

# Scottish Social Housing Tender Price Index (SSHTPI)

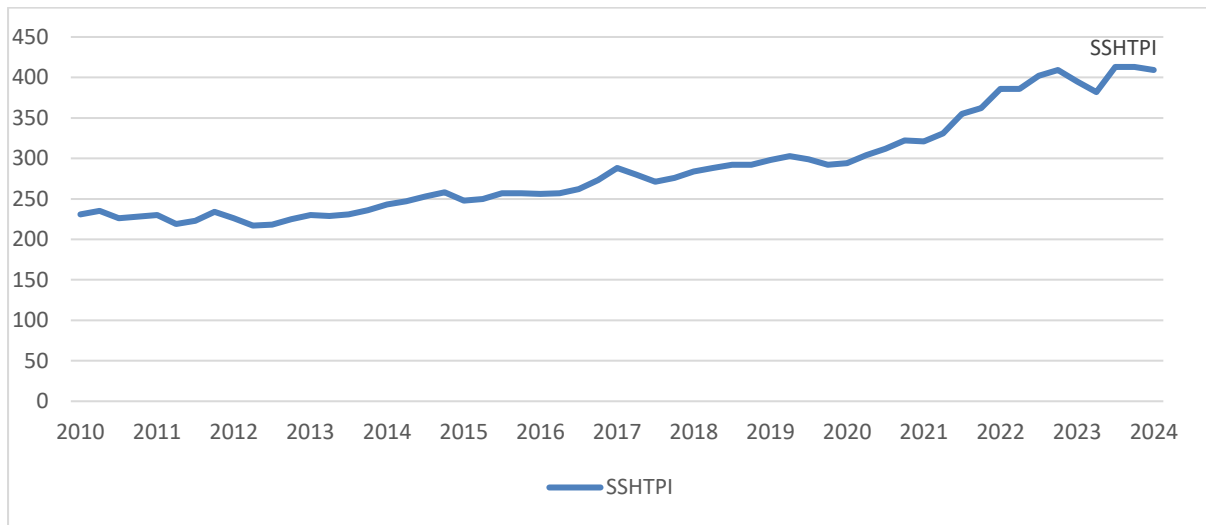
## Quarterly Briefing - December 2024

Prepared by the Building Cost Information Service (BCIS) for the Scottish Government More Homes Division

## Quarter 2 2024 to 2025 Index

- The quarters relate to the financial year, i.e., 1Q: April to June; 2Q: July to September; 3Q: October to December; 4Q: January to March.
- The index for 2Q 2024 to 2025 shows an increase of 3.5% in the year from 2Q 2023 to 2024. It is based on a small sample and is likely to be revised as the sample improves.
- There are insufficient projects to produce an index for 1Q 2024 to 2025, no change is shown for this quarter.
- The SSHTPI for 4Q 2023 to 2024 is now firm and has increased by 8.1% from the previous quarter and by 2.7% compared with 4Q 2022 to 2023.
- This indicates the largest quarterly increase since 3Q 2010 to 2011 and follows two consecutive quarterly declines.
- The index for 4Q 2023 to 2024 is based on a sample of 25 projects and is now firm.

**Figure 1: Scottish Social Housing Tender Prices (SSHTPI:1985=100)**



Source: Scottish Government

## Background

- The provisional results for 2Q 2024 to 2025 indicate a decline of 1.0% on 4Q 2023 to 2024, (no viable result for 1Q 2024 to 2025) and an increase of 3.5% in the year from 2Q 2023 to 2024.
- The 2Q 2024 to 2025 figure is based on 8 projects and will be subject to revision.
- The firm index for 4Q 2023 to 2024 indicates a quarterly increase of 8.1%, following two consecutive quarters of decline, this is the highest quarterly increase, upstaging the previous highest quarterly change of 7.3% in 4Q 2021 to 2022.
- On an annual basis, the 4Q 2023 to 2024 figure is up on 4Q 2022 to 2023 by 2.7%.
- Underlying construction costs of labour, materials, and plant, as measured by the BCIS General Building Cost Index (GBCI), rose 1.3% quarter-on-quarter in 2Q 2024 to 2025 increased by 2.9% when compared with the same quarter a year earlier.
- Over the year to 2Q 2024 to 2025 underlying inflation, as measured by the Consumer Prices Index (CPI), rose by 2.1%.

## Table 1: SSHTPI Quarterly Index

Published index base 1985 = 100

Financial quarter notes: 1Q: first quarter April to June; 2Q: second quarter July to September; 3Q: third quarter October to December; 4Q: fourth quarter January to March.

Calendar quarter	Financial quarter	Index value	Sample size	Status
2Q 2017	1Q 2017-2018	273	7	Firm
3Q 2017	2Q 2017-2018	288	20	Firm
4Q 2017	3Q 2017-2018	280	36	Firm
1Q 2018	4Q 2017-2018	271	45	Firm
2Q 2018	1Q 2018-2019	276	22	Firm
3Q 2018	2Q 2018-2019	284	22	Firm
4Q 2018	3Q 2018-2019	288	38	Firm
1Q 2019	4Q 2018-2019	292	48	Firm
2Q 2019	1Q 2019-2020	292	22	Firm
3Q 2019	2Q 2019-2020	298	31	Firm
4Q 2019	3Q 2019-2020	303	42	Firm
1Q 2020	4Q 2019-2020	299	36	Firm
2Q 2020	1Q 2020-2021	292	6	Firm
3Q 2020	2Q 2020-2021	294	20	Firm
4Q 2020	3Q 2020-2021	304	22	Firm
1Q 2021	4Q 2020-2021	312	24	Firm
2Q 2021	1Q 2021-2022	322	7	Firm
3Q 2021	2Q 2021-2022	321	11	Firm
4Q 2021	3Q 2021-2022	331	26	Firm
1Q 2022	4Q 2021-2022	355	23	Firm
2Q 2022	1Q 2022-2023	362	16	Firm
3Q 2022	2Q 2022-2023	386	17	Firm
4Q 2022	3Q 2022-2023	386	23	Firm
1Q 2023	4Q 2022-2023	402	20	Firm
2Q 2023	1Q 2023-2024	409	22	Firm
3Q 2023	2Q 2023-2024	395	22	Firm
4Q 2023	3Q 2023-2024	382	22	Firm
1Q 2024	4Q 2023-2024	413	25	Firm
2Q 2024	1Q 2024-2025	413	*Insufficient sample	Provisional
3Q 2024	2Q 2024-2025	409	8	Provisional

\*There were insufficient projects to calculate a figure, so it has been left unchanged from the previous quarter.

Source: Scottish Government

Note: The quarterly index is a smoothed, trimmed geometric mean of the normalised project index (see note on calculation).

## Table 2: SSHTPI Location Indices

Calendar quarter 3Q 2024, Financial quarter 2Q 2024 to 2025, Publication quarter 4Q 2024

Location Code	Location	Index Value	Sample Size	Status
M	Mainland	99	282	Provisional
MA	Scottish Borders	110	8	Provisional
MB	Clackmannanshire, Stirling, Falkirk	98	13	Provisional
MC	Dumfries and Galloway	104	8	Provisional
MD	Fife	89	25	Provisional
ME	Aberdeenshire and Moray	100	35	Provisional
MF	Aberdeen City	72	6	Provisional
MG	Highland	109	31	Provisional
MH	West Coast	131	9	Provisional
MJ	City of Edinburgh	114	10	Provisional
MK	Lothian	94	33	Provisional
ML	City of Glasgow	98	16	Provisional
MM	Ayrshire	98	16	Provisional
MN	Glasgow Environs	88	29	Provisional
MP	South Lanarkshire	101	10	Provisional
MQ	Dundee City	110	8	Provisional
MR	Angus, Perth and Kinross	94	25	Provisional
Z	Island	115	21	Provisional
ZA	Orkney Islands	92	7	Provisional
ZB	Shetland Islands	133	7	Provisional

Note: the location indices are calculated over 15 quarters and are based on the Scottish mean = 100 (See note on calculation). Sample sizes  $\leq 4$  they are not included in Table 2.

Source: Scottish Government

## **SSHTPI calculation**

The Scottish Social Housing Tender Price index is based on comparing the prices for the construction of houses in current schemes with cost models of dwellings of different type (terraced, semi-detached and detached houses and flats in different block configurations); occupancy (numbers of bedrooms and occupants), and size (floor area). These are adjusted for specification and design differences to provide a project tender price index. The project indices are adjusted for location and size of project. The quarterly index is calculated by averaging (geometric mean) the adjusted project indices in each quarter. The index is smoothed to take account of the variation in the sample sizes. A [full description of the index](#) is available.

The index offers a guide to the movement in prices in social housing schemes in Scotland and is used by the Scottish Government More Homes Division to update the Housing Tender Return, indicative cost calculation.

### **Scottish construction output**

BCIS have adjusted the Scottish output to constant prices using the GB deflator.

## **Contacts**

Jeff Bell

[Jeff.Bell@gov.scot](mailto:Jeff.Bell@gov.scot)

Rosemary Craig

[Rosemary.Craig@gov.scot](mailto:Rosemary.Craig@gov.scot)

Prepared by the Building Cost Information Service (BCIS) for the Scottish Government More Homes Division