This publication also includes some revisions to previously published figures due to more recent updated figures that have been supplied. Figures have been revised to replace previous estimations for local authority starts and completions for Stirling (January to March 2020) and Highland private sector led starts and completions (October to December 2020). In addition, the North Lanarkshire figure for private sector starts and completions has been revised due to the resubmission of the private sector new housebuilding form to correct an error for October to December 2019. A small number of additional historic corrections provided by local authorities have also been made. Further details on these revisions are available in the Excel tables.

3. All-sector new housebuilding

The new-housebuilding 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. Social sector housebuilding is the combined total of local authority and housing association builds.

For the private sector the latest information available is for the quarter ending March 2020. Therefore headline findings for new housebuilding across all sectors are presented up to end March 2020, with other figures on social sector housebuilding presented up to end June 2020 where more recent data allows.

The figures have not been seasonally adjusted and so commentary tends to compare the latest 12 month period with the previous 12 month period, or the latest quarter with the same quarter in the previous year. To help with this, Quarter 1 figures (from January to March) 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.

It should be noted that the amount of all-sector new housebuilding activity recorded in the quarter January to March 2020 will have been impacted to some extent 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. These impacts towards the end of this quarter will have lowered the total amount of activity recorded compared to what would otherwise have been the case. Year to date totals to end March 2020 will also have been affected.

Chart 1 (see page 1) shows that annual all-sector new build starts and completions (years to end March) have both shown a broadly increasing trend since 2013. In the latest year, starts and completions have increased by 9% and 3% respectively, despite activity levels being affected by the start of COVID lockdown measures in the final month of this annual period. Future published figures for the quarter April to June 2020 are likely to be impacted to a greater extent given the continuation of lockdown measures over most of this quarter until late June 2020.

Figures for the year to end March 2020

There were 4,917 all sector new build homes completed between January and March 2020; a 12% decrease (686 homes) on the same quarter in 2019 but 9% more (406 homes) than the same quarter in 2018. This brings the total for the year to end March 2020 to 21,910, up 3% (722 homes) compared to the 21,188 completed in the previous year and the highest annual figure to end March since 2008.

There were 7,268 new build homes started between January and March 2020, 9% more (602 homes) than the same quarter in 2019. This brings the total for the year to end March 2020 to 24,458 which is up 9% (1,954 homes) compared to the 22,504 homes started in the previous year.

Table 1 – All sector new housebuilding to March 2020

	Starts	Completions
Quarter Jan to Mar 2018	**6,260**	**4,511**
Quarter Jan to Mar 2019	**6,666**	**5,603**
Quarter Jan to Mar 2020	**7,268**	**4,917**
Change from Q1 2019 to Q1 2020	+602	-686
Change from 2019 to 2020 (%)	+9%	-12%
Year to Mar 2018	**19,754**	**17,571**
Year to Mar 2019	**22,504**	**21,188**
Year to Mar 2020	**24,458**	**21,910**
Change from 2019 to 2020	+1,954	+722
Change from 2019 to 2020 (%)	+9%	+3%

Trends since 2007

Chart 2 below presents new build completion trends on a quarterly basis and by sector. This 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. Following this, private led completions decreased more gradually until 2013 and have been broadly increasing in more recent years, although levels of activity in the most recent quarter January to March 2020 will have been affected by the start of COVID-19 lockdown measures in mid-March onwards.

Chart 2: The levels of completions in January to March 2020 will have been affected by the start of COVID-19 lockdown measures from mid-March 2020 onwards

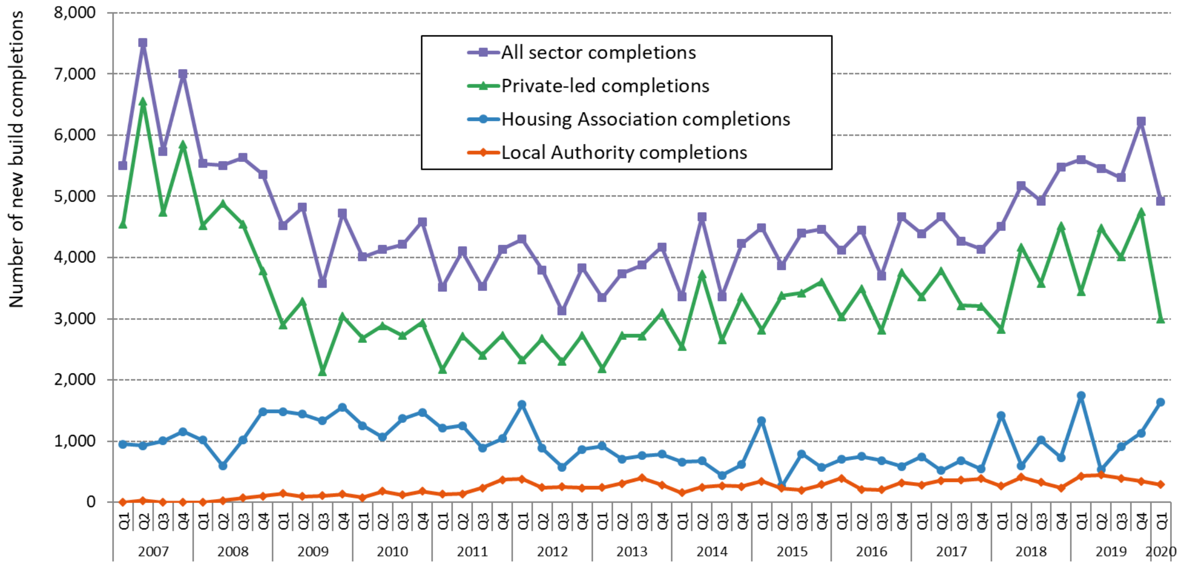
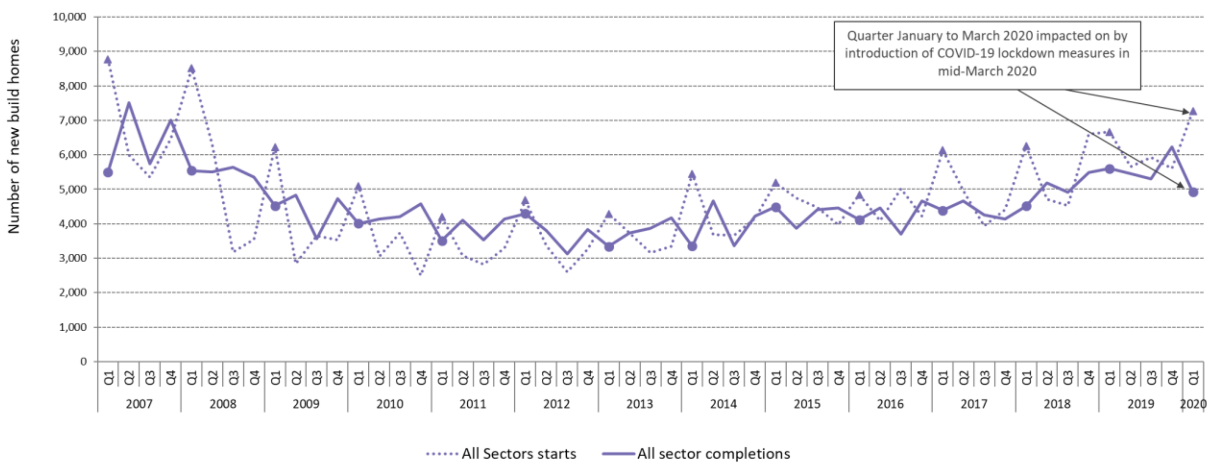


Chart 3 shows quarterly trends in all-sector starts and completions, which are generally both showing an upwards trend since 2014. However in the latest quarter from January to March 2020, there will have been some impact from the introduction of COVID-19 lockdown restrictions on the all-sector starts and completions activity.

Chart 3: Starts and completions in the latest quarter Jan-Mar 2020 will have been affected by COVID lockdown measures from mid-March onwards

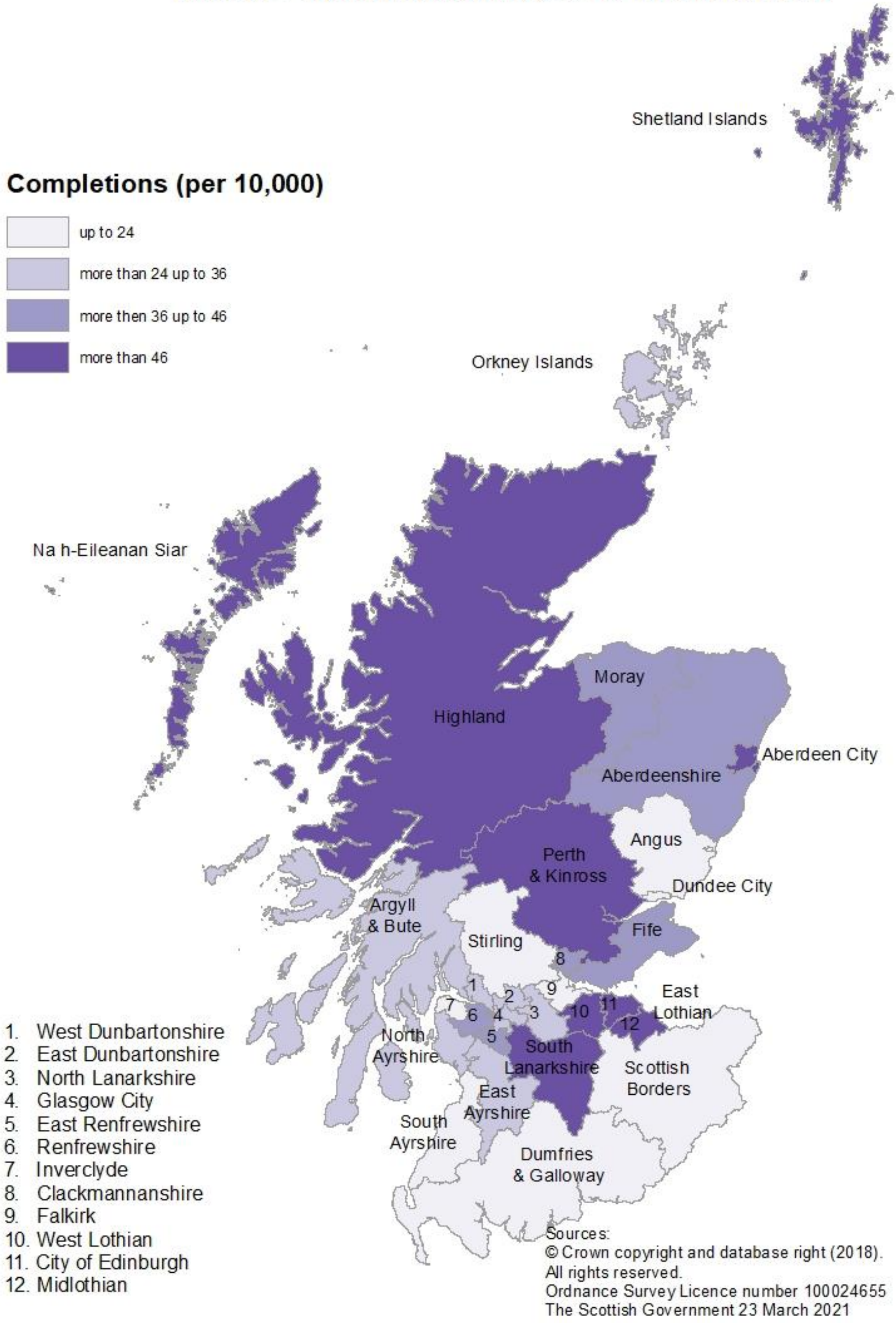


Sub-national local authority figures for the year to end March 2020

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 2020, as a rate per 10,000 population based on the latest mid-2019 population estimates.

In the year to end March 2020 the highest new build rates were observed in East Lothian Midlothian, Perth & Kinross, West Lothian and Edinburgh. The lowest rates were observed in Stirling, Inverclyde, Dundee City and Dumfries & Galloway.

Map A: New build housing - All Sector completions: rates per 10,000 population, year to end March 2020



Comparison with the rest of the UK from 2007 to 2020

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 can be found on the UK House building update to October to December 2019 section of the ONS website.

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 2019/20 were published in November 2020, and the 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. This is 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.

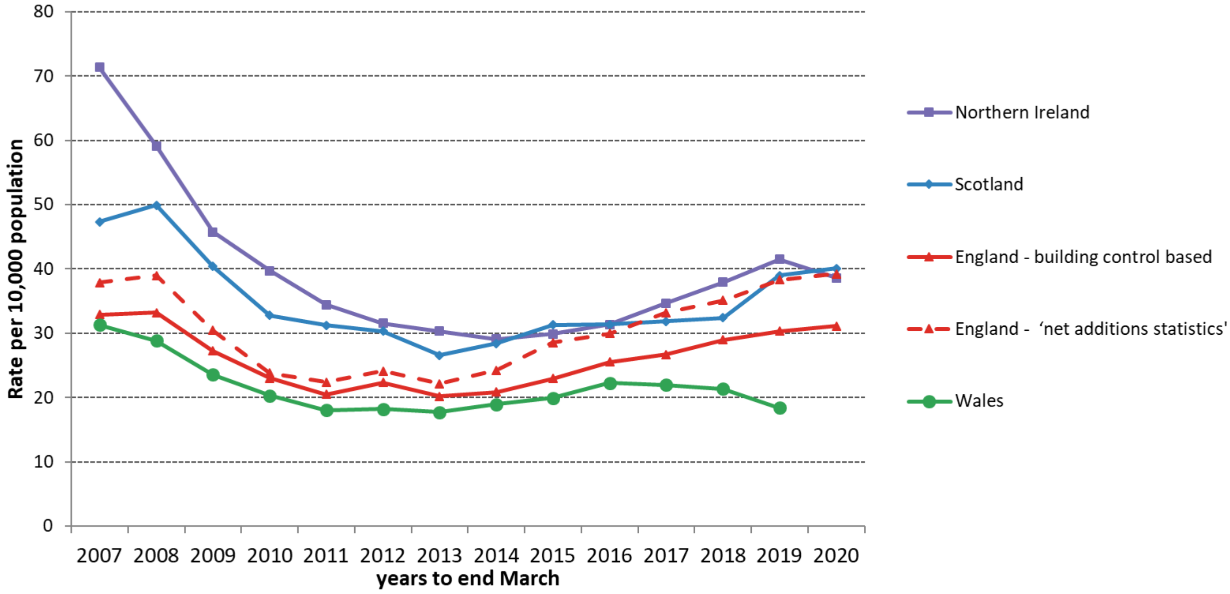
As a result of this advice from MHCLG, the new build component figures of the 'net additional dwellings' statistics for England are included in the UK comparisons as an additional set of figures to consider when comparing between countries.

Chart 4 presents trends in the rates of new house building per 10,000 population across each of the UK countries (years to end March). 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 2015, both have seen broadly similar rates of housebuilding each year across the period 2016 to 2020, when comparing the Scotland figures to the England net addition figures.

In the latest year, the 40 homes built per 10,000 population in Scotland is similar to the rates seen in England and Northern Ireland (both 39 homes per 10,000). The new housebuilding figures for Wales are yet to be published but will be added to Chart 4 in future publications when available.

[1] Housing supply: net additional dwellings for England

Chart 4: New house building as a rate per 10,000 population (years to end March) - Scotland has a rate of 40 in the latest year, similar to both Northern Ireland (39) and England net additions statistics (39)



4. Private-led new housebuilding

The private sector is the biggest contributor to overall house building, accounting for almost three quarters (74%) of all homes completed in the 12 months to end March 2020.

Chart 5: In the latest year to end March 2020, annual private sector led new build starts have remained at similar levels (a slight drop of 10 homes), whilst completions have increased by 3% (528 homes)

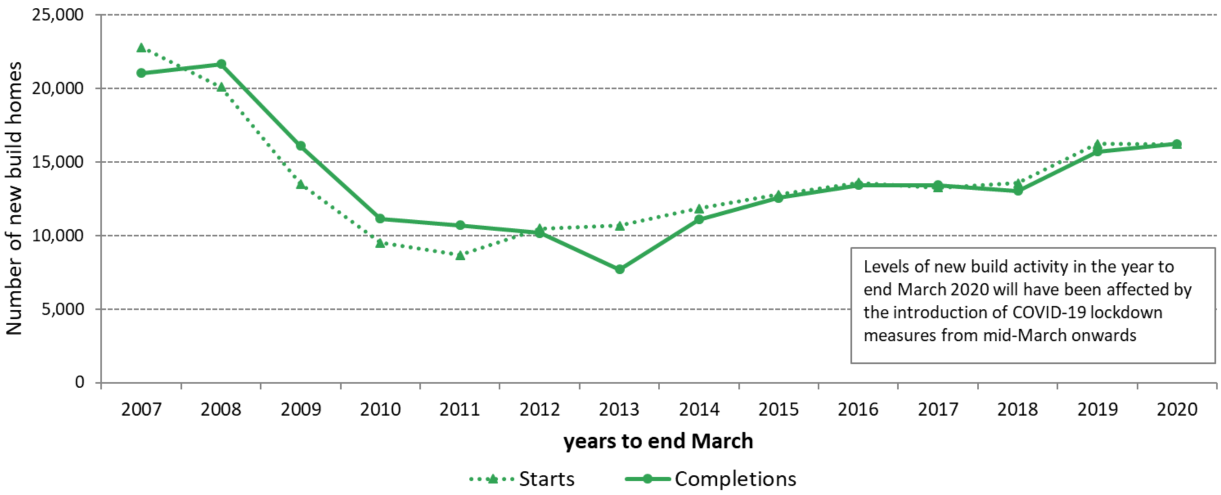
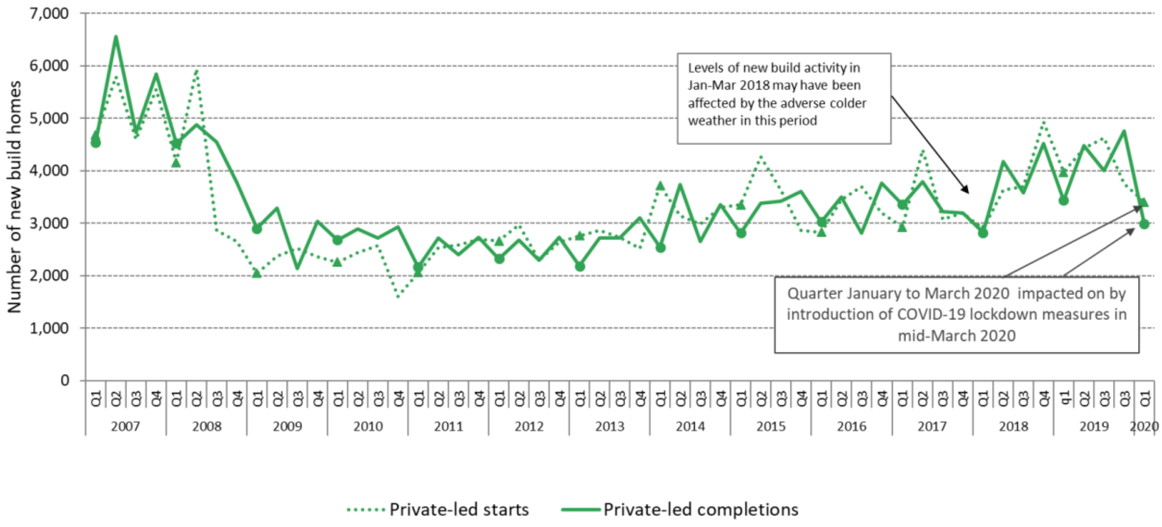


Chart 6: The levels of starts and completions in January to March 2020 will have been affected by the start of COVID-19 lockdown measures from mid-March 2020 onwards



Figures for the year to end March 2020

Between January and March 2020, 2,989 private sector led homes were completed; 13% less (449 homes) than the same quarter in 2019 but 6% more (164 homes) than in 2018. This brings the total for the year to end March 2020 to 16,238 which is 3% more (528 homes) than the 15,710 completions in the previous year.

There were 3,403 private sector led starts between January to March 2020, 14% less (569 homes) than the same quarter in 2019 but 18% more (514 homes) than in 2018. This brings the total for the year ending March 2020 to 16,221 which is 10 fewer homes than the 16,231 starts in the previous year, but an increase of 19% (2,659 homes) on the year to end March 2018.

Table 2 – Private-led new housebuilding to March 2020

	Starts	Completions
Quarter Jan to Mar 2018	**2,889**	**2,825**
Quarter Jan to Mar 2019	**3,972**	**3,438**
Quarter Jan to Mar 2020	**3,403**	**2,989**
Change from Q1 2019 2019 to Q1 2020	-569	-449
Change from 2019 to 2020 (%)	-14%	-13%
Year to Mar 2018	**13,562**	**13,031**
Year to Mar 2019	**16,231**	**15,710**
Year to Dec 2020	**16,221**	**16,238**
Change from 2019 to 2020	-10	+528

Change from 2019 to 2020 (%)	0.1%	+3%

Trends since 2008

In 2008 (year to end March) the number of private sector homes started was just over 20,000 while completions were slightly higher at just over 21,500. 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 10,000 homes in 2012 and then to nearly 8,000 in 2013. Since then, the number of homes completed has increased each year, except from a drop in 2018, to over 16,000 in 2020.

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 on the Help to Buy web pages.

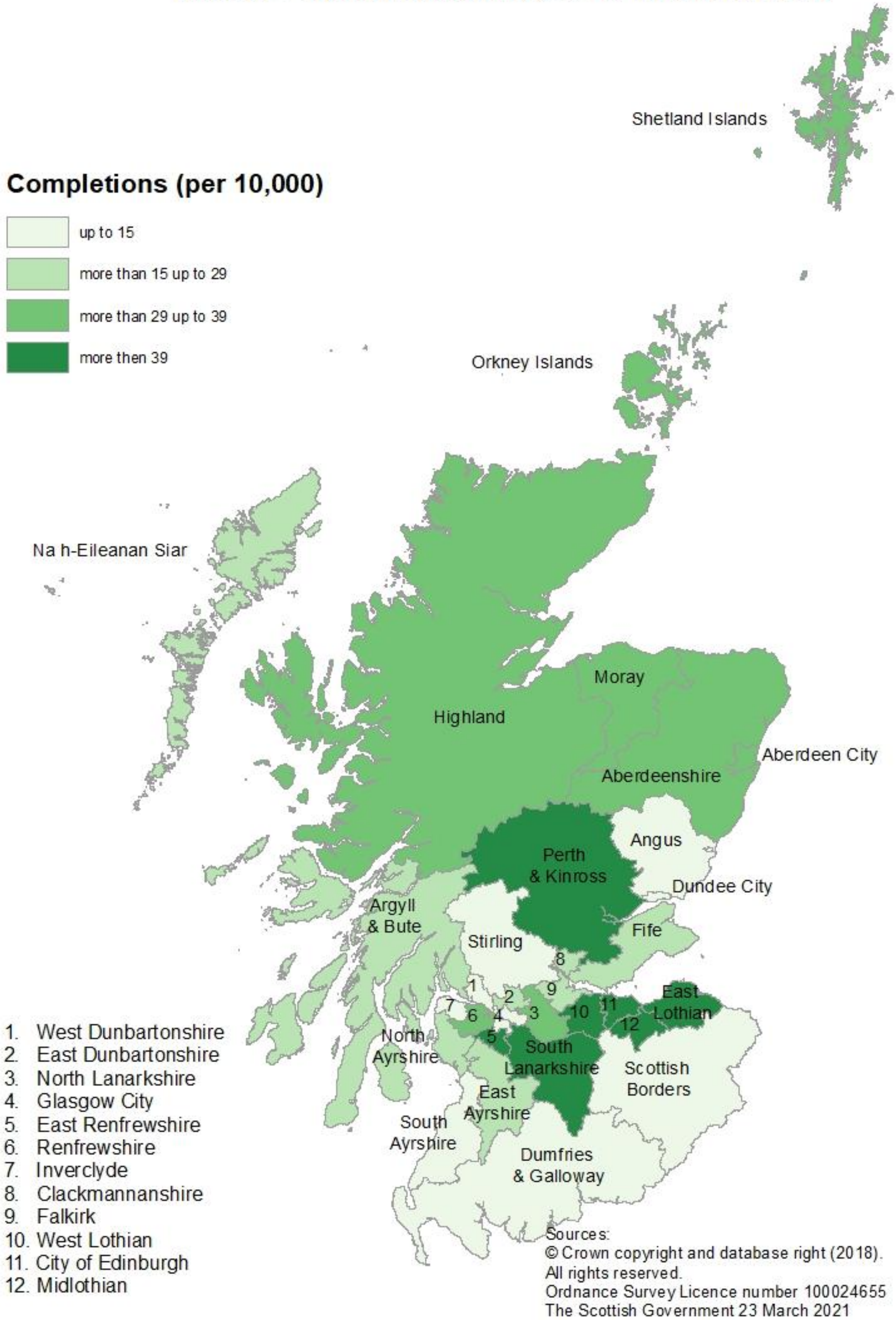
In 2020, the Scottish Government also introduced the First Home Fund. This is a shared equity pilot scheme to provide first-time buyers with up to £25,000 to help them buy a property that meets their needs and is located in the area where they want to live, and which includes the purchase of new build properties as well as existing properties. Futher information on the First Home Fund is available on the First Home Fund web pages as well as a Quantitative Analysis of the First Home Fund Evaluation, a Qualitative Evaluation of the Scottish Government First Home Fund Shared Equity Scheme and a Summary of findings from the quantitative and qualitative evaluations of the First Home Fund.

Sub-national local authority figures for the year to end March 2020

Map B shows the rates per 10,000 head of population (based on the latest mid-2019 population estimates) of private sector led new build completions in each local authority for the year to end March 2020.

The highest completion rates have been in East Lothian, Midlothian, Perth & Kinross, West Lothian and Edinburgh. The lowest rates meanwhile, have been in Stirling, Inverclyde, Dumfries & Galloway and Glasgow City.

Map B: New build housing - Private Sector completions: rates per 10,000 population, year to end March 2020



5. UK House Price Index (HPI) new build sales transactions, as a measure of private-led housebuilding activity to end October 2020

This section sets out the latest quarterly and monthly trends in the number of new build sales transactions in Scotland to end October 2020, based on residential property transaction figures published as part of the UK House Price Index (HPI)[2].

These figures may be helpful in providing an indication of recent levels of private led new housebuilding activity, particularly given the current delay in the publication of the Scottish Government new housebuilding private-led starts and completions figures.[3]

It should be noted that the HPI-based figures are not directly comparable to the Scottish Government time series on private-led new build starts and completion, due to some differences in how the two sets of figures are constructed. For example, the UK HPI new build sales transaction figures are based on the date of the completed sales transaction rather than the date of completion, and will also not include self-build dwellings or homes built privately for tenures other than private sales.

Further information on the quality of the HPI data for Scotland, which is sourced from Registers of Scotland, is available in the UK HPI Quality Assurance section of the UK House Price Index web page.

Table 3 and Chart 7a below illustrate how the UK HPI figures compare to previously published Scottish Government Private sector-led completion figures in each quarter from January to March 2019 onwards, and also provide the latest trends seen in the UK HPI new build sales transactions figures across the two more recent quarters to July to September 2020.

It can be seen across the period January to March 2019 to January to March 2020 (the latest available quarterly figures for Scottish Government Private led completions) that both data series follow similar trends in respect of increases or decreases compared to the previous quarter. The Scottish Government figures are higher each quarter, but this is likely to be explained by differences in how the figures are constructed, given that some self-build dwellings or dwellings built privately for tenures other than private sales will be included, whereas the HPI figures are based on private sale transactions only.

[2] The most recent figures are accessed through the UK House Price Index: data downloads December 2020.

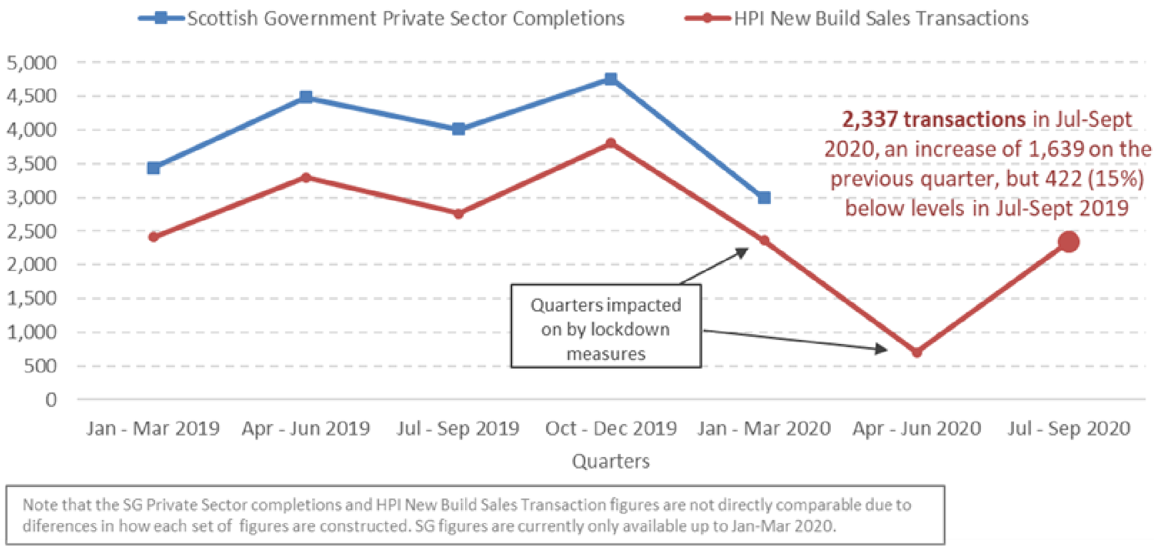
[3] The Housing Statistics for Scotland Quarterly Update as at March would usually include an update on all-sector new house building starts and completions to end September in the preceding year, with more recent figures on social sector new builds to end June. However due to the impact of COVID-19 on the provision of new housebuilding data by some local authorities to the usual timescales, this has slowed the timing of the data collection process over this period.

Table 3 – Scotland-level HPI New Build Sales Transactions Volume for Scotland and Scottish Government Private Sector-led new build completions

	HPI New Build Sales Transactions Volume	Scottish Government Private-led completions
Jan – Mar 2019	**2,407**	**3,438**
Apr – Jun 2019	**3,293**	**4,484**
Jul – Sep 2019	**2,759**	**4,009**
Oct – Dec 2019	**3,807**	**4,756**
Jan – Mar 2020	**2,360**	**2,989**
Apr – Jun 2020	**698**	**Not available**
Jul – Sep 2020	**2,337**	**Not available**
Change from previous quarter	1,639	
Change (%) from previous quarter	235%	
Change from same quarter in previous year	-422	
Change (%) from same quarter in previous year	-15%	

Sources: [UK House Price Index: reports - GOV.UK (www.gov.uk)] (December 2020 data downloads) and [Scottish Government Private Sector-led new build completions]

Chart 7a: Scottish Government Private Sector led new housebuilding completions and HPI new build sales transactions. Scotland: Jan - Mar 2019 to Jul - Sep 2020



The latest quarterly HPI figures show that there were 2,337 new build sales transactions in Scotland in the quarter July to September 2020, an increase of 1,639 on the 698 transactions seen in April to June 2020, and which follows the easing of COVID-19 related construction and housing market restrictions from late June 2020 onwards.

The 2,337 new build sales transactions in July to September 2020 is 422 (15%) transactions below the level seen in the same quarter in the previous year, indicating that private new build activity may not have fully recovered to pre-pandemic levels by the quarter to end September 2020. However more recent HPI figures for the month of October 2020 indicate a greater level of recovery, with 1,114 transactions in this single month, an increase of 47 (4%) on the number of transactions in October 2019 (see Chart 7b).

Table 4 below shows the local authority level HPI figures for the number of private new build sales transactions. It can be seen that nearly all local authority areas have seen a substantial increase in the number of private new build sales in July to September 2020 when compared to the previous quarter April to July 2020. Apart from Na h-Eileanan Siar and Shetland Islands, which both showed no increase, every other local authority area has seen volumes of transactions increase by 94% or more.

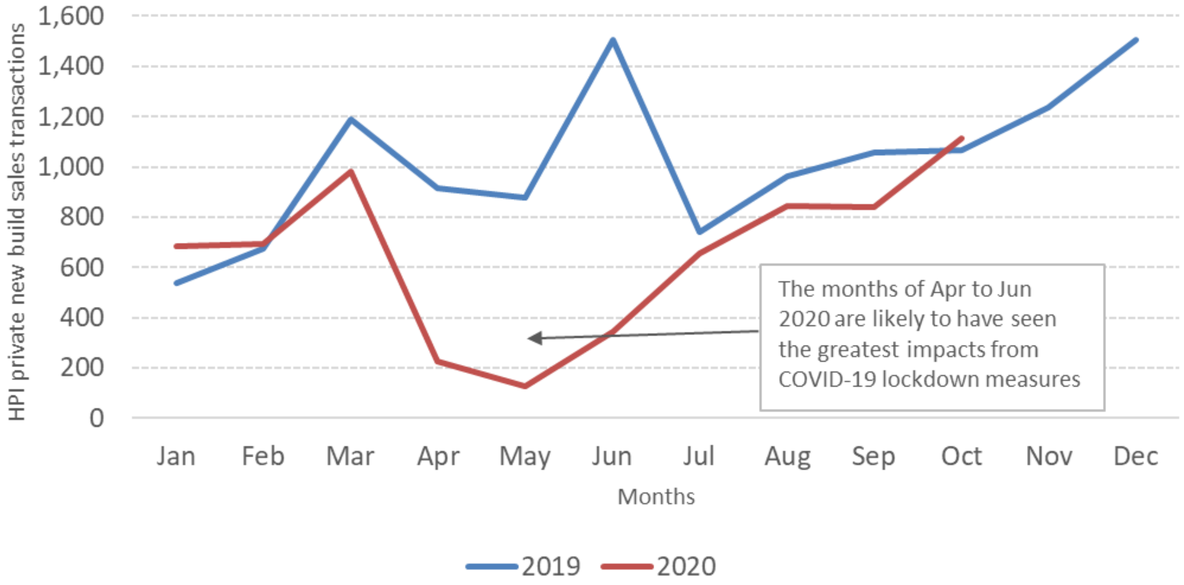
When looking at levels of private new build sales in July to September 2020 compared to the same quarter in the previous year, 21 out of 32 authority areas have levels which are below what they were in July to September 2019. However when looking at the more recent single month of October 2020, a greater recovery of sales is apparent, with 21 out of 32 authorities seeing an increase in sales, with only 9 authorities showing a drop, and 2 showing no change.

Table 4: UK House Price Index (HPI) Scotland local authority level private new build sales transactions

	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	Jul-Sep 2020	Jul-Sep 2020 compared to previous quarter		Jul-Sep 2020 compared to same quarter in prevous year		Month of Oct 2019	Month of Oct 2020	Diff-erence	Diff-erence (%)
Aberdeenshire	123	133	81	32	110	78	244%	-13	-11%	42	46	4	10%
Angus	51	85	42	17	56	39	229%	5	10%	18	22	4	22%
Argyll and Bute	14	44	14	8	21	13	163%	7	50%	10	15	5	50%
City of Aberdeen	102	154	97	34	99	65	191%	-3	-3%	34	37	3	9%
City of Dundee	51	57	50	12	86	74	617%	35	69%	7	20	13	186%
City of Edinburgh	337	397	295	72	221	149	207%	-116	-34%	104	109	5	5%
City of Glasgow	222	309	215	50	192	142	284%	-30	-14%	96	99	3	3%
Clackmannanshire	23	31	28	7	30	23	329%	7	30%	4	10	6	150%
Dumfries and Galloway	27	31	16	3	24	21	700%	-3	-11%	17	0	-17	-100%
East Ayrshire	34	41	25	16	46	30	188%	12	35%	8	13	5	63%
East Dunbartonshire	56	93	52	2	18	16	800%	-38	-68%	28	22	-6	-21%
East Lothian	156	240	136	44	139	95	216%	-17	-11%	62	80	18	29%
East Renfrewshire	82	117	67	11	66	55	500%	-16	-20%	28	36	8	29%
Falkirk	71	117	47	12	52	40	333%	-19	-27%	42	23	-19	-45%
Fife	175	223	137	65	126	61	94%	-49	-28%	65	67	2	3%
Highland	105	160	105	20	84	64	320%	-21	-20%	44	41	-3	-7%
Inverclyde	24	14	16	8	22	14	175%	-2	-8%	2	9	7	350%
Midlothian	80	166	79	27	94	67	248%	14	18%	47	46	-1	-2%
Moray	48	42	34	6	68	62	1033%	20	42%	10	10	0	0%
Na h-Eileanan Siar	2		2	1	1	0	0%	-1	-50%	0	1	1	n/a
North Ayrshire	31	50	51	11	56	45	409%	25	81%	16	27	11	69%
North Lanarkshire	207	321	173	62	182	120	194%	-25	-12%	90	84	-6	-7%
Orkney Islands	4	2	3	1	3	2	200%	-1	-25%	0	4	4	n/a
Perth and Kinross	129	137	78	20	88	68	340%	-41	-32%	39	36	-3	-8%
Renfrewshire	124	176	115	30	91	61	203%	-33	-27%	60	74	14	23%
Scottish Borders	9	23	10	4	18	14	350%	9	100%	6	12	6	100%
Shetland Islands	3	3		0	0	0	0%	-3	-100%	0	0	0	n/a
South Ayrshire	30	53	26	11	24	13	118%	-6	-20%	19	21	2	11%
South Lanarkshire	250	315	199	56	140	84	150%	-110	-44%	101	66	-35	-35%
Stirling	18	27	18	7	30	23	329%	12	67%	10	7	-3	-30%
West Dunbartonshire	26	38	16	4	26	22	550%	0	0%	7	16	9	129%
West Lothian	145	208	133	45	124	79	176%	-21	-14%	51	61	10	20%
Scotland	**2,759**	**3,807**	**2,360**	**698**	**2,337**	**1,639**	**235%**	**-422**	**-15%**	**1,067**	**1,114**	**47**	**4%**

Source: UK House Price Index: reports - GOV.UK (www.gov.uk) (December 2020 data downloads)

Chart 7b: There were 1,114 private new build sales transactions in Scotland in Oct 2020, an increase of 47 (4%) on Oct 2019 levels



6. Social sector new housebuilding

Note in this section that housing association new build approvals are used as a proxy for housing association new build starts due to data quality considerations. This is an approach consistent with that taken in previous publications.

Social sector housing consists of local authority and housing association housing, and has accounted for 26% of all new build homes completed over the 12 months to end March 2020.

Social sector figures are collected a quarter ahead of those for the private sector meaning that figures are available up to the end of June 2020. However to enable easier understanding of how each sector contributes to the all sector totals described previously, some figures are also presented to end March 2020.

Chart 8a shows the number of local authority and housing association homes started and completed each year to end March since 2007, whilst Chart 8b shows the same information but up to end June 2020 (the most recent information available). Charts 9 and 10 show quarterly figures for housing associations and local authorities, respectively.

Chart 8a: Annual Housing Association starts and completions have been at higher levels than Local Authority starts and completions in each year since 2008, with increases seen in all starts and completions in the latest year (years to end March)

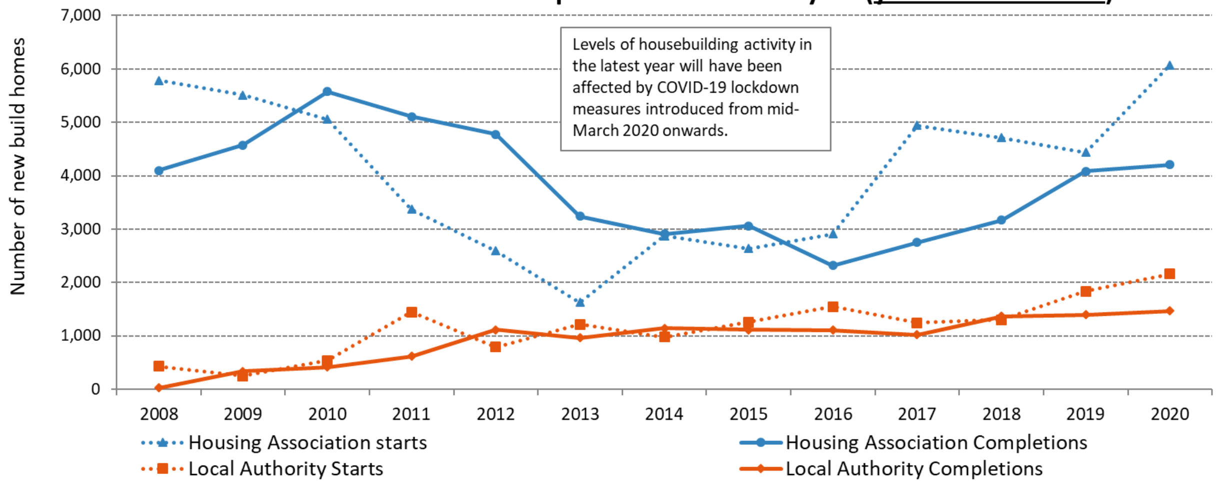


Chart 8b: Housing association and local authority new build starts and completions figures for years to end June show a broadly similar trend over time to the figures to end March, although figures for the most recent year will have been affected to a greater degree

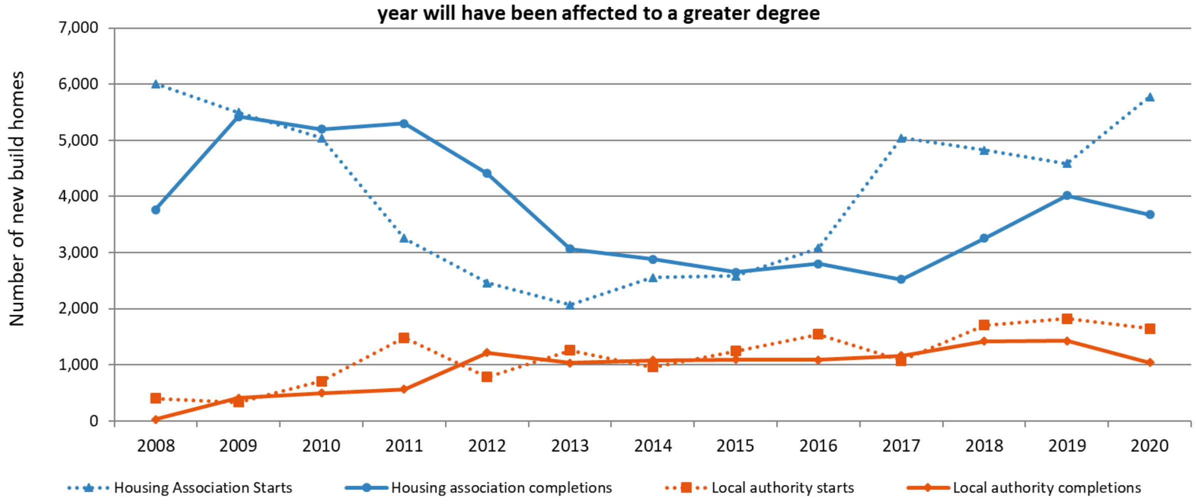


Chart 9: Quarterly Housing Association new build approvals and completions show some quarterly volatility, with April to June 2020 seeing substantially lower numbers of completions than previous quarters due to COVID-19 lockdown restrictions

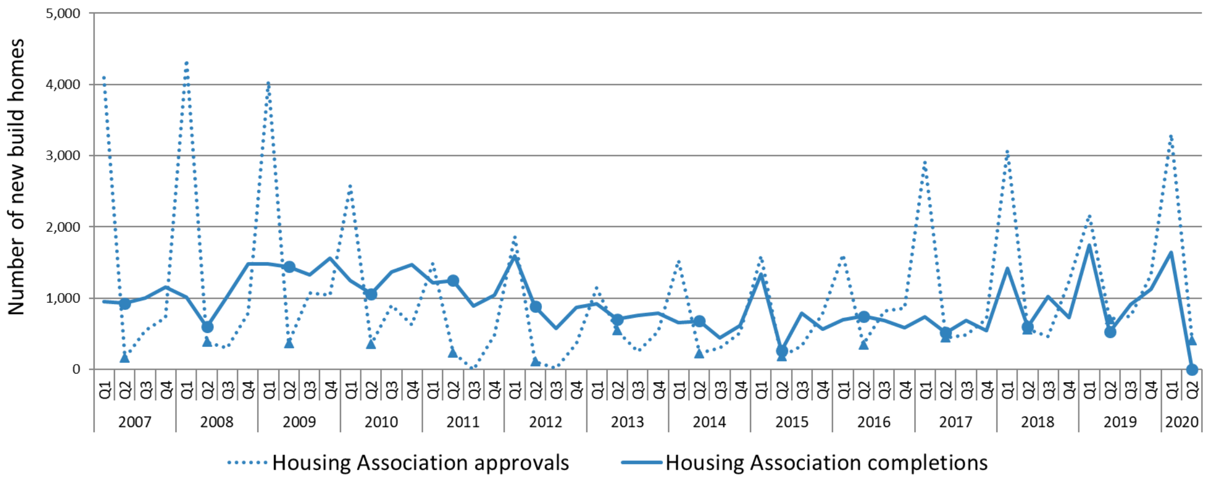
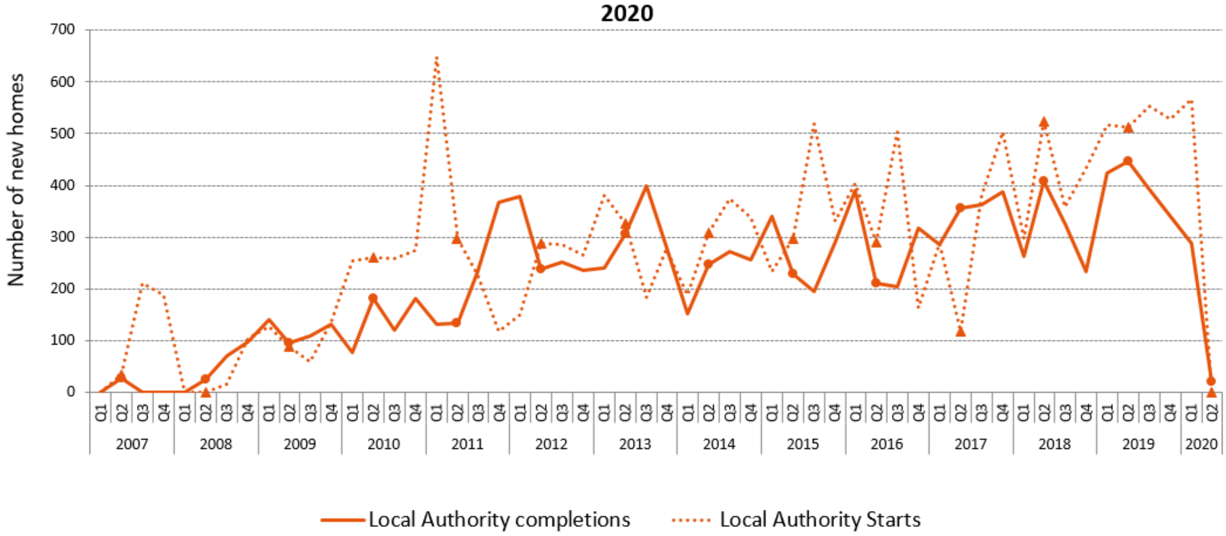


Chart 10: Quarterly Local Authority new build starts and completions show some quarterly volatility, with April to June 2020 seeing substantially lower numbers than previous quarters due to the impact of the COVID-19 lockdown restrictions from mid-March until late-June 2020



Figures for the year to end March 2020

There were 1,928 social sector completions between January to March 2020; 11% less (237 homes) than the same quarter in 2019 but 14% (242 homes) more than in 2018. This brings the total for the year to end March 2020 to 5,672, an increase of 4% on the 5,478 social sector completions in the previous year, and 25% higher than the total social sector completions in 2018.

Meanwhile, 3,865 social sector homes were started between January and March 2020; 43% more (1,171 homes) than the same quarter in 2019. This brings the total for the year to end March 2020 to 8,237. This is a 31% increase (1,964 homes) on the 6,273 social sector starts in the previous year.

Table 5 – Social sector new housebuilding to March 2020

	Total Social starts	Total Social completions	Local authority starts	Local authority completions	Housing association approvals	Housing association completions
Jan to Mar 2018	**3,371**	**1,686**	**298**	**262**	**3,073**	**1,424**
Jan to Mar 2019	**2,694**	**2,165**	**518**	**425**	**2,176**	**1,740**
Jan to Mar 2020	**3,865**	**1,928**	**567**	**289**	**3,298**	**1,639**
Change	+1,171	-237	+49	-136	+1,122	-101
Change (%)	+43%	-11%	+9%	-32%	+52%	-6%
Year to Mar-18	**6,012**	**4,540**	**1,302**	**1,370**	**4,710**	**3,170**
Year to Mar-19	**6,273**	**5,478**	**1,833**	**1,392**	**4,440**	**4,086**
Year to Mar-20	**8,237**	**5,672**	**2,161**	**1,468**	**6,076**	**4,204**
Change	+1,964	+194	+328	+76	+1,636	+118
Change (%)	+31%	+4%	+18%	+5%	+37%	+3%

Trends from 2007

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 2008 and 2010 (years to end March) the number of housing association completions increased from just over 4,000 to just over 5,500. Completions then decreased in each year to reach just over 2,900 in 2014. After fluctuating for the two years after, housing association completions fell to 2,300 in 2016 before increasing each year to reach just over 4,200 in 2020.

The number of housing association approvals fell from just over 5,700 in 2008 to just over 1,600 homes in 2013 (years to end March). The figures then fluctuated for three years after this, before reaching nearly 3,000 in 2016. The number of approvals then increased by over 2,000 homes to reach nearly 5,000 in 2017 before falling again in the following two years to just over 4,400 homes in 2019. In the latest year to March 2020, the number of housing association approvals then increased by over 1,500 to just over 6,000.

The number of local authority homes built has gradually increased from just 28 homes in 2008 up to just over 1,100 in 2012 (years to end March). Completions were then broadly flat until 2018 where they reached nearly 1,400 homes. Similar levels were seen in 2019 and the number of local authority homes completed then increased slightly to just under 1,500 in 2020.

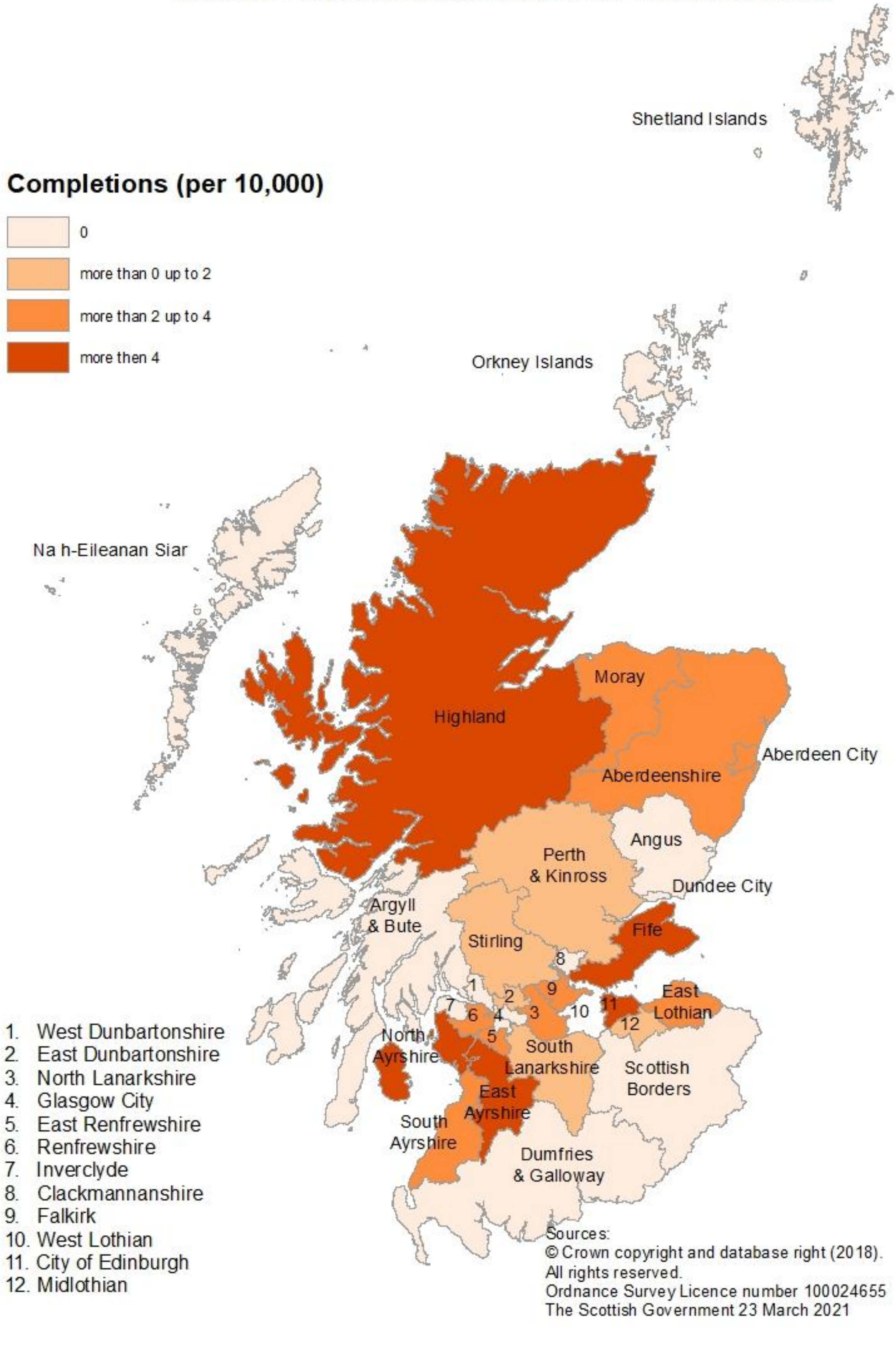
Sub-national local authority figures for the year to end March 2020

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 March 2020 per 10,000 of the population (based on the latest mid-2019 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.

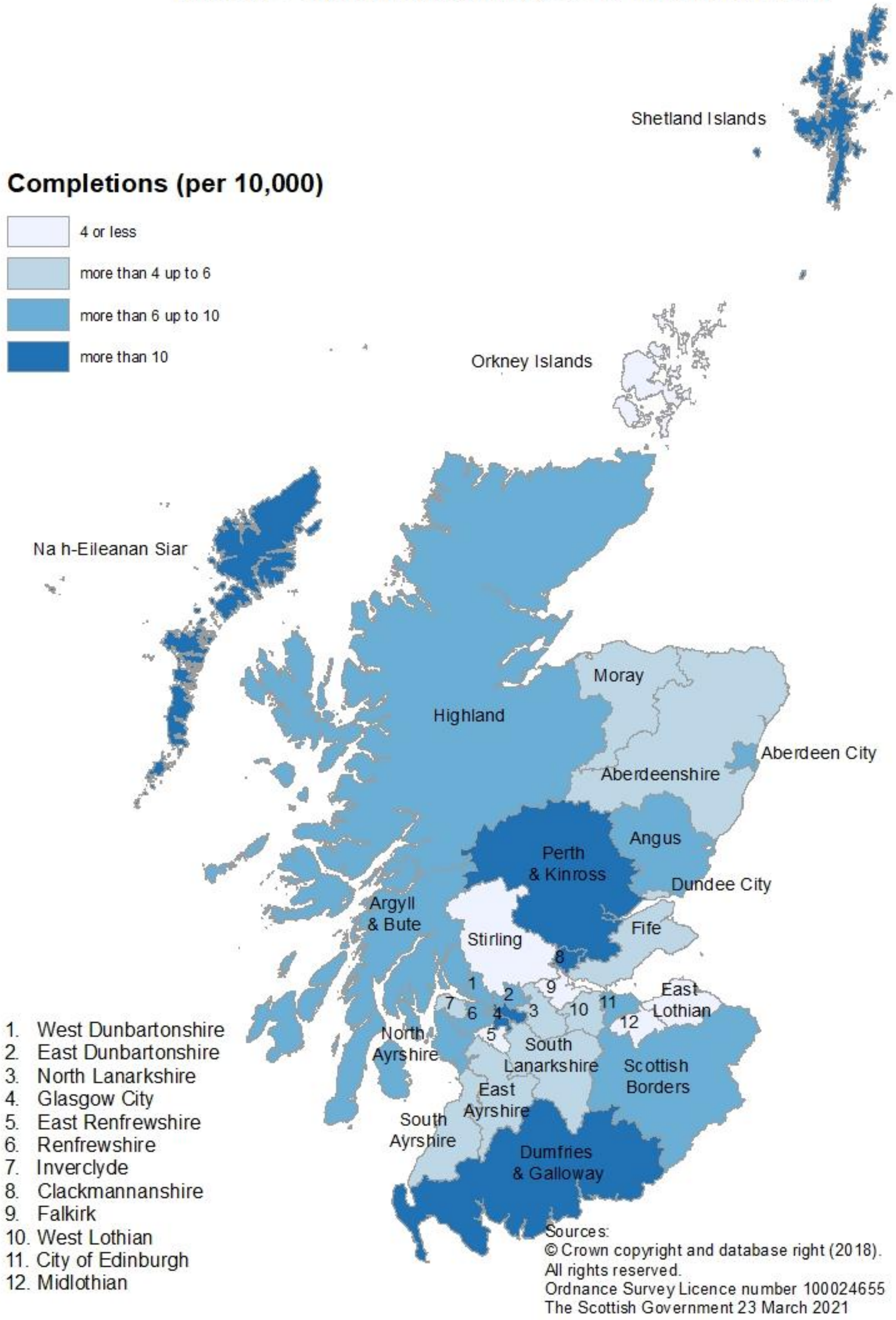
In the year to end March 2020 rates of housing association new build completions were highest in Na h-Eileanan Siar, Glasgow, Perth & Kinross and Clackmannanshire, whilst the lowest rates of housing association new build were in East Renfrewshire, Falkirk, Midlothian and Stirling.

Meanwhile local authority new build rates were highest in West Lothian, East Ayrshire, North Ayrshire and Fife. As well as the 6 stock transfer authorities mentioned above, Angus, Clackmannanshire, Dundee City, Orkney Islands, Shetland Islands and West Dunbartonshire built no new local authority homes in the year ending March 2020.

Map C: New build housing - Local Authority Sector completions: rates per 10,000 population, year to end March 2020



Map D: New build housing - Housing Association Sector completions: rates per 10,000 population, year to end March 2020



Latest figures to end June 2020

It should be noted that the amount of new housebuilding activity recorded in the quarters January to March 2020 and April to June 2020 has been impacted by the introduction of measures to reduce the spread of the coronavirus (COVID-19) from mid-March 2020 onwards, in which non-essential construction activity stopped, and home buyers were advised to delay moving to a new home where possible, until the lockdown restrictions began to ease towards the end of June 2020. This has also impacted figures for the year to June 2020.

A total of 20 social sector homes were completed between April to June 2020, 98% less (955 homes) than the 975 completions in the same quarter in 2019. This brings the total completions for the 12 months to end June 2020 to 4,717, a 13% decrease (728 homes) on the 5,445 social sector homes completed in the previous year.

Meanwhile, 407 social sector homes were started between April to June 2020. This is down 67% (813 homes) compared to the same quarter in the previous year. This brings the total for the 12 months to end June 2020 to 7,424 which is a 16% increase (1,017 homes) on the 6,407 starts in 2019, and 14% more than in 2018.

Table 6 – Social sector new housebuilding to June 2020

	Total Social starts	Total Social completions	Local authority starts	Local authority completions	Housing association approvals	Housing association completions
Apr to Jun-18	**1,086**	**1,008**	**523**	**408**	**563**	**600**
Apr to Jun-19	**1,220**	**975**	**513**	**446**	**707**	**529**
Apr to Jun-20	**407**	**20**	**0**	**20**	**407**	**0**
Change	-813	-955	-513	-426	-300	-529
Change (%)	-67%	-98%	-100%	-96%	-42%	-100%
Year to Jun-18	**6,532**	**4,674**	**1,706**	**1,421**	**4,826**	**3,253**
Year to Jun-19	**6,407**	**5,445**	**1,823**	**1,430**	**4,584**	**4,015**
Year to Jun-20	**7,424**	**4,717**	**1,648**	**1,042**	**5,776**	**3,675**
Change	+1,017	-728	-175	-388	+1,192	-340
Change (%)	+16%	-13%	-10%	-27%	+26%	-8%

7. 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 December 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 an on-site presence is established to progress site work. 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.

Latest figures to end December 2020:

COVID-19 lockdown restrictions on construction and housing market activity from mid-March 2020 to late June 2020 have lowered the total amount of activity recorded for the two quarters from January to March 2020 and April to June 2020 compared to what would otherwise have been the case.

Following this, there has been a phased re-start of supply activity, in which the construction sector moved into Phase 4 of the Restart Plan in mid July 2020. This allows for sites to work up to a steady state operation using physical distancing, barriers, or controlled close working with PPE, but in some cases may result in fewer workforce staff on site to ensure safe working and physical distancing. In addition to this, some work on new approvals may have been affected over this period by the furloughing of some social landlord and construction sector staff.

Since the easing of the COVID-19 lockdown restrictions towards the end of June 2020, the total amount of activity recorded for the two most recent quarters, July to September 2020 and October to December 2020, has therefore increased, although the levels achieved may have been affected by the phased re-start of supply activity. Table 7 and Charts 11a to 11c below help to illustrate these trends.

Table 7 below shows that in the latest quarter October to December 2020, 2,088 homes were approved, 2,230 homes were started, and 1,918 homes were completed, levels which are 33% (1,044 homes),11% (264 homes) and 22% (543 homes) below equivalent quarterly levels in the previous year 2019, respectively.

Latest annual figures also showing decreases, with the number of homes approved, started and completed in the year to December 2020 falling by 15% (1,764 homes) to

10,066 approvals, 11% (1,166 homes) to 9,806 starts and 30% (2,846 homes) to 6,655 completions, compared with the year to end December 2019.

Table 7 – Affordable Housing Supply to December 2020

	Approvals	Starts	Completions
Quarter Oct to Dec 2015	**2,053**	**1,969**	**1,362**
Quarter Oct to Dec 2016	**2,108**	**1,794**	**1,749**
Quarter Oct to Dec 2017	**1,733**	**2,870**	**1,909**
Quarter Oct to Dec 2018	**2,703**	**2,528**	**2,117**
Quarter Oct to Dec 2019	**3,132**	**2,494**	**2,461**
Quarter Oct to Dec 2020	**2,088**	**2,230**	**1,918**
Change over latest year	-1,044	-264	-543
Change (%) over latest year	-33%	-11%	-22%
Year to Dec 2015	**7,392**	**6,705**	**7,163**
Year to Dec 2016	**8,952**	**8,386**	**7,261**
Year to Dec 2017	**10,281**	**11,068**	**7,505**
Year to Dec 2018	**12,545**	**10,385**	**9,189**
Year to Dec 2019	**11,830**	**10,972**	**9,501**
Year to Dec 2020	**10,066**	**9,806**	**6,655**
Change over latest year	-1,764	-1,166	-2,846
Change (%) over latest year	-15%	-11%	-30%

Chart 11a below illustrates the quarterly trends in the numer of approvals in each year between 2016 and 2020, and shows that 2,088 homes were approved in the latest quarter October to December 2020. This is over double (1,062 homes) the amount of affordable home approvals compared to the previous quarter, and brings the level of quarterly approvals back up to the level seen in 2016, and to a similar level to 2017, but below levels seen in 2018 and 2019.

Chart 11a: The 2,088 affordable homes approved in the latest quarter Oct-Dec 2020 is over double the amount in the previous quarter, bringing the level back up to that seen in 2016, and to a similar level to 2017, but below levels seen in 2018 and 2019.

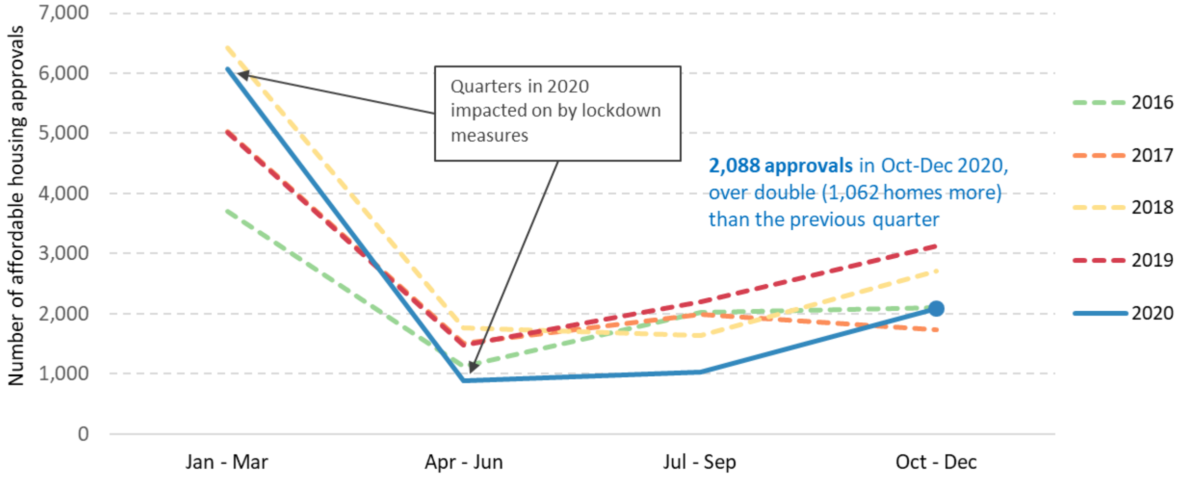


Chart 11b below shows the quarterly trends in the number of starts between 2016 and 2020, and shows that 2,230 homes were started in the latest quarter October to December 2020. This is 11% (221 homes) more the number of starts in the previous quarter and an increase of 1,429 homes on Apr-Jun 2020. This brings the level of starts above the level seen in 2016 but below levels seen in 2017, 2018 and 2019.

Chart 11b: There were 2,230 affordable housing supply starts in the latest quarter Oct-Dec 2020. This is an increase of 221 homes on the previous quarter, and brings starts back to a level above 2016 but below levels seen in 2017 to 2019

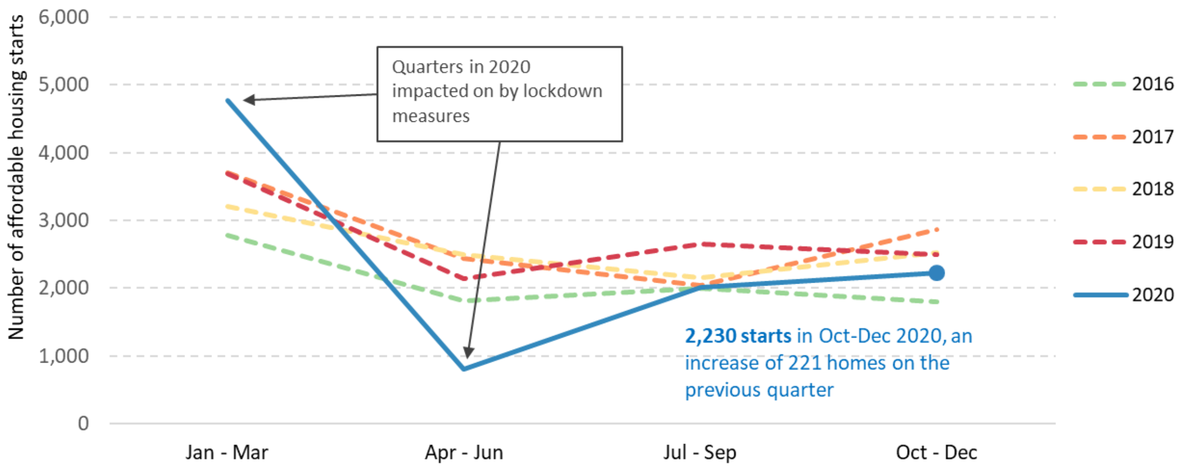


Chart 11c below illustrates the quarterly trends in the number of completions between 2016 and 2020, and shows that there were 1,918 affordable homes delivered in the latest quarter Oct-Dec 2020, an increase of 861 (81%) homes on the previous quarter, and an increase of 1,721 homes on Apr-Jun 2020. This brings the level of quarterly completions above levels seen in 2016 and 2017, but below levels in 2018 and 2019.

Chart 11c: The 1,918 affordable homes completed in the latest quarter Oct-Dec 2020 is 81% more than the amount seen in the previous quarter, bringing the level above those seen in 2016 and 2017, but below levels in 2018 and 2019.

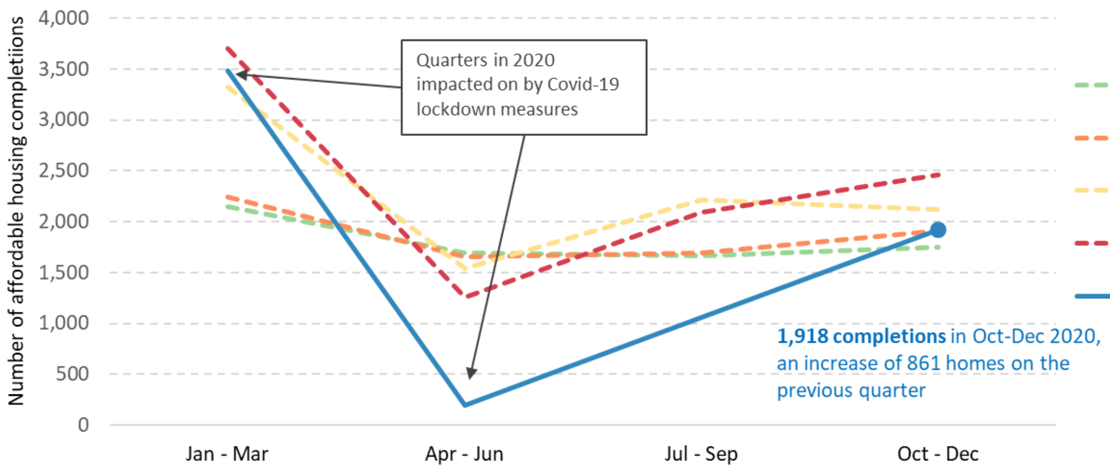


Chart 12 below shows that the numbers of homes approved, started and completed have all decreased on an annual basis over the latest year to end December 2020.

In the year to end December 2020, 10,066 affordable homes were approved, a decrease of 1,764 homes (15%) on the previous year. 9,806 homes were started, a decrease of 1,166 homes (11%) on the previous year, and 6,655 affordable homes were completed, 2,846 homes (30%) less than in the previous year.

Chart 12: Levels of affordable housing activity have been affected by the impact of lockdown measures between mid March 2020 and late June 2020, with approvals, starts and completions all showing decreases in the latest year to end December 2020

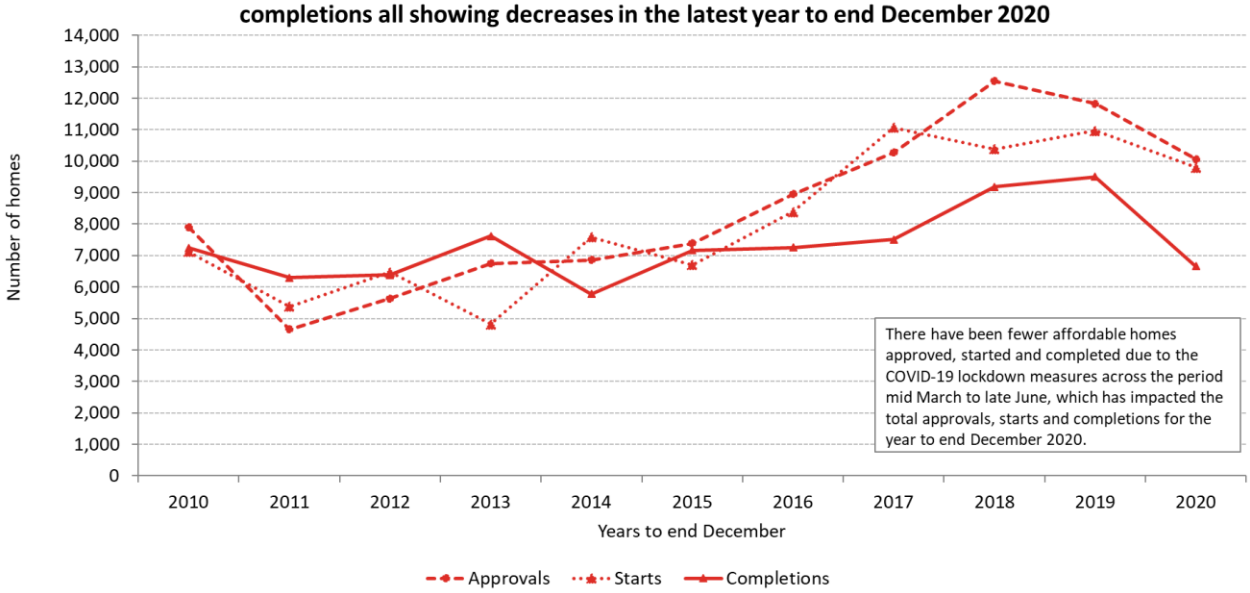


Chart 13[4] below shows that total affordable housing supply programme approvals decreased by 15% between 2019 and 2020 (years to end December). In the latest year 2020, social rent approvals accounted for 79% of all approvals, with affordable rent and affordable home ownership both making up 12% and 10% of the remaining total respectively.

In the year to end December 2020, there were 7,906 homes approved for social rent, a decrease of 14% (1,290 homes) on the same period in 2019. There were 1,176 approvals for affordable rent, 2% (25 homes) less than the same period in 2019. 984 homes were approved for affordable home ownership in the year to end December 2020, 31% less (449 homes) than the previous year.

Chart 13: In the latest year, Affordable Housing Supply Approvals consisted of 79% social rent approvals, 12% affordable rent approvals and 10% affordable home ownership approvals (years to end December)

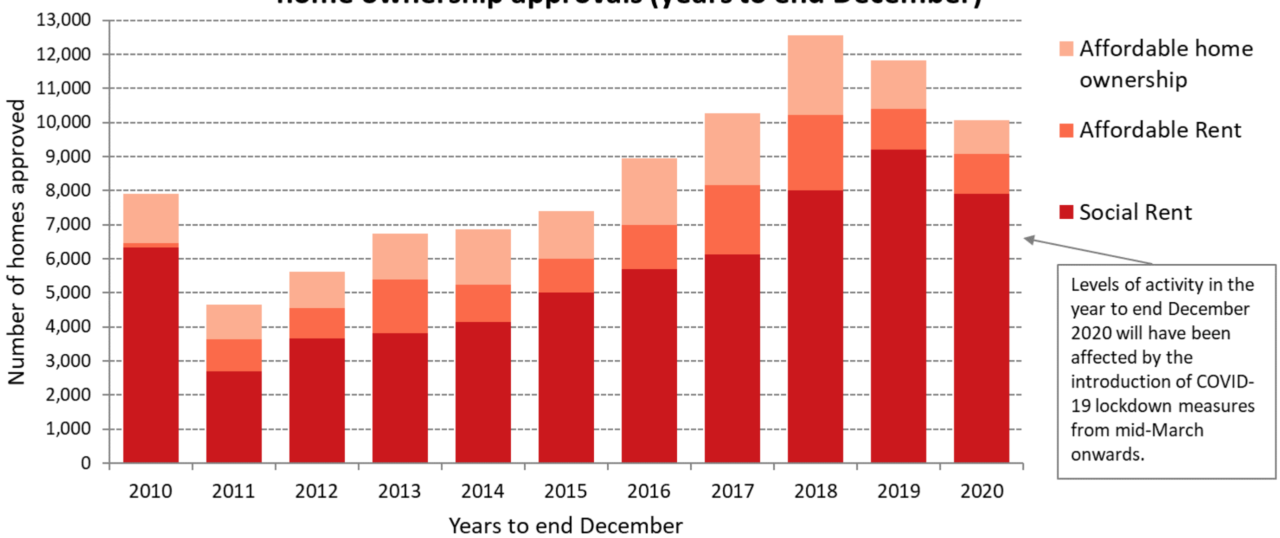


Chart 14 below illustrates that total affordable housing supply programme starts deceased by 11% between 2019 and 2020 (years to end December). In the latest year, social rent starts accounted for 77% of all starts, with affordable rent and affordable home ownership making up 14% and 9% of the total, respectively.

In the year to end December 2020, there were 7,593 starts for social rent, a decrease of 3% (199 homes) than the previous year. There were 1,358 homes started for affordable rent in the year to end December 2020, 18% less (295 homes) than the same period in 2019. In the year to end December 2020, 855 homes were started for affordable home ownership, 44% (672 homes) less than in the previous year.

Chart 15 shows that total affordable housing supply programme completions decreased by 30% between 2019 and 2020 (years to end December). In the latest year, social rent

[4] Note that the percentage figures presented do not sum to 100% due to rounding. The unrounded figures are 78.54% of approvals for social rent, 11.68% for affordable rent, and 9.78% for affordable home ownership.

completions accounted for 78% of all completions, with affordable rent and affordable home ownership making up 9% and 13% of the total, respectively.

In the year to end December 2020, there were 5,175 homes completed for social rent, a decrease of 26% (1,848 homes) than the previous year. There were 602 affordable rent homes completed in the year to end December 2020, 42% less (442 homes) than in 2019. A total of 878 homes were completed for affordable home ownership in the year to end December 2020, 39% (556 homes) less than in 2019.

Chart 14: In the latest year, Affordable Housing Supply Starts consisted of 77% social rent starts, 14% affordable rent starts and 9% affordable home ownership starts (years to end December)

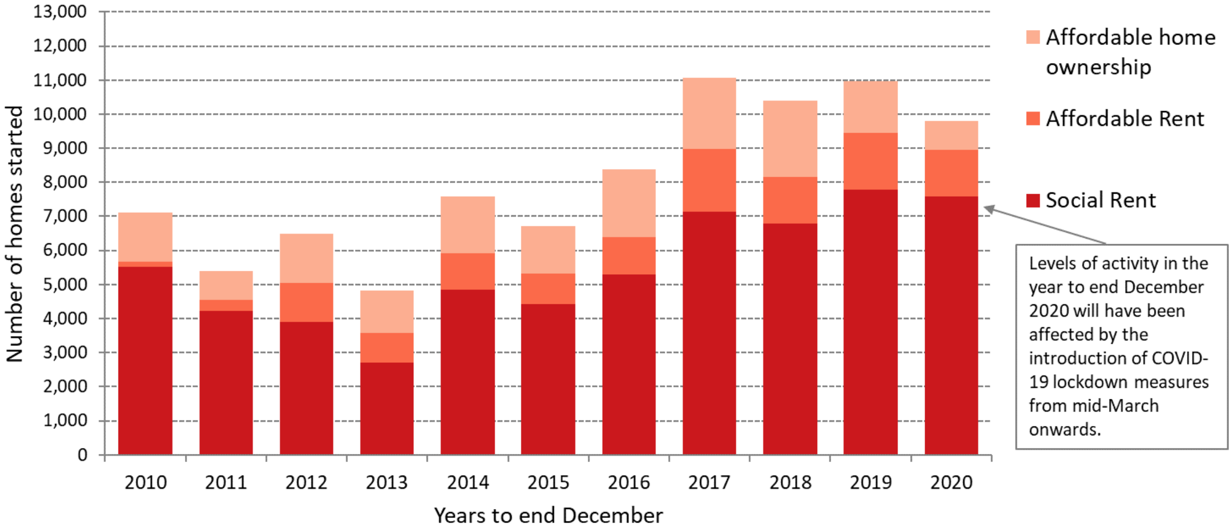
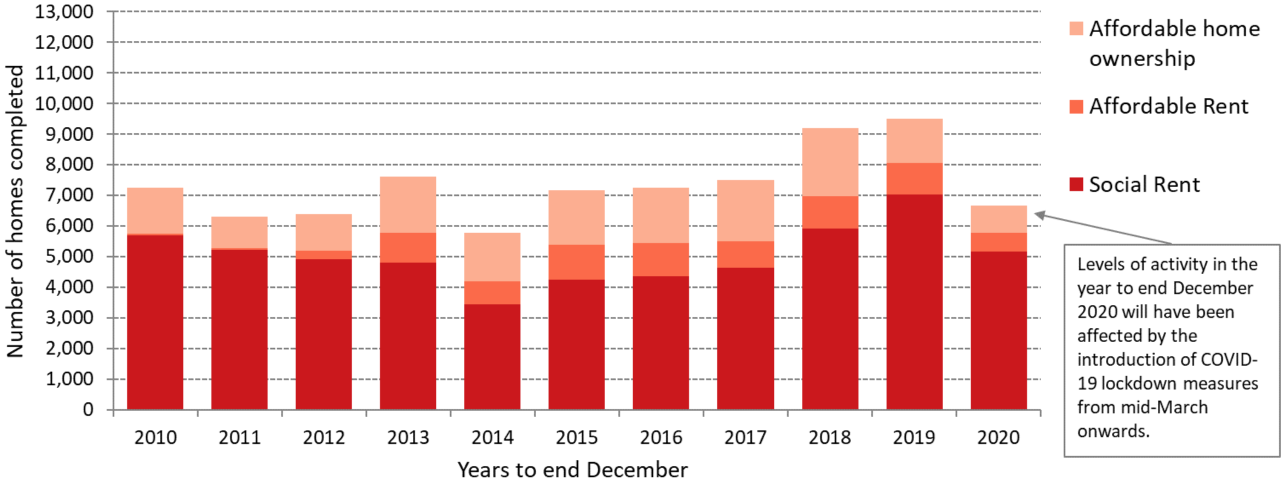


Chart 15: In the latest year, Affordable Housing Supply Completions consisted of 78% social rent completions, 9% affordable rent completions and 13% affordable home ownership completions (years to end December)



Comparison with the rest of the UK from 2007/08 to 2019/20

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.

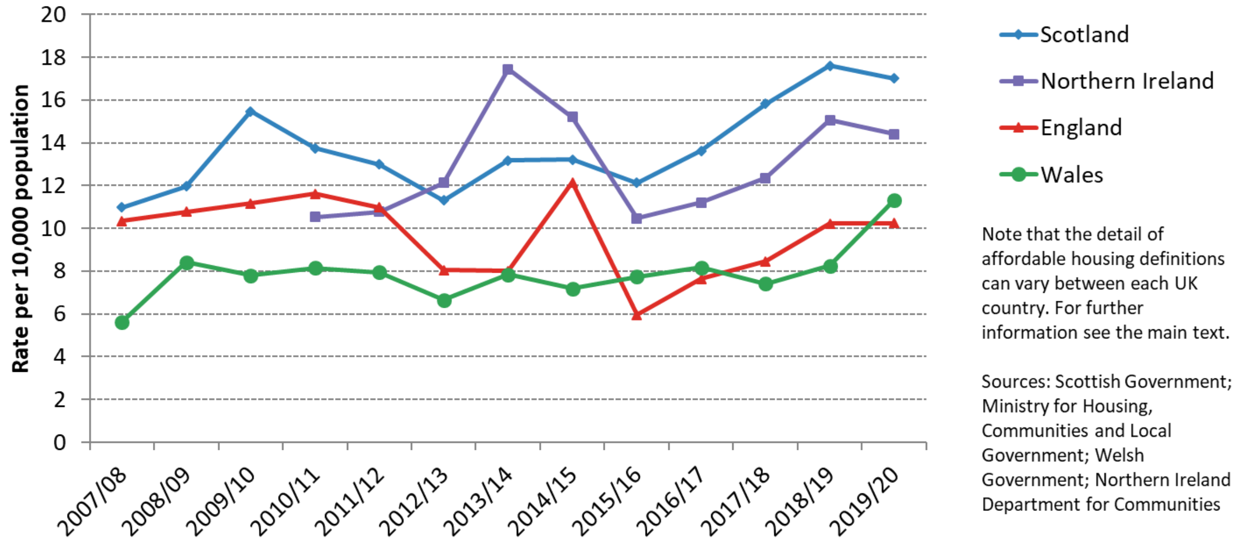
Each of the countries of the UK produces their own statistics on affordable housing supply[5]. Whilst there are some differences in the detail of affordable housing definitions and products used by each country, some comparisons can be made on how affordable housing supply varies per head of population.

Chart 15 below illustrates how the figures per 10,000 population have varied across the 2007/08 to 2019/20 period for Scotland, England, Wales and Northern Ireland.

Between 2007/08 and 2019/20, the annual average supply of affordable housing per head of population in Scotland has been 13.8 homes per 10,000 population, higher than England (9.7 homes per 10,000 population), Wales (7.9 homes per 10,000 population), and Northern Ireland (13.0 homes per 10,000 population – average across the years 2010/11 to 2019/20). Scotland has had annual rates above all other UK countries in most years since 2007/08, except for during 2012/13 to 2014/15, in which the rates for Northern Ireland were higher.

The 9,286 affordable homes completed in Scotland in the latest financial year 2019/20 equates to a rate of 17.0 homes delivered per 10,000 population. This is above the rate of 10.2 in England and the rate of 11.3 in Wales and 14.4 in Northern Ireland[6].

Chart 16: 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

[5] Affordable Housing Supply figures for England, Affordable Housing Supply figures for Wales, Affordable Housing Supply figures for Northern Ireland

[6] Note that the way in which we calculate total affordable housing supply figures for Northern Ireland was revised in the Housing Statistics Quarterly Update for December 2020 compared to previous publications. This has increased the level of the Northern Ireland total affordable housing supply figures compared to the figures previously published by an average of 25% across the period 2010/11 to 2018/19.

The 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 2019/20, in England there have been on average 5.0 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 10.8 for social rented homes in Scotland.

8. 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

The statistics break down new build construction activity into private-led and social sector starts and completions, with the social sector further broken down between local authority and housing association activity.

The figures are sourced from local authority administrative systems and the Scottish Government Housing and Regeneration Programme (HARP) system. Private sector construction activity includes not only homes built for private sale but also some homes which are used in the affordable housing sector and self-build activity by local builders.

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

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.

This includes material such as:

- The Cross-Government Housing, Homelessness and Planning Statistics Steering Group helps set the strategic direction for UK collaboration to improve the overall picture of housing statistics, including representatives from the devolved administrations.
- 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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