A National Statistics publication for Scotland

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PEOPLE, COMMUNITIES AND PLACES

Housing Statistics for Scotland Quarterly Update: New Housebuilding and Affordable Housing Supply (published 15 June 2021)

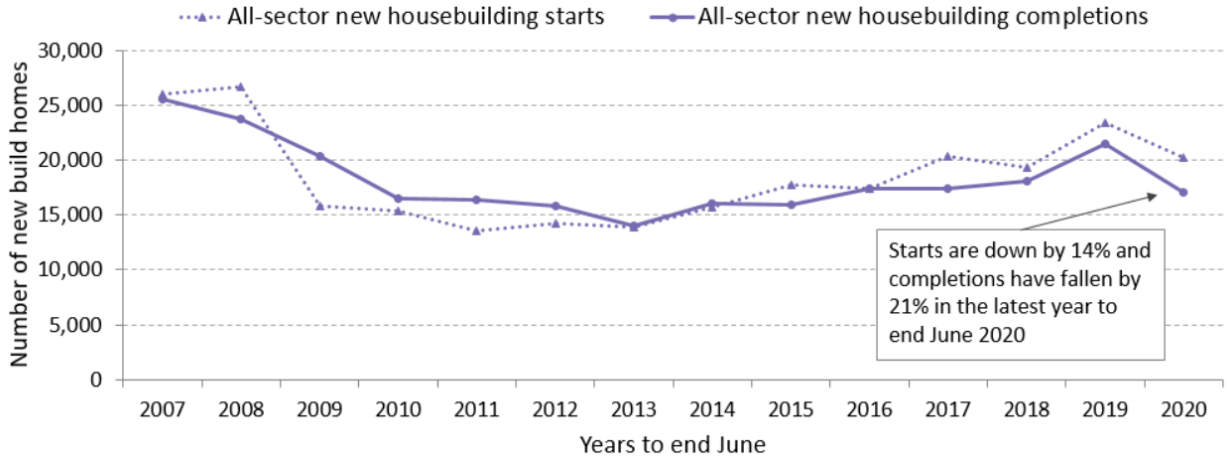
This statistical publication provides information on the latest trends in:

- Quarterly private-led and all-sector new housebuilding starts and completions to end June 2020.
- Quarterly social sector new housebuilding starts and completions to end September 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 January 2021.
- Quarterly Affordable Housing Supply Programme approvals, starts and completions, by type, to end March 2021.

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 decreased in the year to end June 2020, with activity levels being affected by the introduction of COVID-19 lockdown measures from mid March to late June 2020



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 17,029 new build homes completed across all sectors in Scotland in the year to end June 2020, a decrease of 21% (4,439 homes) on the previous year, with activity levels being affected by the introduction of COVID-19 lockdown measures from mid-March to late June 2020. Decreases were seen across private-led completions (23% or 3,725 homes), housing association completions (8% or 340 homes) and local authority completions (26% or 374 homes).
- The number of new build homes started across all sectors also decreased in the year to end June 2020, with a total of 20,248 starts, a decrease of 14% (3,194 homes) on the previous year. Private-led starts and local authority starts dropped by 25% (4,221 homes) and 9% (162 homes) respectively, but housing association approvals increased by 26% (1,189 homes).
- More up-to-date figures published as part of the UK House Price Index show a total of 3,053 private new build sales transactions in Scotland in the quarter October to December 2020. This is an increase of 645 (27%) on the 2,408 transactions recorded in July to September 2020, and an increase of 2,340 (over 4 times higher) on the 713 transactions seen in April to June 2020, reflecting the phased re-start of construction activity since late June 2020.
- Despite the increases seen following the end of the April to June 2020 lockdown period, the 3,053 private new build sales transactions in the latest quarter October to December 2020 is 754 (20%) transactions below the level seen in the same quarter

in the previous year. This brings the total number of transactions in the year to end December 2020 to 8,559, a decrease of 30% (3,707 transactions) on the 12,266 transactions recorded in the year to end December 2019.

- Latest social sector new housebuilding figures to end September 2020 show that 971 social sector homes were completed in the quarter July to September 2020. This is an increase of 937 on the 34 homes built in the previous quarter April to June 2020, during which housebuilding activity was largely paused due to lockdown measures, but a decrease of 25% (329 homes) on the 1,300 completions in the same quarter in 2019. This brings the total completions for the 12 months to end September 2020 to 4,402, a decrease of 18% (999 homes) on the 5,401 social sector homes completed in the previous year.
- Affordable Housing Supply Programme statistics reflect the broader supply of affordable homes for social rent, affordable rent and affordable home ownership, and include off the shelf purchases and rehabilitations as well as new builds. A total of 3,160 affordable homes were completed in the latest quarter January to March 2021, an increase of 1,226 (63%) homes on the previous quarter October to December 2020, and an increase of 2,963 homes on the 197 homes completed in the April to June 2020 period, reflecting the phased re-start of supply activity since late June 2020. The 3,160 homes completed in the latest quarter January to March 2021 equates to 90% of the level of affordable housing delivery in the same quarter of the previous year.
- This brings the total number of affordable homes completed for the 12 months to end March 2021 to 6,466, a decrease of 30% (2,830 homes) on the 9,296 affordable homes completed in the previous year. Over the same period, approvals have decreased by 39% (5,004 homes) to 7,882, and starts have dropped by 15% (1,846 homes) to 10,199.

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 June would usually include an update on private-led and all-sector new house building starts and completions to end December in the preceding year, with more recent figures on social sector new builds to end March. However due to COVID-19 related delays in new build data provision over the last year, this publication includes figures on private-led and all-sector new house building starts and completions only up to end June 2020, with more recent figures on social sector new builds only up to end September 2020.

Given these delays in the reporting of new housebuilding trends, 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 January 2021.

In addition to these delays in provision of data, East Dunbartonshire Council has been unable so far to provide any private-led new build data since the start of the pandemic period. We have therefore estimated the number of private-led new build starts and completions for the East Dunbartonshire local authority area for the three quarters 2019 Q4 to 2020 Q2. Glasgow City Council has also been unable so far to provide new build

starts data for the three quarters from 2019 Q4 to 2020 Q2, and so we have estimated the number of private-led starts for the Glasgow local authority area across these three quarters. However we are working with Glasgow to obtain these figures and aim to replace these estimates with actual figures in future publications once the data is provided. In addition we have estimated private-led new build starts and completions figures for Angus for the most recent quarter 2020 Q2 due to a delay in provision of this data.

As with previous publications, the estimates of private-led new build activity are based on an average of the previous four quarters, with an adjustment made for 2020 Q2 to account for the 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 local authorities who provided data for 2020 Q2.

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 Dundee City private-led starts and completions (2020 Q1) and also for private sector led completions for Glasgow in the three quarters from 2019 Q4 to 2020 Q2. In addition, the local authority starts and completion figures for East Dunbartonshire for 2020 Q2 have been revised to incorporate a correction to this return as provided recently by East Dunbartonshire Council. A small number of additional historic corrections provided by local authorities have also been made, for which further details 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, based on when the foundations are begun, and completed, which is based on when a building inspector deems the property complete.

Figures are presented for homes built on privately led sites (referred to throughout as private sector), local authority led sites (referred to as local authority sector) and housing association led sites (referred to as housing association sector). 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 June 2020. Therefore headline findings for new housebuilding across all sectors are presented up to end June 2020, with other figures on social sector housebuilding presented up to end September 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. Also note that some of the peaks in the number of starts in Quarter 1 (January to March) 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 quarters January to March 2020 and April to June 2020 will have been impacted by the introduction of measures to reduce the spread of the coronavirus (COVID-19) from mid-March to late June, in which non-essential construction activity stopped and home buyers

were advised to delay moving to a new home where possible, after which there has been a phased re-start of supply activity.

These impacts will have lowered the total amount of activity recorded compared to what would otherwise have been the case, with nearly all local authority areas seeing a decrease in the numbers of starts and completions in April to June 2020 compared to the same quarter in the previous year 2019. Year to date totals to end June 2020 have also been affected, with almost three-quarters (72%) of local authority areas seeing a drop in the number of starts over the latest 12 month period, and almost 9 in 10 (88%) seeing a fall in the number of completions.

Chart 1 (see page 1) shows that annual all-sector new build starts and completions (years to end June) have both shown a broadly decreasing direction of trend following the financial crisis in 2008, with figures generally falling up to 2013, after which there have been increases most years up to 2019. In the latest year to June 2020, starts and completions have decreased by 14% and 21% respectively, with activity levels being affected by the COVID lockdown measures in place between mid March and late June 2020.

Figures for the year to end June 2020

Levels of activity in the most recent two quarters January to March 2020 and April to June have been affected by the COVID-19 construction lockdown measures in place between mid-March and late June, with all sectors showing marked decreases in the total number of completions recorded for April to June 2020.

There were 724 all-sector completions in April to June 2020, a decrease of 87% (4,735 homes) compared with the 5,459 completions in the same quarter in 2019. Private led completions dropped by 85% (3,794 homes) to 690, local authority completions decreased by 92% (412 homes) to 34, and housing association completions dropped by 100%, with 0 completions recorded in April to June 2020 compared to the 529 homes in April to June 2019 (see Chart 2).

Chart 2: Levels of quarterly new housebuilding completions in April to June 2020 have been affected by the COVID-19 lockdown measures from mid March to late June 2020

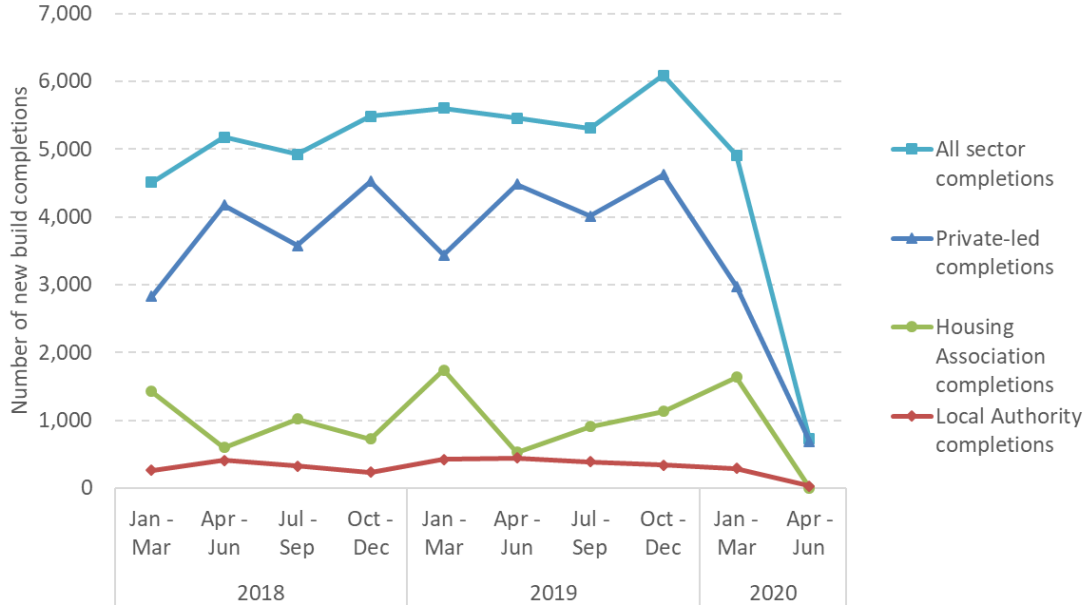
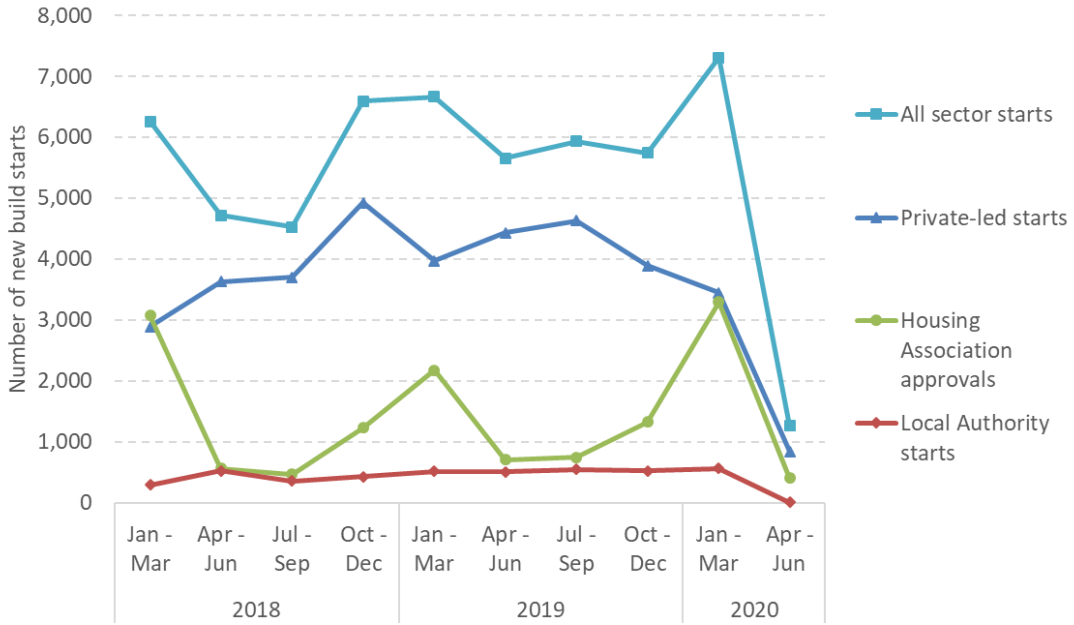


Chart 3 shows quarterly trends in all-sector starts since January 2018. There were 1,262 all-sector starts in April to June 2020, a decrease of 78% (4,392 homes) compared with the 5,654 starts in the same quarter in 2019. Private led starts dropped by 81% (3,589 homes) to 845, local authority starts decreased by 97% (500 homes) to 13, and housing association approvals dropped by 43% (303 homes), with 404 approvals recorded in April to June 2020 compared to the 707 homes in April to June 2019.

Chart 3: Levels of quarterly new housebuilding starts in April to June 2020 have also been affected by the COVID-19 lockdown measures from mid March to late June 2020



There were 724 all sector new build homes completed between April to June 2020; a decrease of 87% (4,735 homes) on the same quarter in 2019. This brings the total for the

year to end June 2020 to 17,029, down 21% (4,439 homes) compared to the 21,468 completed in the previous year, and the lowest annual figure to end June since 2015.

There were 1,262 new build homes started between April and June 2020, a decrease of 78% (4,392 homes) on the same quarter in 2019. This brings the total for the year to end June 2020 to 20,248 which is down 14% (3,194 homes) compared to the 23,442 homes started in the previous year, but is 5% higher than the 19,332 homes started in the year to June 2018.

Table 1 – All sector new housebuilding to end June 2020

All sector homes	Starts	Completions
Quarter Apr to Jun 2017	**4,965**	**4,661**
Quarter Apr to Jun 2018	**4,719**	**5,179**
Quarter Apr to Jun 2019	**5,654**	**5,459**
Quarter Apr to Jun 2020	**1,262**	**724**
Change from Q2 2019 to Q2 2020	-4,392	-4,735
Change from 2019 to 2020 (%)	-78%	-87%
Year to Jun 2017	**20,329**	**17,411**
Year to Jun 2018	**19,332**	**18,089**
Year to Jun 2019	**23,442**	**21,468**
Year to Jun 2020	**20,248**	**17,029**
Change from 2019 to 2020	-3,194	-4,439
Change from 2019 to 2020 (%)	-14%	-21%

Trends since 2007

Chart 1 (see page 1) presents new build completion trends from 2007 on an annual basis to end June 2020. In 2007 (year to end June) the number of all sector homes started was nearly 26,000 while completions were slightly lower at 25,500. The number of homes completed dropped steeply between 2008 and 2013 to just over 14,000 then fluctuated in the following two years to reach nearly 16,000 in 2015. Following this, the number of homes completed increased to nearly 21,500 in 2019, although the figure has since dropped to just over 17,000 in the year to end June 2020, given the impact of COVID construction lockdown measures in place between mid-March and late June 2020.

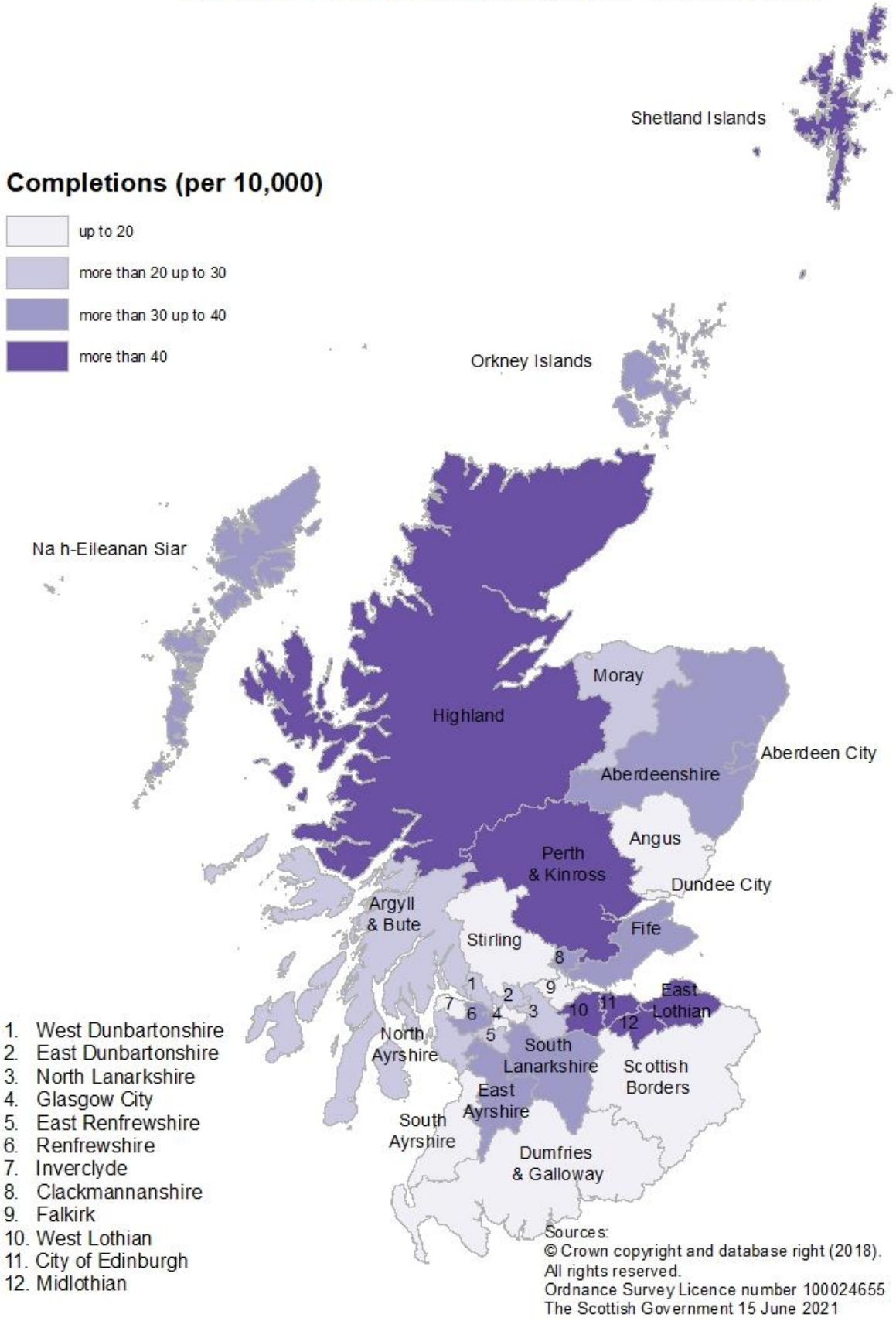
Sub-national local authority figures for the year to end June 2020

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 June 2020, as a rate per 10,000 population based on the latest mid-2019 population estimates. It should be noted that the rates of all-sector new housebuilding activity recorded across the

quarters January to March 2020 and April to June 2020 will have been impacted by the introduction measures to reduce the spread of the coronavirus (COVID-19) from mid-March to late June.

In the year to end June 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, Dundee City, Inverclyde and South Ayrshire.

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



Comparison with the rest of the UK from 2007 to 2021

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. The quarterly new build statistics for each of the countries of the UK are brought together in the UK House building update 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. Latest 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 on a financial year basis.

Chart 4a presents trends in the rates of new house building per 10,000 population across each of the UK countries on a financial year basis (years to end March) to allow for comparisons with both the England financial year 'net additional dwelling' statistics and rates from each of the quarterly UK series. This shows that whilst Scotland had a higher rate of completions per 10,000 head of population than England over the period 2006/07 to 2013/14, that Scotland and England have seen broadly similar rates of housebuilding each year across the period 2014/15 to 2019/20, when comparing the Scotland figures to the England net addition figures.

In the financial year 2019/20, the 40 homes built per 10,000 population in Scotland has been similar to the rates seen in England (net additional dwellings figures) 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 4a in future publications when available.

[1] Housing supply: net additional dwellings for England

Chart 4a: New house building completions as a rate per 10,000 population (years to end March) - Scotland had a rate of 40 in the year to end March 2020, similar to the rates in Northern Ireland (39) and England 'net additional dwellings' (39)

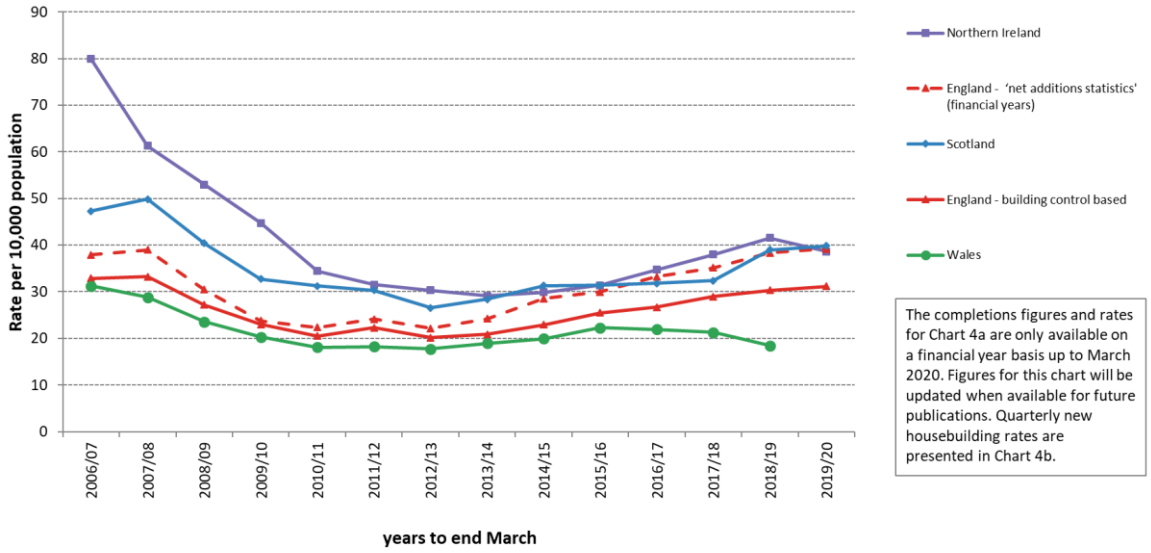
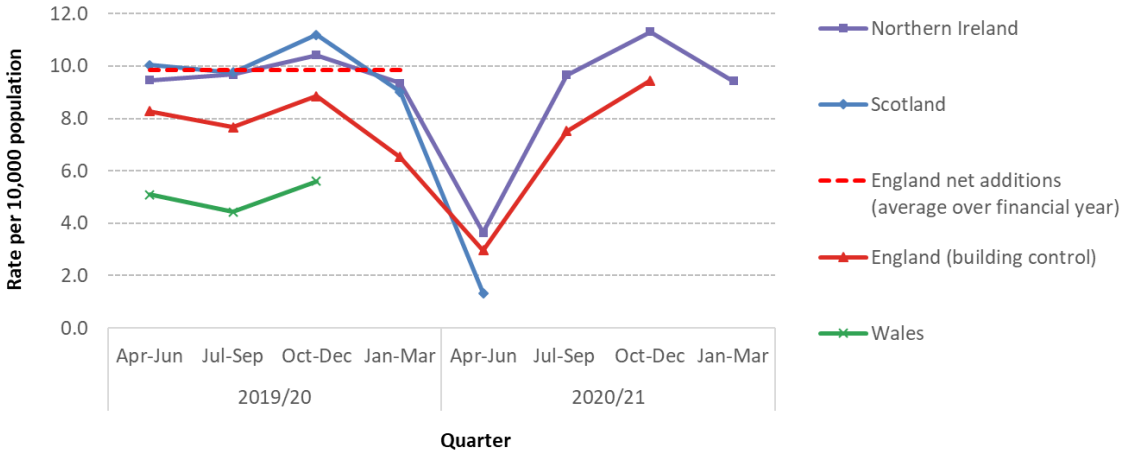


Chart 4b presents more recent trends in the rates of new housebuilding per 10,000 population across each of the UK countries on a quarterly basis, based on the latest published information available for each country[2]. The England 'net additional dwelling' figure for the financial year 2019/20 is also included as an average across each of the quarters within this year, to help demonstrate the difference in the relative level between this figure and the separate quarterly England building control based figures.

The chart shows the clear impact of COVID-19 lockdown restrictions on construction activity in the quarter April to June 2020, with the rates of new housebuilding per 10,000 population dropping compared to the same in quarter in the previous year by 87% in Scotland, 65% in England (building control based figures), and 61% in Northern Ireland.

Chart 4b: Quarterly new housebuilding rates per 10,000 population for Scotland, Northern Ireland and England (building control figures) dropped in the quarter April to June 2020, with completion rates likely to have been affected by COVID lockdown measures in place



[2] The most recent quarterly figures for Northern Ireland and England have been sourced from Land and Property Services (LPS) in Northern Ireland and the MHCLG Live tables on housing supply.

The more recent quarterly figures available for England and Northern Ireland shown in Chart 4b both show an increase in the rates of new housebuilding immediately following the April to June 2020 quarter.

More recent comparable quarterly all-sector completions figures are not yet available for Scotland for the period following April to June 2020, however separate published information on the number of private led new build sales transactions from the UK House Price Index (presented in Section 5) shows that the number of private new build transactions in Scotland increased from 713 in April to June 2020 up to 2,408 transaction in July to September, and then 3,053 transactions in October to December. The 3,053 new build sales transactions in October to December 2020 is 754 (20%) transactions below the level seen in the same quarter in the previous year.

4. Private-led new housebuilding

The private sector is the biggest contributor to overall house building, accounting for almost three quarters (72%) of all homes completed in the 12 months to end June 2020.

Chart 5: Annual private sector led new build starts and completions both decreased in the latest year to end June 2020, with activity levels being affected by the introduction of COVID-19 lockdown measures from mid March to late June 2020

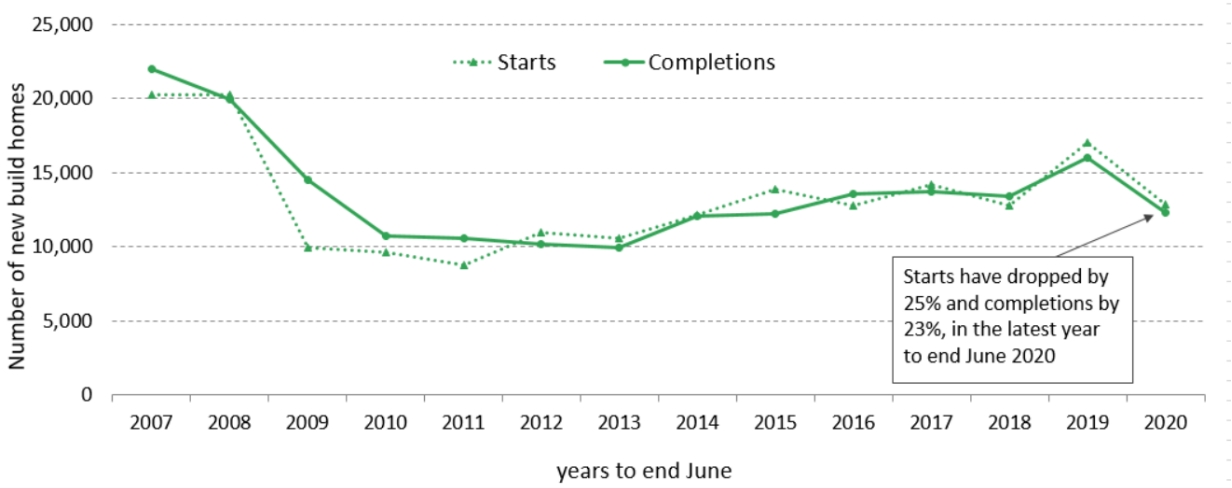
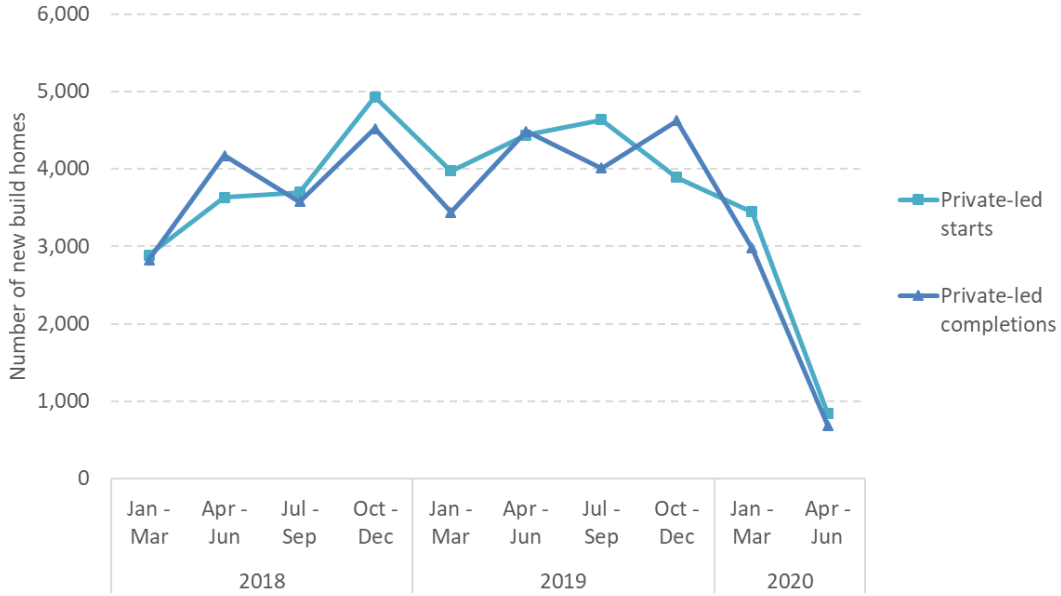


Chart 6: Private sector led new housebuilding starts and completions in the quarter Apr-Jun 2020 have both decreased compared to the same quarter in the previous year, with activity levels being affected by the introduction of COVID-19 lockdown measures from mid March to end June 2020



Figures for the year to end June 2020

Between April and June 2020, 690 private sector led homes were completed, a decrease of 85% (3,794 homes) on the same quarter in 2019, with activity levels being affected by the COVID lockdown measures in place between mid March and late June 2020. This brings the total for the year to end June 2020 to 12,298 completions which is a decrease of 23% (3,725 homes) on the 16,023 completions in the previous year.

There were 845 private sector led starts between April to June 2020, a drop of 81% (3,589 homes) than the same quarter in 2019. This brings the total for the year ending June 2020 to 12,814 which is a decrease of 25% (4,221 homes) on the 17,035 starts in the previous year.

Table 2 – Private-led new housebuilding to end June 2020

Private sector homes	Starts	Completions
Quarter Apr to Jun 2017	**4,399**	**3,787**
Quarter Apr to Jun 2018	**3,633**	**4,171**
Quarter Apr to Jun 2019	**4,434**	**4,484**
Quarter Apr to Jun 2020	**845**	**690**
Change from Q2 2019 2019 to Q2 2020	-3,589	-3,794
Change from 2019 to 2020 (%)	-81%	-85%
Year to end Jun 2017	**14,215**	**13,722**
Year to end Jun 2018	**12,800**	**13,415**

Year to end Jun 2019	**17,035**	**16,023**
Year to end Jun 2020	**12,814**	**12,298**
Change from 2019 to 2020	-4,221	-3,725
Change from 2019 to 2020 (%)	-25%	-23%

Trends since 2007

Chart 5 above shows the annual number of private sector led starts and completions from years to end June between 2007 to 2020. 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 until completions dropped in 2020 due to the impact of COVID construction lockdown measures in place between mid-March and late June 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. Since 5 February 2021, the Scottish Government has no longer been accepting applications to the main Help to Buy (Scotland) scheme, although applications received prior to this date are still being processed. Applications however continue to be accepted for the Help to Buy (Scotland) Smaller Developer scheme. Further information on the Help to Buy schemes, along with monitoring information setting out numbers of sales and the characteristics of buyers, is available on the Help to Buy web pages.

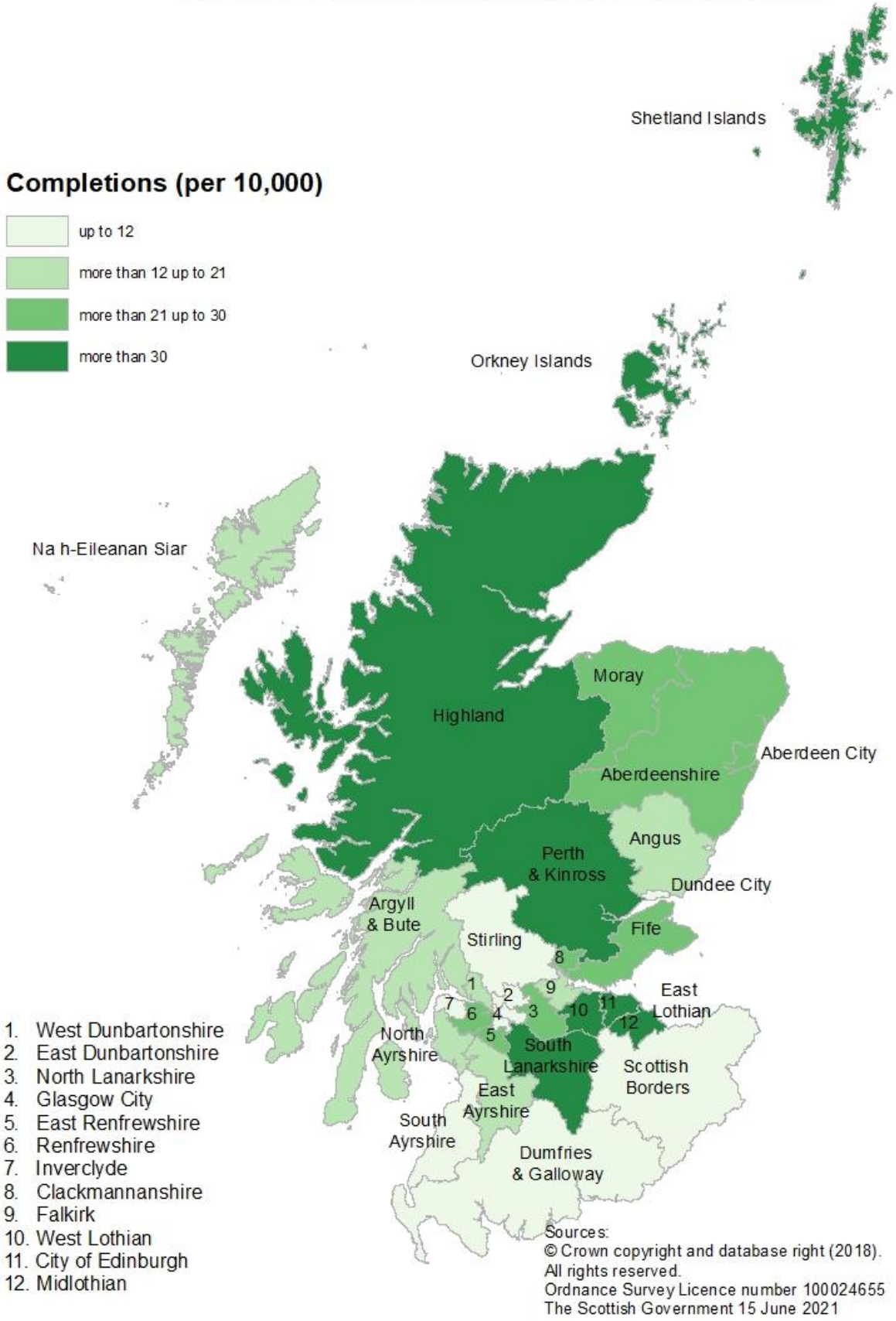
In 2020, the Scottish Government also introduced the First Home Fund. This is a shared equity pilot scheme to provide first-time buyers with up to £25,000 to help them buy a property that meets their needs and is located in the area where they want to live, and which includes the purchase of new build properties as well as existing properties. The FHF scheme closed to new applications on 8th April 2021. 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 June 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 June 2020. It should be noted that the rate of private sector new housebuilding activity recorded across the quarters January to March 2020 and April to June 2020 will have been impacted by the introduction measures to reduce the spread of the coronavirus (COVID-19) from mid-March to late June.

The highest completion rates in the year to end June have been in East Lothian, Midlothian, West Lothian, Perth & Kinross and Edinburgh. The lowest rates meanwhile, have been in Stirling, Glasgow City, Dumfries & Galloway, Inverclyde and South Ayrshire.

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



5. UK House Price Index (HPI) new build sales transactions, as a measure of private-led housebuilding activity to end January 2021

This section sets out the latest quarterly and monthly trends in the number of new build sales transactions in Scotland to end January 2021, based on residential property transaction figures published as part of the UK House Price Index (HPI)[3].

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.[4]

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 October to December 2020.

It can be seen across the period January to March 2019 to April to June 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 in most quarters, 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.

[3] The most recent figures are accessed through the UK House Price Index: data downloads March 2021.

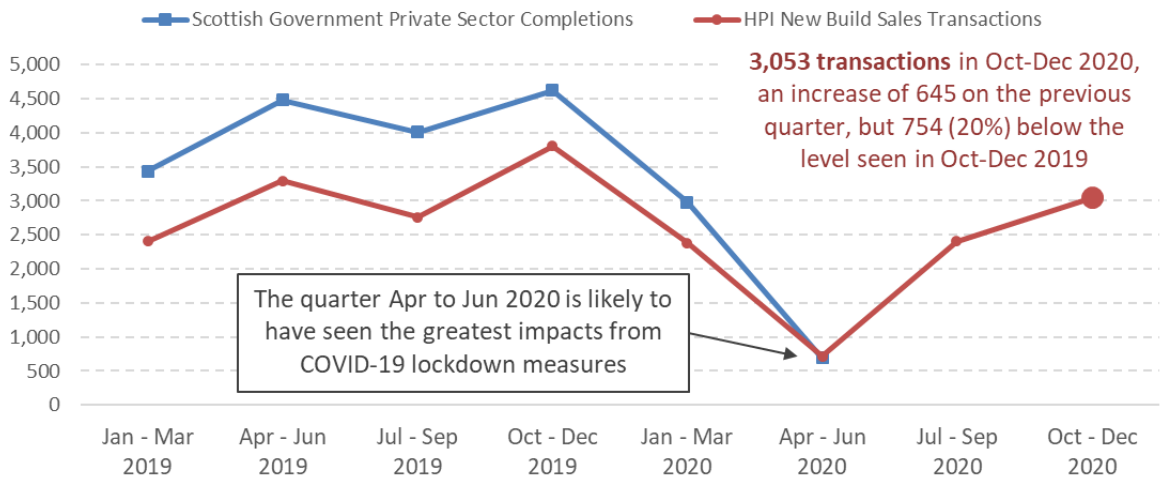
[4] The Housing Statistics for Scotland Quarterly Update as at June would usually include an update on all-sector new house building starts and completions to end December in the preceding year, with more recent figures on social sector new builds to end March. However due to the impact of COVID-19 on 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

Quarter or year	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**	**4,621**
Jan – Mar 2020	**2,385**	**2,978**
Apr – Jun 2020	**713**	**690**
Jul – Sep 2020	**2,408**	**Not available**
Oct – Dec 2020	**3,053**	**Not available**
Change from previous quarter	645	
Change (%) from previous quarter	27%	
Change from same quarter in previous year	-754	
Change (%) from same quarter in previous year	-20%	
Jan 2019 - Dec 2019	**12,266**	**16,552**
Jan 2020 - Dec 2020	**8,559**	**Not available**
Change from previous year	-3,707	
Change (%) from previous year	-30%	

Sources: UK House Price Index: reports - GOV.UK (www.gov.uk) (March 2021 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 Oct - Dec 2020



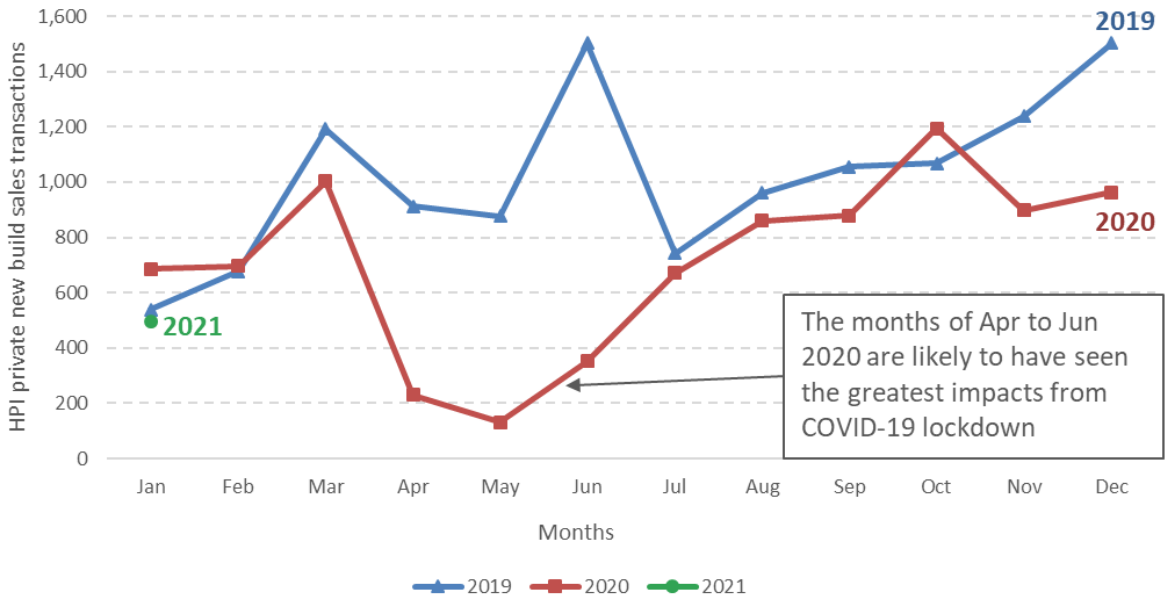
Note that the SG Private Sector completions and HPI New Build Sales Transaction figures are not directly comparable due to diferences in how each set of figures are constructed. SG figures are currently only available up to Apr-Jun 2020.

The latest quarterly HPI figures show that there were 3,053 new build sales transactions in Scotland in the quarter October to December 2020, an increase of 2,340 on the 713 transactions seen in April to June 2020 and an increase of 645 (27%) on the 2,408 transactions seen in July to September 2020. This follows the easing of COVID-19 related construction and housing market restrictions from late June 2020 onwards, following which there has been a phased re-start of construction activity.

Despite these increases since April to June 2020, the 3,053 new build sales transactions in October to December 2020 is 754 (20%) transactions below the level seen in the same quarter in the previous year. More recent HPI figures for the month of January 2021 show a similar picture compared to the previous year, with 494 transactions in this single month, a decrease of 191 (28%) on the number of transactions in January 2020 (see Chart 7b).

This brings the total transactions in the year to end December 2020 to 8,559, a decrease of 30% (3,707 transactions) on the 12,266 transactions recorded in the year to end December 2019.

Chart 7b: There were 494 private new build sales transactions in Scotland in the latest month Jan 2021, 189 (28%) transactions lower than the level seen in Jan 2020



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 28% of all new build homes completed over the 12 months to end June 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 September 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 June 2020.

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

Chart 8a: Latest annual social sector starts and completions to end June show a drop in the number of local authority starts and completions and housing association completions in the latest year, but an increase in housing association approvals

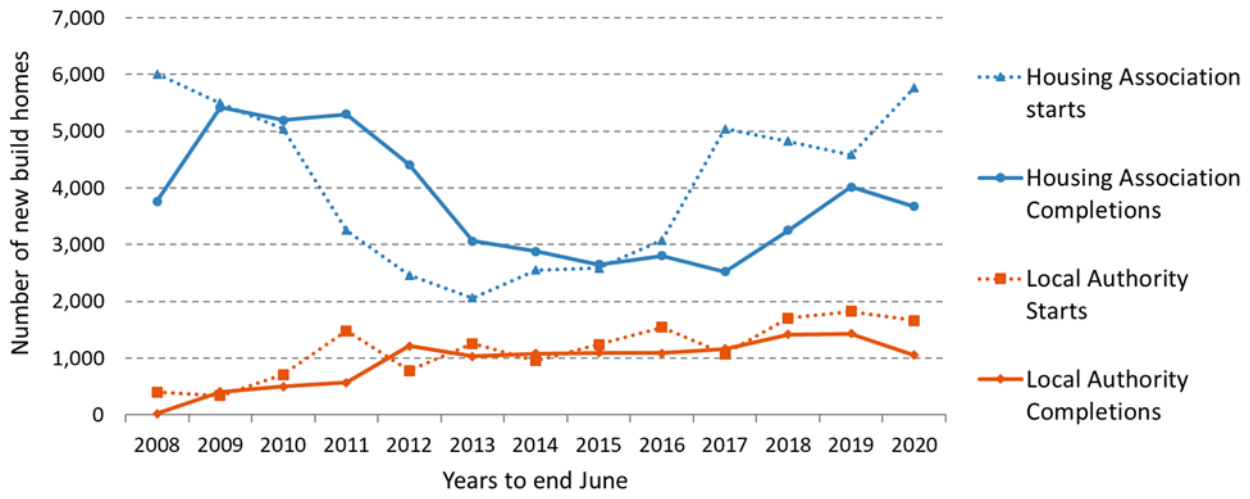


Chart 8b: Latest annual social sector starts and completions to end Sept show a drop in the number of local authority starts and completions and housing association completions in the latest year, but an increase in housing association approvals

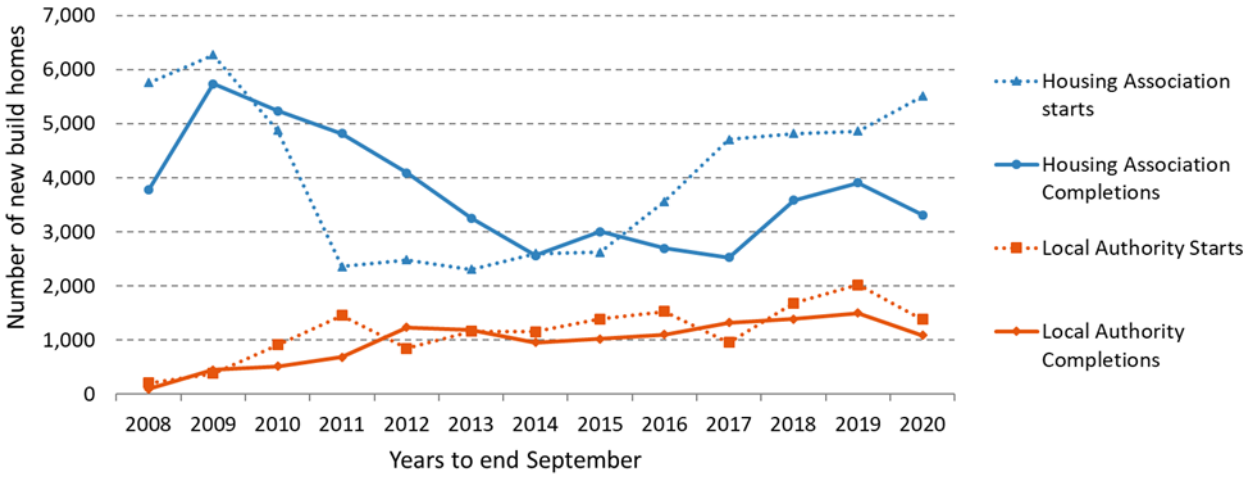


Chart 9: Housing Association new housebuilding approvals and completions in the latest quarter Jul-Sep 2020 have both increased compared to Apr-Jun 2020, following the easing of lockdown restrictions

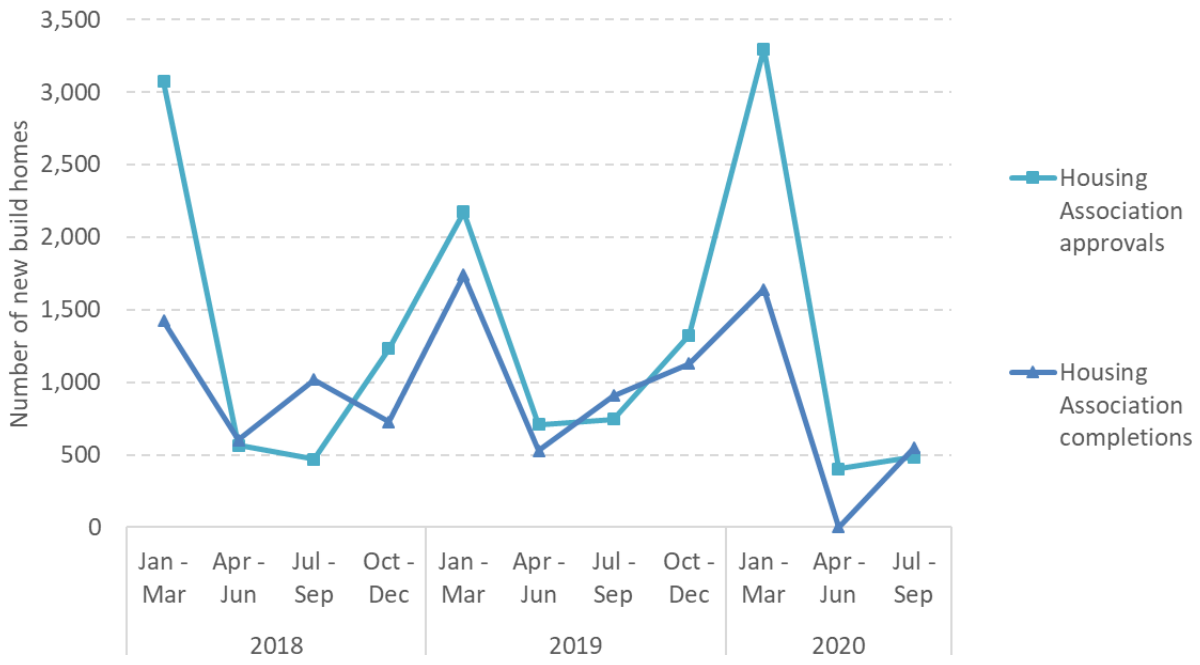
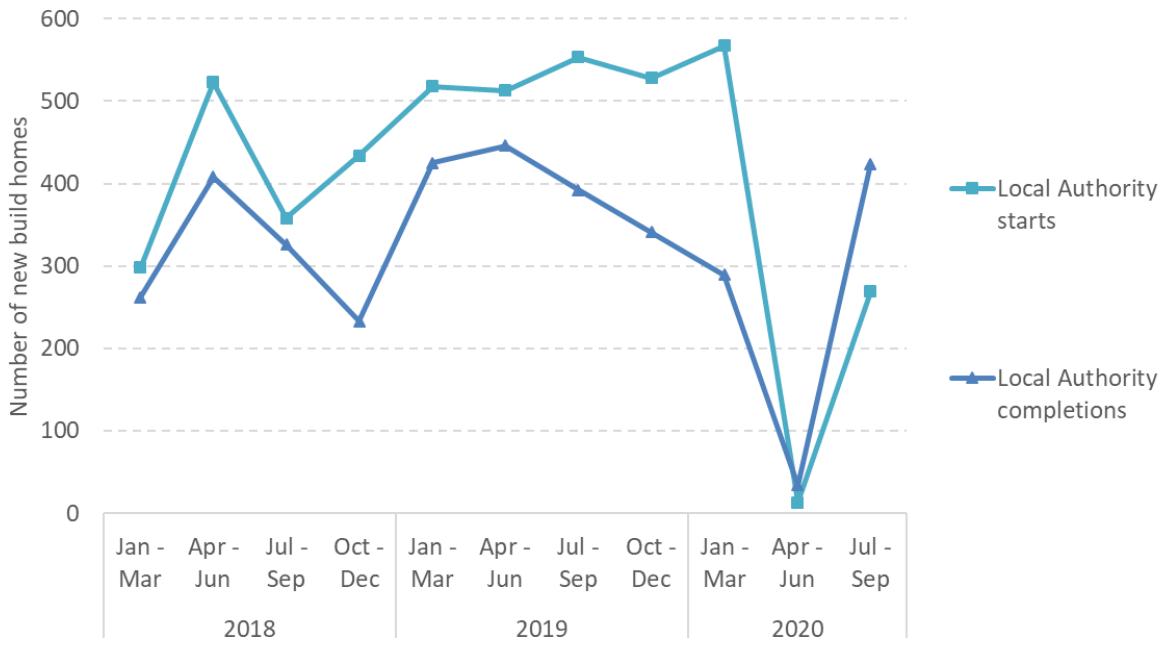


Chart 10: Local authority new housebuilding starts and completions in the quarter Jul-Sep 2020 have both increased compared to Apr-Jun 2020, following the easing of lockdown restrictions



Figures for the year to end June 2020

There were 34 social sector completions between April and June 2020; a decrease of 97% (941 homes) than the same quarter in 2019, and which reflects the lockdown measures in place from mid-March to late June 2020. This brings the total for the year to end June

2020 to 4,731, a decrease of 13% on the 5,445 social sector completions in the previous year.

Meanwhile, 417 social sector homes were started between April and June 2020; a decrease of 66% (803 homes) on the same quarter in 2019. This brings the total for the year to end June 2020 to 7,434, which is a 16% increase (1,027 homes) on the 6,407 social sector starts in the previous year.

Table 4 – Social sector new housebuilding to end June 2020

Social sector homes	Total Social starts	Total Social completions	Local authority starts	Local authority completions	Housing association approvals	Housing association completions
Apr to Jun 2017	**566**	**874**	**119**	**357**	**447**	**517**
Apr to Jun 2018	**1,086**	**1,008**	**523**	**408**	**563**	**600**
Apr to Jun 2019	**1,220**	**975**	**513**	**446**	**707**	**529**
Apr to Jun 2020	**417**	**34**	**13**	**34**	**404**	**0**
Change	-803	-941	-500	-412	-303	-529
Change (%)	-66%	-97%	-97%	-92%	-43%	-100%
Year to Jun-17	**6,114**	**3,689**	**1,073**	**1,164**	**5,041**	**2,525**
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	**7,434**	**4,731**	**1,661**	**1,056**	**5,773**	**3,675**
Change	+1,027	-714	-162	-374	+1,189	-340
Change (%)	+16%	-13%	-9%	-26%	+26%	-8%

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 2009 (years to end June) the number of housing association completions increased from 3,800 to just over 5,400, after which the number of homes completed remained at similar levels until 2011. Completions then decreased in each year to reach just over 2,600 in 2015. After fluctuating for the two years after, housing association completions increased to just over 4,000 in 2019 before decreasing to 3,700 in 2020.

The number of housing association approvals fell from just over 6,000 in 2008 to just over 2,000 homes in 2013 (years to end June). The figure then increased in each year to reach

just over 5,000 in 2017. This was followed by decrease in the following two years to just over 4,500 homes in 2019. In the latest year to June 2020, the number of housing association approvals then increased by nearly 1,200 to just under 5,800, despite the effects of the lockdown period in mid-March to late June.

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 2018 where they reached nearly 1,400 homes. Similar levels were seen in 2019, after which the number of local authority homes completed then decreased to just over 1,000 in 2020.

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

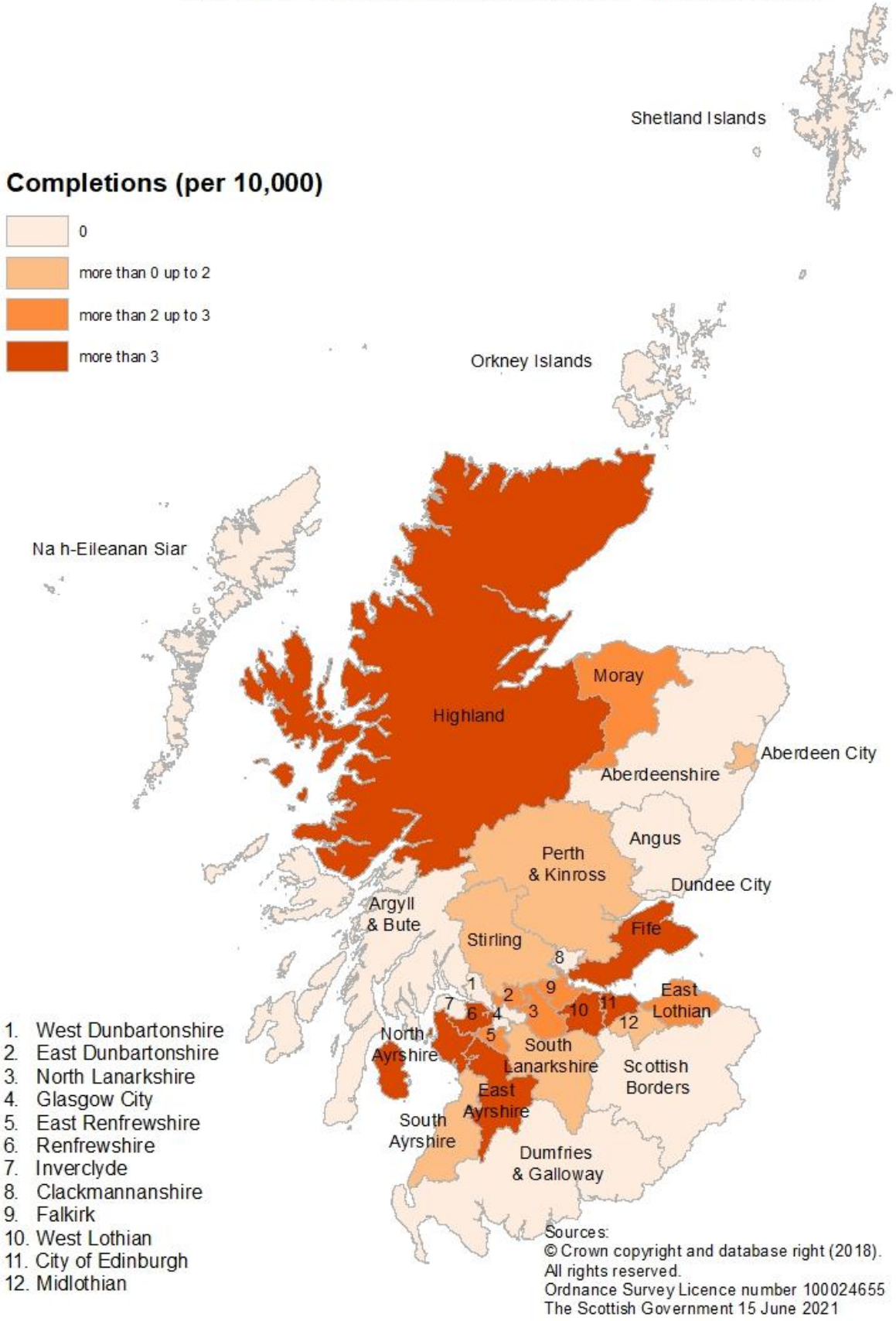
Maps C and D show the rates of housing association and local authority new build completions in each local authority for the year to end June 2020 per 10,000 of the population (based on the latest mid-2019 population estimates). The housing stock of 6 local authorities (Argyll & Bute, Dumfries & Galloway, 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.

It should be noted that the rates of social sector new housebuilding activity recorded across the quarters January to March 2020 and April to June 2020 will have been impacted by the introduction measures to reduce the spread of the coronavirus (COVID-19) from mid-March to late June.

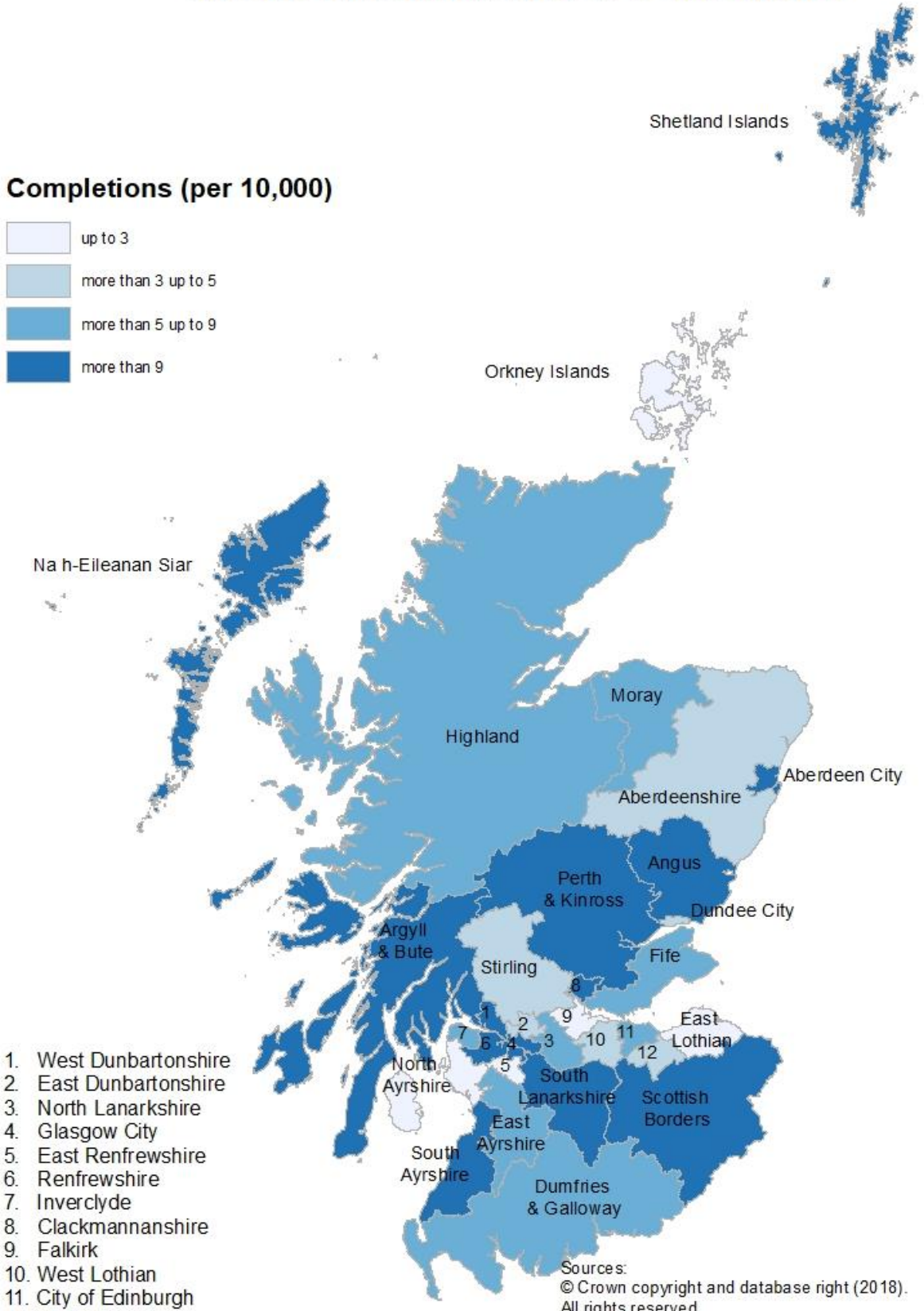
In the year to end June 2020 local authority new build rates were highest in East Ayrshire, North Ayrshire, West Lothian and Fife. As well as the 6 stock transfer authorities mentioned above, Aberdeenshire, Angus, Dundee City, Orkney Islands, Shetland Islands and West Dunbartonshire built no new local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

Meanwhile rates of housing association new build completions were highest in Na h-Eileanan Siar, Glasgow, Clackmannanshire, Perth & Kinross and Shetland Islands, whilst the lowest rates of housing association new build were in East Renfrewshire, Falkirk, Midlothian and Stirling.

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



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



Sources:

The Scottish Government 15 June 2021

Latest figures to end September 2020

A total of 971 social sector homes were completed between July to September 2020, an increase of 937 homes on the April to June 2020 period when lockdown measures were in place, but a decrease of 25% (329 homes) on the 1,300 completions in the same quarter in 2019. This brings the total completions for the 12 months to end September 2020 to 4,402, a decrease of 18% (999 homes) on the 5,401 social sector homes completed in the previous year.

Meanwhile, 753 social sector homes were started between July and September 2020. This is an increase of 81% (336 homes) on the April to June 2020 period, but is down 42% (546 homes) compared to the same quarter in the previous year. This brings the total for the 12 months to end September 2020 to 6,888 which is at a similar level (an increase of 0.1% or 8 homes) on the 6,880 starts in 2019.

Table 5 – Social sector new housebuilding to end September 2020

Social sector homes	Total Social starts	Total Social completions	Local authority starts	Local authority completions	Housing association approvals	Housing association completions
Jul to Sep-17	**862**	**1,048**	**382**	**363**	**480**	**685**
Jul to Sep-18	**826**	**1,344**	**358**	**326**	**468**	**1,018**
Jul to Sep-19	**1,299**	**1,300**	**553**	**392**	**746**	**908**
Jul to Sep-20	**753**	**971**	**269**	**424**	**484**	**547**
Change	-546	-329	-284	32	-262	-361
Change (%)	-42%	-25%	-51%	8%	-35%	-40%
Year to Sep-17	**5,656**	**3,848**	**952**	**1,322**	**4,704**	**2,526**
Year to Sep-18	**6,496**	**4,970**	**1,682**	**1,384**	**4,814**	**3,586**
Year to Sep-19	**6,880**	**5,401**	**2,018**	**1,496**	**4,862**	**3,905**
Year to Sep-20	**6,888**	**4,402**	**1,377**	**1,088**	**5,511**	**3,314**
Change	+8	-999	-641	-408	+649	-591
Change (%)	0.1%	-18%	-32%	-27%	+13%	-15%

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 March 2021.

Quarterly affordable housing supply statistics are used to inform Scottish Government affordable housing delivery targets, including to deliver the remaining 50,000 target homes

as quickly as it is safe to do so over the year 2021/22, along with the longer term ambition of delivering a further 100,000 affordable homes by 2032 with 70% of these being for social rent[5]. The figures 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 March 2021:

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 allowed 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 three quarters between July to September 2020 and January to March 2021 have increased, although the levels achieved may have been affected by the phased re-start of supply activity. Table 6 and Charts 11a to 11c below help to illustrate these trends.

Table 6 below shows that in the latest quarter January to March 2021, 3,790 homes were approved, 4,818 homes were started, and 3,160 homes were completed. The levels of approvals and completions are 38% (2,279 homes) and 10% (333 homes) lower than in the same period in the prevous year, but starts have increased slightly by 1% (52 homes).

[5] Housing to 2040 route map.

Latest annual figures also show decreases, with the number of homes approved, started and completed in the year to March 2021 falling by 39% (5,004 homes) to 7,882 approvals, 15% (1,846 homes) to 10,199 starts and 30% (2,830 homes) to 6,466 completions, compared with the year to end March 2020.

Table 6 – Affordable Housing Supply to March 2021

Affordable housing supply homes	Approvals	Starts	Completions
Quarter Jan to Mar 2015	**3,155**	**1,806**	**2,798**
Quarter Jan to Mar 2016	**3,708**	**2,783**	**2,147**
Quarter Jan to Mar 2017	**5,023**	**3,705**	**2,245**
Quarter Jan to Mar 2018	**6,428**	**3,206**	**3,318**
Quarter Jan to Mar 2019	**5,013**	**3,693**	**3,698**
Quarter Jan to Mar 2020	**6,069**	**4,766**	**3,493**
Quarter Jan to Mar 2021	**3,790**	**4,818**	**3,160**
Change over latest year	-2,279	+52	-333
Change (%) over latest year	-38%	+1%	-10%
Year to Mar 2015	**6,297**	**6,641**	**7,069**
Year to Mar 2016	**7,945**	**7,682**	**6,512**
Year to Mar 2017	**10,361**	**9,393**	**7,444**
Year to Mar 2018	**11,677**	**10,569**	**8,578**
Year to Mar 2019	**11,130**	**10,872**	**9,569**
Year to Mar 2020	**12,886**	**12,045**	**9,296**
Year to Mar 2021	**7,882**	**10,199**	**6,466**
Change over latest year	-5,004	-1,846	-2,830
Change (%) over latest year	-39%	-15%	-30%

Chart 11a below illustrates the quarterly trends in the number of approvals since the beginning of 2018, and shows that 3,790 homes were approved in the latest quarter January to March 2021. This is 82% more (1,702 homes) approvals compared to the previous quarter, but is below equivalent January to March quarterly levels in each of the previous years 2018 to 2020.

Chart 11a: 3,790 affordable homes were approved in Jan-Mar 2021, 1,702 (82%) more than the previous quarter, but below equivalent Jan-Mar levels in each of the previous years 2018 to 2020

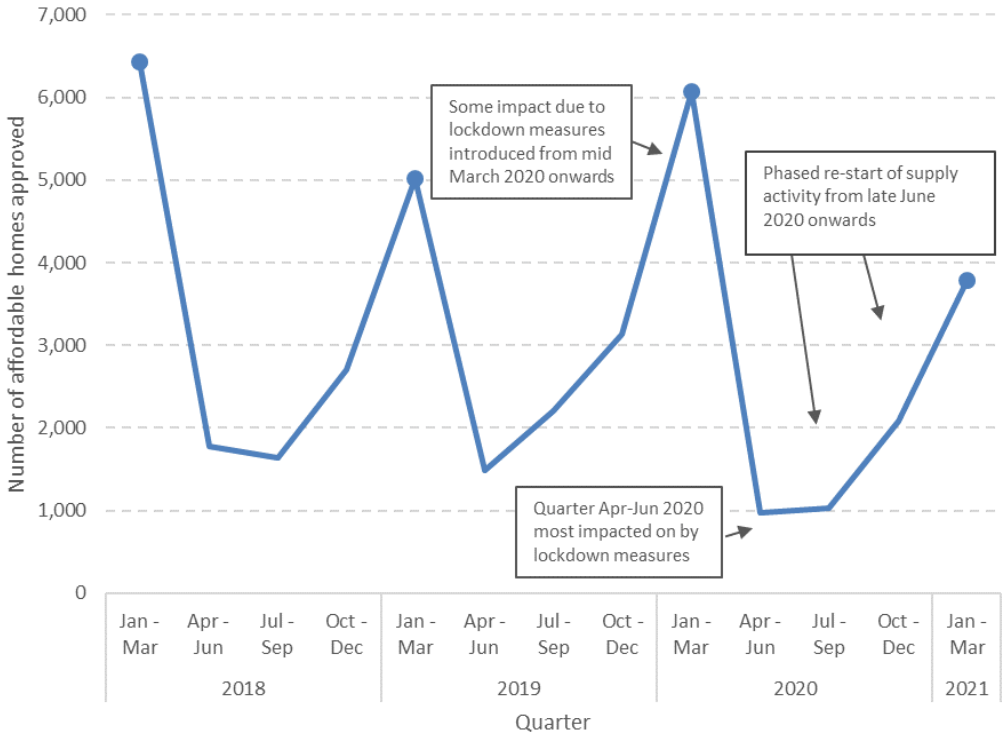


Chart 11b below shows the quarterly trends in the number of starts since the beginning of 2018, and shows that 4,818 homes were started in the latest quarter January to March 2021. This is over double (an increase of 2,549 homes) the number of starts in the previous quarter, and brings the level of starts above the equivalent January to March quarterly levels seen in each of the years 2018 to 2020.

Chart 11b: The 4,818 affordable homes started in Jan-Mar 2021 is over double the amount seen in the previous quarter, and brings starts back to a level above those seen in 2018 to 2020.

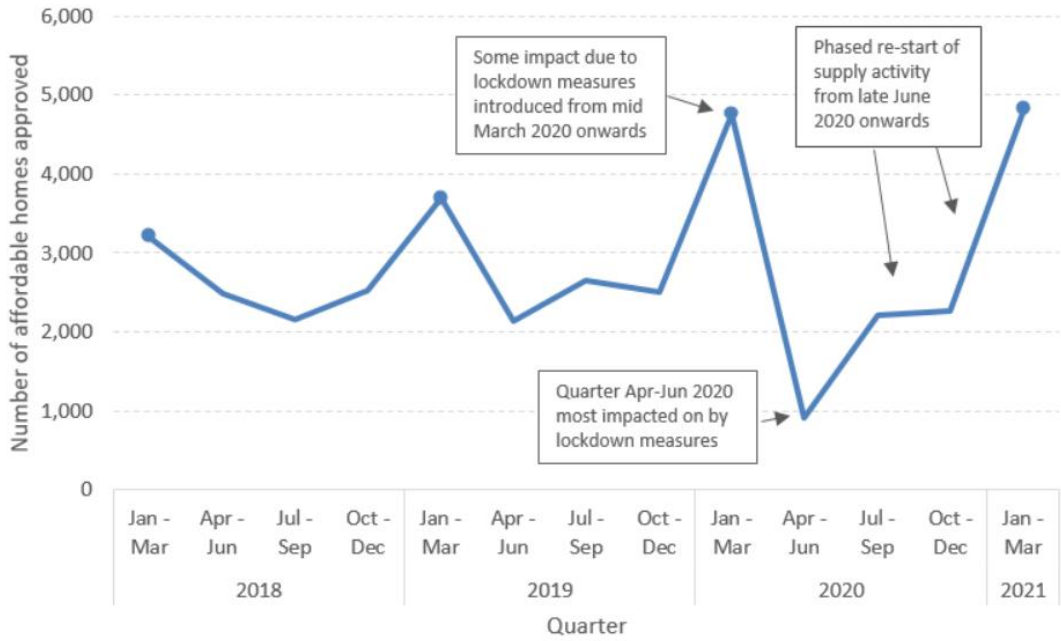


Chart 11c below illustrates the quarterly trends in the number of completions since the beginning of 2018, and shows that there were 3,160 affordable homes delivered in the latest quarter Jan-Mar 2021, an increase of 1,226 homes (63%) on the previous quarter, but 5% lower than in the same quarter in 2018, 15% lower than in 2019 and 10% lower than in 2020.

Chart 11c: The 3,160 affordable homes completed in Jan-Mar 2021 is 1,226 more than in the previous quarter, and 5% lower than in the same quarter in 2018, 15% lower than in 2019 and 10% lower than in 2020.

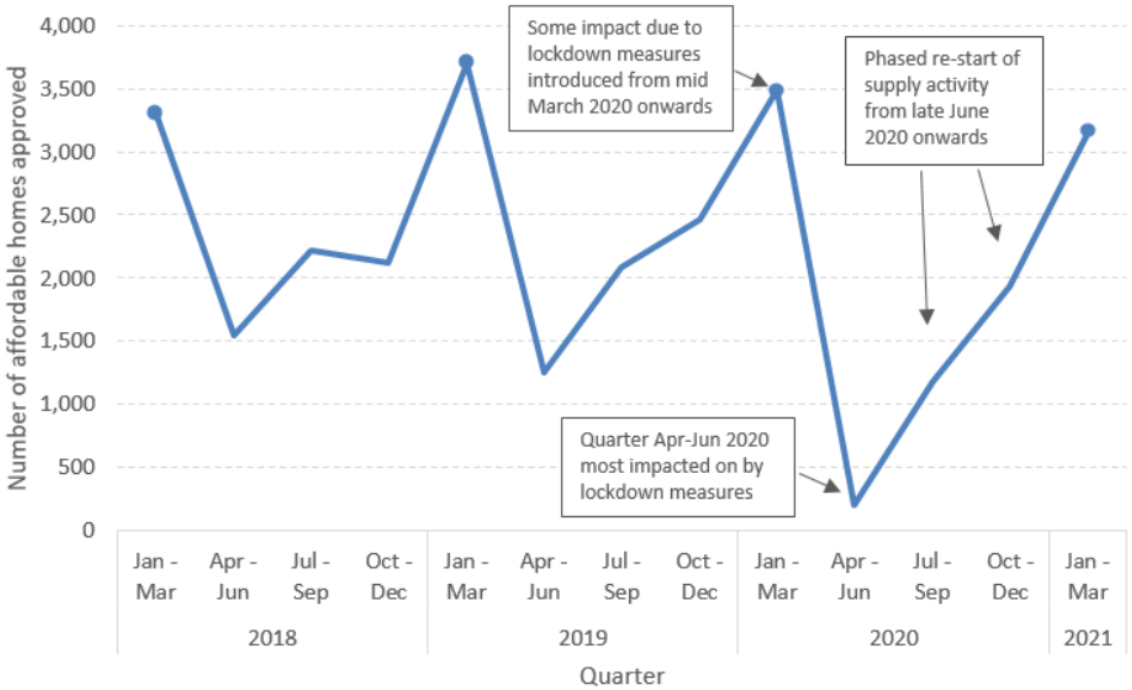
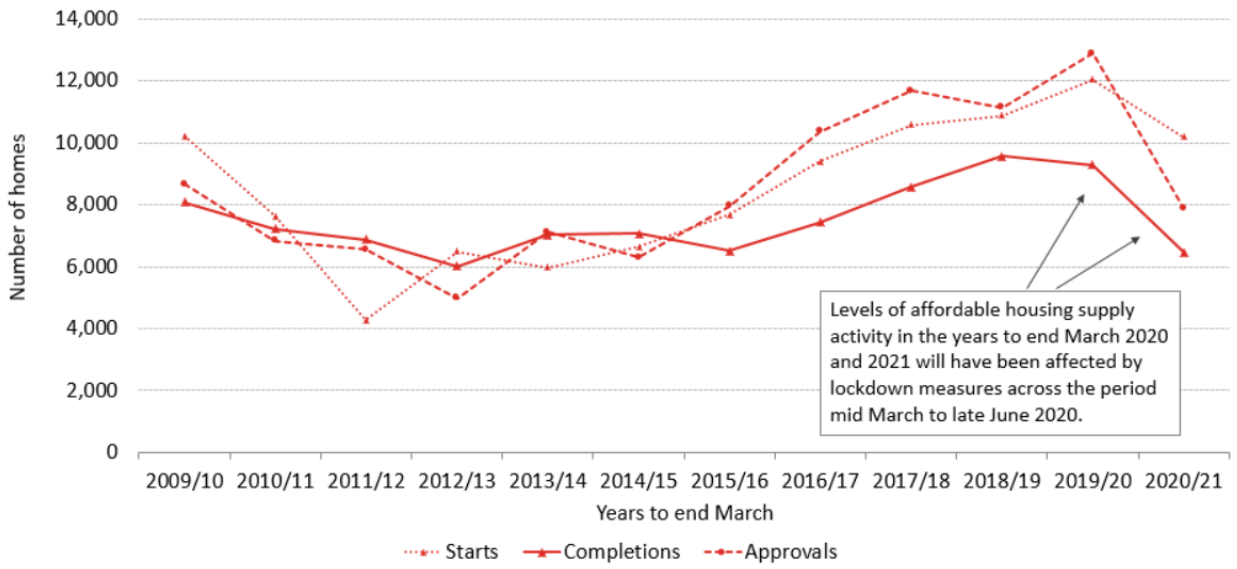


Chart 12 below shows that the numbers of homes approved, started and completed have all decreased on an annual basis over the latest year to end March 2021. In the year to end March 2021, 7,882 affordable homes were approved, a decrease of 5,004 homes (39%) on the previous year. 10,199 homes were started, a decrease of 1,846 homes (15%) on the previous year, and 6,466 affordable homes were completed, a decrease of 2,830 homes (30%) 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 March 2021



Charts 13 to 15 below present information on trends in affordable housing supply by type. Chart 13 shows that total affordable housing supply programme approvals decreased by 39% between 2020 and 2021 (years to end March). In the latest year 2021, social rent approvals accounted for 78% of all approvals, with affordable rent and affordable home ownership each making up 11% of the remaining total.

In the year to end March 2021, there were 6,164 homes approved for social rent, a decrease of 39% (3,893 homes) on the same period in 2020. There were 878 approvals for affordable rent, a decrease of 37% (519 homes) on the same period in 2020. 840 homes were approved for affordable home ownership in the year to end March 2021, a drop of 41% (592 homes) compared with the previous year.

Chart 13: 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)

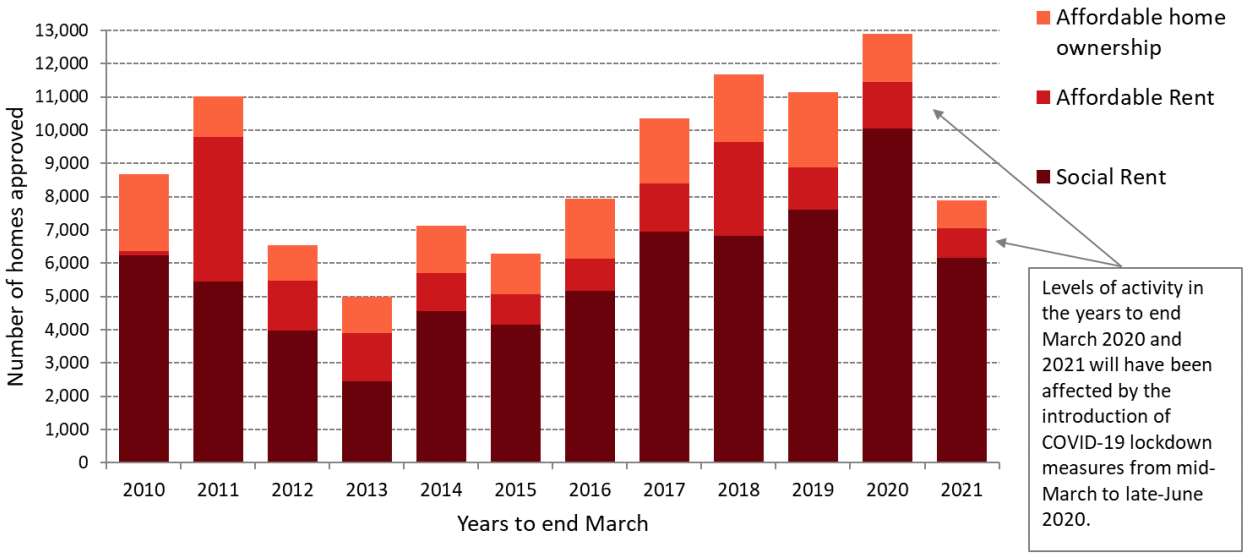


Chart 14 illustrates that total affordable housing supply programme starts decreased by 15% between 2020 and 2021 (years to end March). In the latest year, social rent starts accounted for 77% of all starts, with affordable rent and affordable home ownership making up 14% and 9% of the total, respectively.

In the year to end March 2021, there were 7,853 starts for social rent, a decrease of 11% (929 homes) than the previous year. There were 1,423 homes started for affordable rent in the year to end March 2021, a drop of 27% (539 homes) on the same period in 2020. In the year to end March 2021, 923 homes were started for affordable home ownership, a decrease of 29% (378 homes) than in the previous year.

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 March)

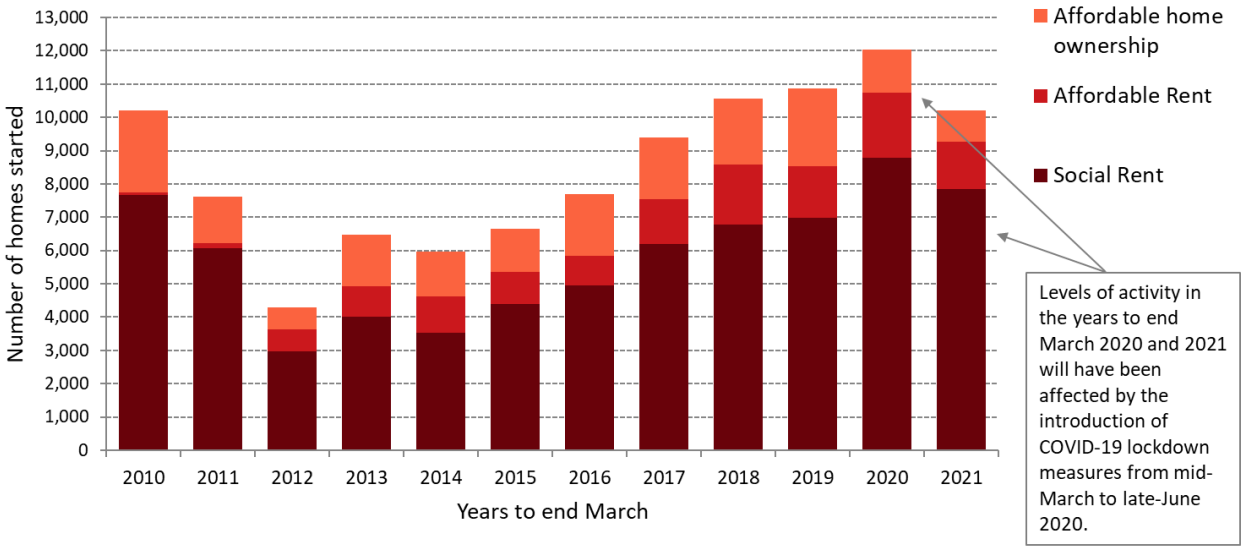
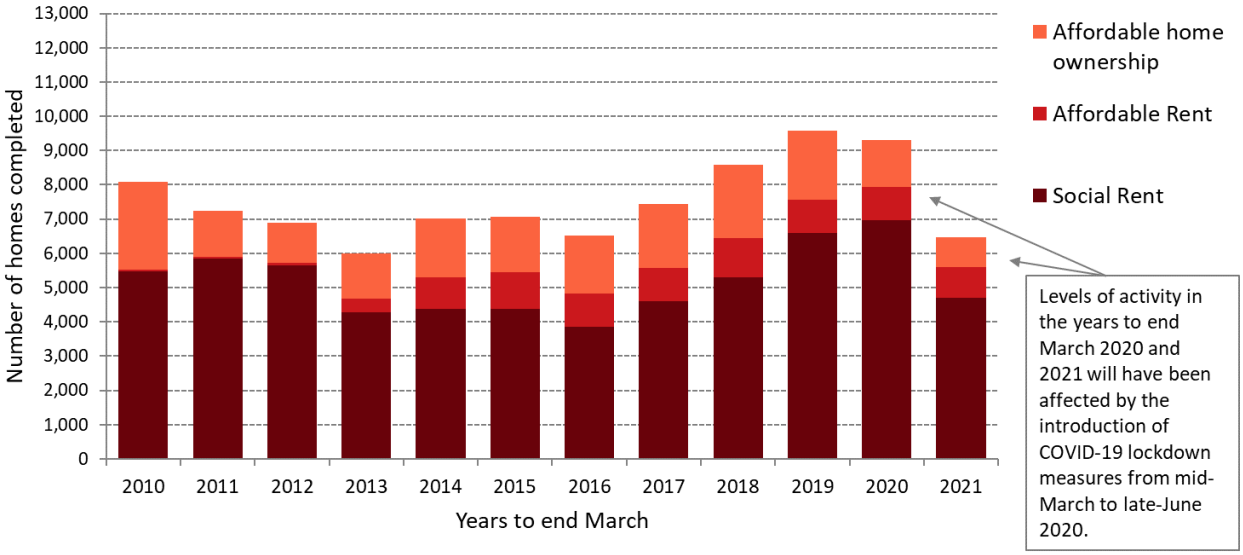


Chart 15 shows that total affordable housing supply programme completions decreased by 30% between 2020 and 2021 (years to end March). In the latest year, social rent completions accounted for 73% of all completions, with affordable rent and affordable home ownership making up 14% and 13% of the total, respectively.

In the year to end March 2021, there were 4,698 homes completed for social rent, a decrease of 33% (2,264 homes) than the previous year. There were 904 affordable rent homes completed in the year to end March 2021, a drop of 7% (63 homes) compared with 2020. A total of 864 homes were completed for affordable home ownership in the year to end March 2021, a decrease of 37% (503 homes) than in 2020.

Chart 15: In the latest year, Affordable Housing Supply Completions consisted of 73% social rent completions, 14% affordable rent completions and 13% affordable home ownership completions (years to end March)



Comparison with the rest of the UK from 2007/08 to 2020/21

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[6]. 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 16 below illustrates how the figures per 10,000 population have varied across the 2007/08 to 2020/21 period for Scotland, England, Wales and Northern Ireland.

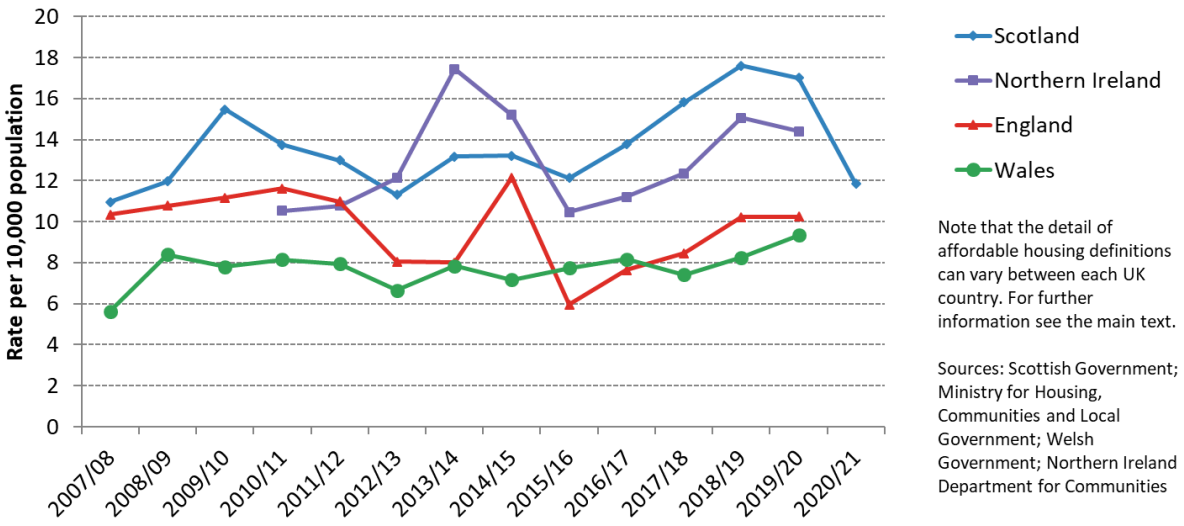
[6] Affordable Housing Supply figures for England, Affordable Housing Supply figures for Wales, Affordable Housing Supply figures for Northern Ireland

Between 2007/08 and 2019/20, the latest year in which there are figures available across all UK countries, 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 (7.7 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 9,296 affordable homes completed in Scotland in the 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 9.3 in Wales and 14.4 in Northern Ireland[7].

The 6,466 affordable homes completed in in Scotland in the latest financial year 2020/21 equates to a rate of 11.8 homes delivered per 10,000 population, the lowest rate of homes delivered in Scotland since 2012/13, athough this figure will have been impacted by the lockdown measures in place from mid-March to late June 2020, along with the subsequent phased restart of supply activity.

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 to 2014/15



Affordable housing supply figures for 2020/21 for England, Wales and Northern Ireland are not yet available, however these will be added to Chart 16 in future publications when the figures are published.

Note that 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.

[7] 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.

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 1.9 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.

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.

If you would like to be consulted about statistical collections or receive notification of publications, please register your interest through the ScotStat register. Details of forthcoming publications can be found on the Scottish Government statistics and research pages.

ISBN 978-1-80201-054-1

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Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS878686 (06/21)