A National Statistics publication for Scotland

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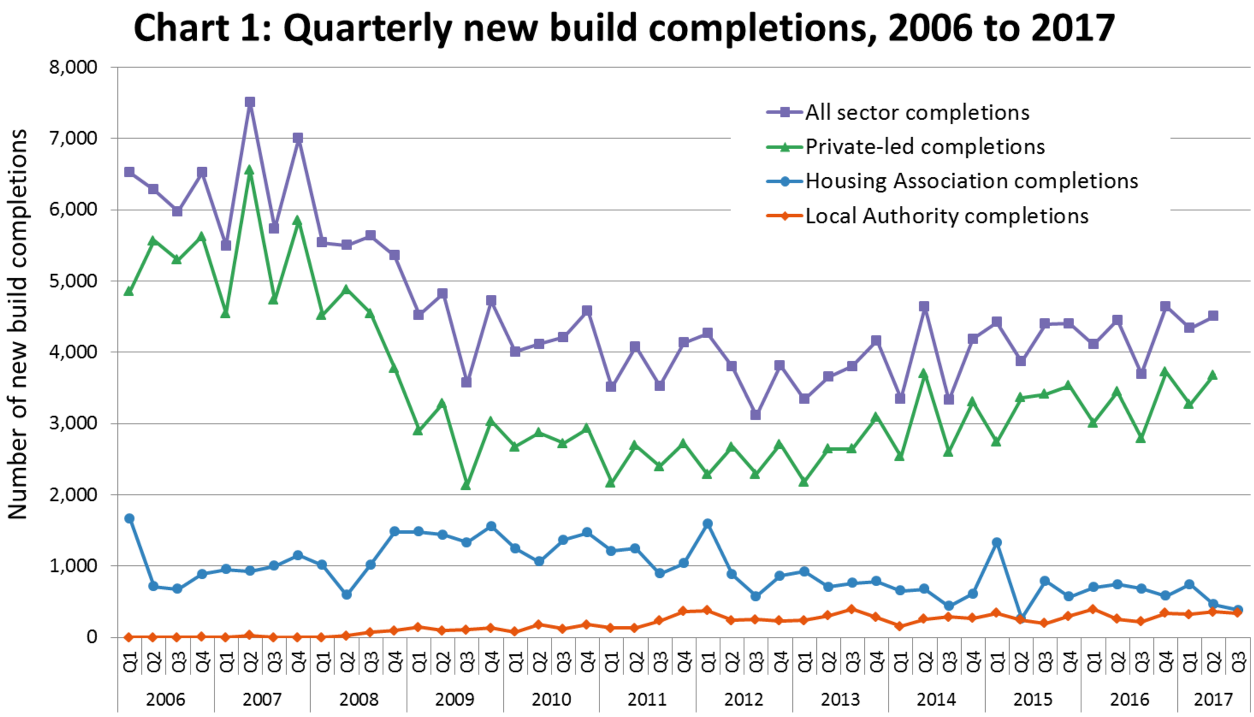
PEOPLE, COMMUNITIES AND PLACES

Housing Statistics for Scotland Quarterly Update (published 12 December 2017)

This quarterly statistical publication provides information on recent trends in:

- **New build housing starts and completions** by sector (up to end June 2017, with more up-to-date social sector information available up to end September 2017)
- **The Affordable Housing Supply Programme** (up to end September 2017)
- **Local authority house sales including Right to Buy** (up to end June 2017)
- **Long term empty properties and second homes** (as at September 2017)

Background information including Excel tables and an explanatory note on the Quarterly Housing Statistics can be found in the Housing Statistics webpages.



Key Points

New Build Housing – All Sectors

There were 4,503 **new build homes completed** between April and June 2017; a 1% increase (49 homes) on the same quarter in 2016. This brings the total for the year to end June 2017 to 17,178, down 1% (186 homes) compared to the 17,364 completed in the previous year.

There were 4,560 **new build homes started** between April and June 2017, 10% more than the same quarter in 2016. This brings the total for the year to end June 2017 to 19,598 which is up by 13% (2,188 homes) compared to the 17,410 homes started in the previous year.

New Build Housing – Private-led Housing

Between April and June 2017, 3,684 **private sector led homes** were **completed**; 7% more (232 homes) than the same quarter in 2016. This brings the total for the year to end June 2017 to 13,470, which is 59 homes (0.4%) more than the 13,411 completions in the previous year.

There were 3,972 **private sector led starts** between April and June 2017, up 15% on the same quarter in 2016. This brings the total for the year ending June 2017 to 13,364, which is 5% (668 homes) more than the 12,696 starts in the previous year.

New Build Housing – Social Sector Housing (Housing Association and Local Authority combined)

There were 819 **social housing completions** between April and June 2017; 18% less than the same quarter in 2016. This brings the total for the year to end June 2017 to 3,708. This is a 6% decrease on the 3,953 social sector completions in the previous year.

Meanwhile, 588 **social sector homes** were **started** between April and June 2017; 15% less than the same quarter in 2016. This brings the total for the year to end June 2017 to 6,234. This is a 32% increase on the 4,714 social sector starts in the previous year.

More up-to-date figures show that, between July and September 2017, 725 social sector homes were completed (20% fewer than the 903 completions in the same quarter in 2016), and 935 were started (29% fewer than the same quarter in the previous year). This brings the total completions for the 12 months to end September 2017 to 3,530 (a 9% decrease on the 3,871 social sector homes completed in the previous year). Total starts over the 12 months to end September 2017 are now at 5,849 (14% more than the 5,142 started in the previous year).

New Build Housing – Housing Association Homes

There were 462 **housing association completions** between April and June 2017, 38% less than the 746 completions in the same quarter in 2016. This brings the total for the year to end June 2017 to 2,464, a 12% (339 homes) decrease on the 2,803 completions over the previous year.

There were 426 **housing association approvals** between April and June 2017; 21% more than the 351 approvals in the same quarter in the previous year. This brings the total for the year to end June 2017 to 5,020. This is an increase of 63% (1,942 homes) on the 3,078 approvals in the previous year.

More up-to-date figures show that a total of 386 Housing Association homes were completed between July and September 2017, 43% less completions than in the same period in the previous year (681 homes). This brings the total completions for the 12 months to end September 2017 to 2,169, which is a decrease of 19% on the 2,694 homes completed in the previous year. A total of 540 Housing Association homes were approved between July and September 2017, 34% less than the 817 approvals in the same quarter in 2016. This brings the total approvals for the 12 months to end September 2017 to 4,743, a 33% increase on the 3,563 approvals in the previous year.

New Build Housing – Local Authority Homes

There were 357 **local authority completions** between April and June 2017, which is 39% more than the number that were completed in the same quarter in 2016. This brings the total for the year ending June 2017 to 1,244. This is a 8% (94 homes) increase on the 1,150 completions the previous year.

There were 162 **local authority starts** between April and June 2017; 53% lower than the number in the same quarter in 2016. This brings the total for year ending June 2017 to 1,214. This is a 26% (422 homes) decrease on the 1,636 starts in the previous year.

More up-to-date figures show that, between July and September 2017, 339 local authority houses were completed (53% more homes than the same quarter in the previous year), and 395 were started (21% fewer homes than the same quarter in the previous year). This brings the total completions for the year to end September 2017 to 1,361, which is 16% more than the previous year. Total starts for the 12 months to end September 2017 now stands at 1,106 which is a decrease of 30% on the 1,579 local authority homes started in the previous year.

Affordable Housing Supply – up to end September 2017

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

The latest statistics for the year to end September 2017 show that **affordable housing supply completions** have totalled 6,795, down 1% (82 homes) on the previous year. This includes an increase in affordable rent completions (up by 7% or 59 homes), but decreases in social rent completions (down by 2% or 91 homes) and affordable home ownership completions (down by 3% or 50 homes).

There were 9,928 **affordable housing approvals** over the year up to end September 2017, up by 12% or 1,031 homes compared to the previous year. This includes increases in social rent approvals (up by 15% or 831 homes) and affordable rent approvals (up by 19% or 242 homes), but with a decrease in affordable home ownership approvals (down by 2% or 42 homes).

There were 9,287 **affordable houses started** in the year to end September 2017, up by 8% or 726 homes compared to the previous year. This includes increases in social rent starts (up by 5% or 304 homes) and affordable rent starts (up by 71% or 626 homes), but a decrease in affordable home ownership starts (down 10% or 204 homes).

Quarterly affordable housing supply statistics are used to inform the Scottish Government target to deliver 50,000 affordable homes, including 35,000 homes for social rent, over the period 2016/17 to 2020/21.

Local Authority Right to Buy Applications and Sales

The Right to Buy scheme closed to all new applicants on 31 July 2016, therefore there have been no **Right to Buy applications** made during the last three quarters (October 2016 to June 2017). Throughout the final year of the scheme (the year to end September 2016) there were 9,060 applications made, more than double the 3,890 applications that were made in the previous year to end September 2015. This increase is likely to have been because this was the last chance for social housing tenants with an entitlement to exercise their Right to Buy before the scheme closed.

It can take a period of time for applications to be processed and for sales to be made, and therefore **Right to Buy sales** are still being recorded. In the latest available quarter, April to June 2017, there were 787 Right to Buy sales, 56% more than the 506 sales in the same quarter in the previous year, however this was 19% less than the 971 sales in the previous quarter, January to March 2017. This drop in sales compared to the previous quarter suggests that the recent increase in sales may have now peaked, and may begin to fall further in future quarters as the number of applications remaining in the system falls.

Long Term Empty Properties and Second Homes

The total number of long term empty properties and second homes has increased in the latest year by 930 properties (2%) from 61,865 in September 2016 to 62,795 in September 2017. However the figure as at September 2017 is 3,258 homes (5%) lower than the 66,053 properties recorded as at September 2012.

Contents

New Build Housing – All sectors

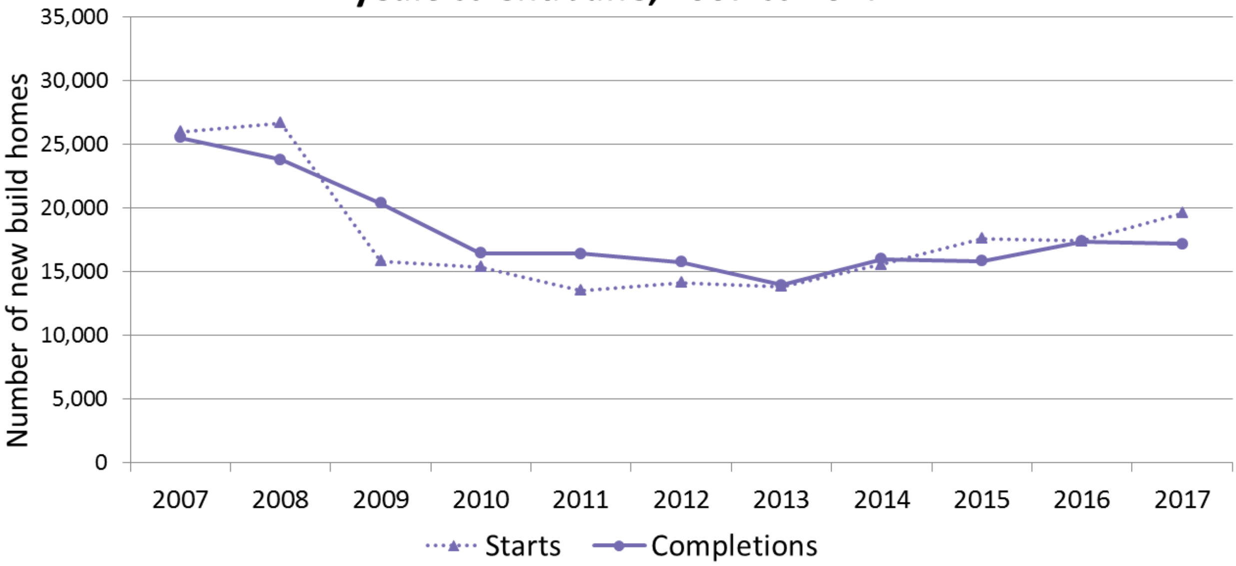
The new-build section of this document provides figures on the number of homes started (when the foundations are begun) and completed (when a building inspector deems the property complete).

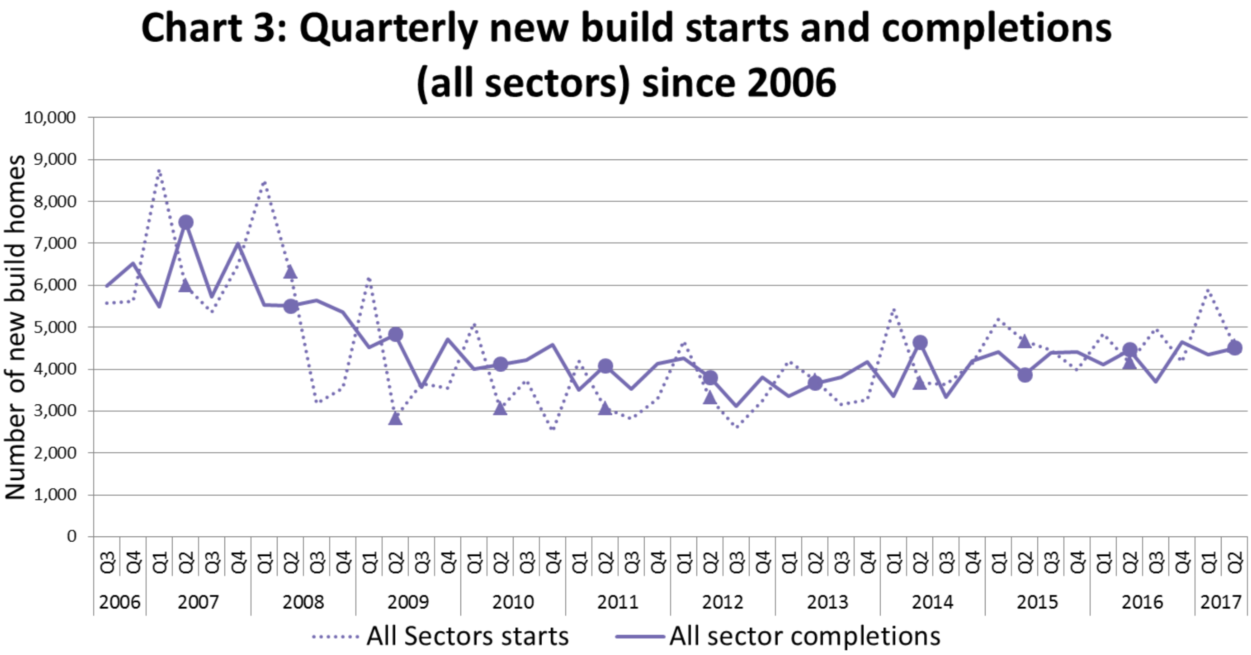
Figures are presented for homes built on privately led (referred to throughout as private sector), local authority led (referred to as local authority sector) and housing association led (referred to as housing association sector) sites. For the private sector the latest information available is for the quarter ending June 2017. Whilst more up-to-date information is available for local authority and housing association new builds, findings for these sectors are mainly presented up to June 2017 to simplify comparisons between sectors.

The figures have not been seasonally adjusted and so commentary tends to compare the latest quarter with the same quarter the previous year. To help with this, Quarter 2 figures (from April to June) 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.

Chart 1 (see page 1) shows the number of private sector, social sector and total new homes completed each quarter since 2006, whilst Charts 2 and 3 (below) show annual and quarterly trends, respectively, in starts and completions across all sectors.

Chart 2: Annual all sector new build starts and completions, years to end June, 2007 to 2017





Trends over the last ten years

Charts 1 to 3 all clearly show the impact of the recession in the second half of the last decade, with private sector led completions in particular falling throughout 2008 and 2009 (years to end June) due to the financial crisis. Completions for all sectors fell more gradually between 2010 and 2013, after which there have been annual increases seen in 2014 and 2016, with slight decreases seen in 2015 and 2017.

The picture on all sector starts has been generally similar to the trends seen in completions, although most of the steep drop following the financial crisis was seen in 2009, and starts in the latest year (2017) have increased by 13%.

Trends to end June 2017

There were 4,503 new build homes completed between April and June 2017; a 1% increase on the same quarter in 2016. This brings the total for the year to end June 2017 to 17,178, down 1% (186 homes) compared to the 17,364 completed in the previous year.

There were 4,560 new build homes started between April and June 2017; 10% more than the same quarter in 2016. This brings the total for the year to end June 2017 to 19,598 which is up by 13% (2,188 homes) compared to the 17,410 homes started in the previous year.

Comparison with the rest of the UK from 2007 to 2017

Each of the countries of the UK produces their own statistics on quarterly new build housing starts and completions by tenure, and all use broadly consistent definitions. These new build statistics for each of the countries of the UK, as well as for Great Britain and the UK as a whole can be found here: https://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building.

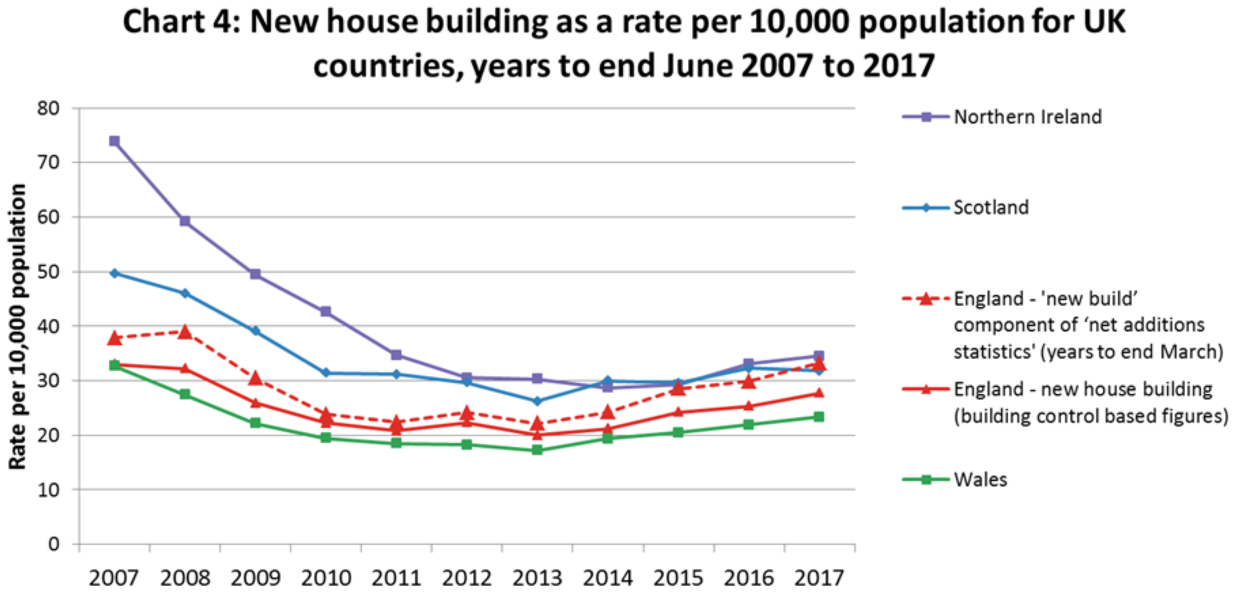
In addition to this, the Department for Local Government and Communities (DCLG) also produces an additional annual set of statistics for England on new build homes, as a component part of the 'Housing supply; net additional dwellings, England' set of statistics[1]. These statistics are collected on a 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 2016/17 were recently published on 16 November 2017, and this publication has now advised that the 'net additional dwellings' should be considered the primary and most comprehensive measure of housing supply in England.

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

As a result of this advice, the new build component figures of the 'net additional dwellings' statistics for England have been added to this UK comparison section as an additional set of figures to consider when comparing between countries. However note that the 'net additional dwellings' figures are only available on a financial year basis rather than a quarterly basis, and so there are some differences in the time periods presented.

Chart 4 shows that the rate of house building completions in Scotland has been above that of England and Wales throughout the 2007 to 2016 period (years to end June), however in the latest year whilst the rate in Scotland (32 per 10,000 population) has been above the comparable quarterly statistics for England (28 per 10,000 population), it has been slightly below the rate of 'net additional dwellings' new builds in England (33 per 10,000 population). The rate of house building completions in Scotland has been below that of Northern Ireland between 2007 and 2017 except for the years 2014 and 2015.

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

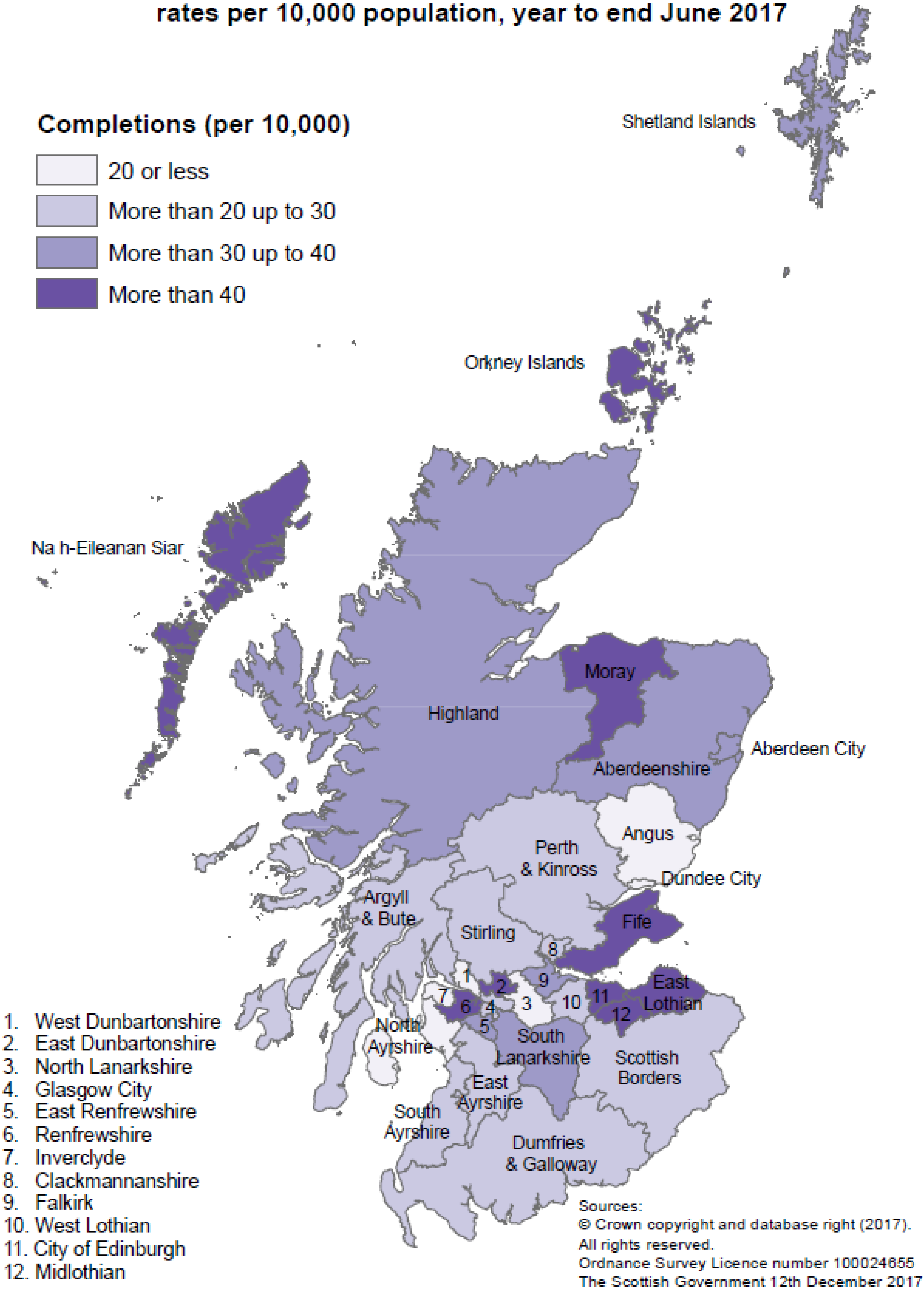


Sub-national figures for the year to end June 2017

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 2017, as a rate per 10,000 population.

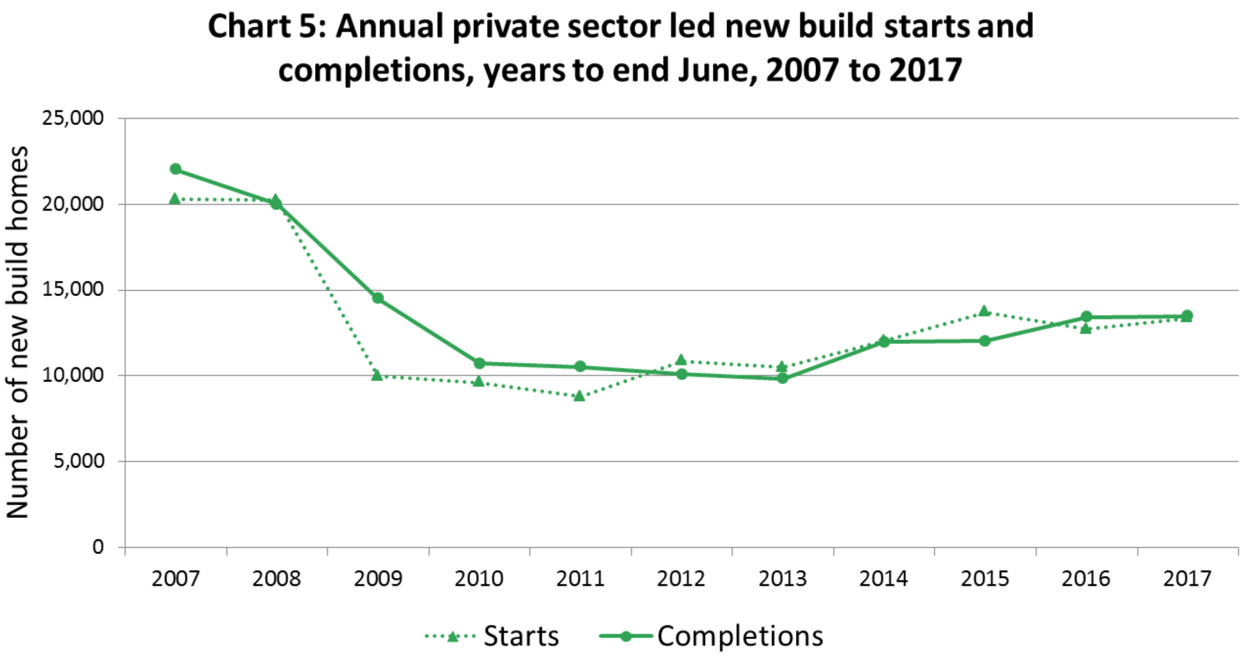
In the year to end June 2017 the highest new build rates were observed in the Orkney Islands, Midlothian, East Lothian, Fife, and Moray. The lowest rates were observed in Inverclyde, North Lanarkshire, West Dunbartonshire, North Ayrshire, and Dundee City.

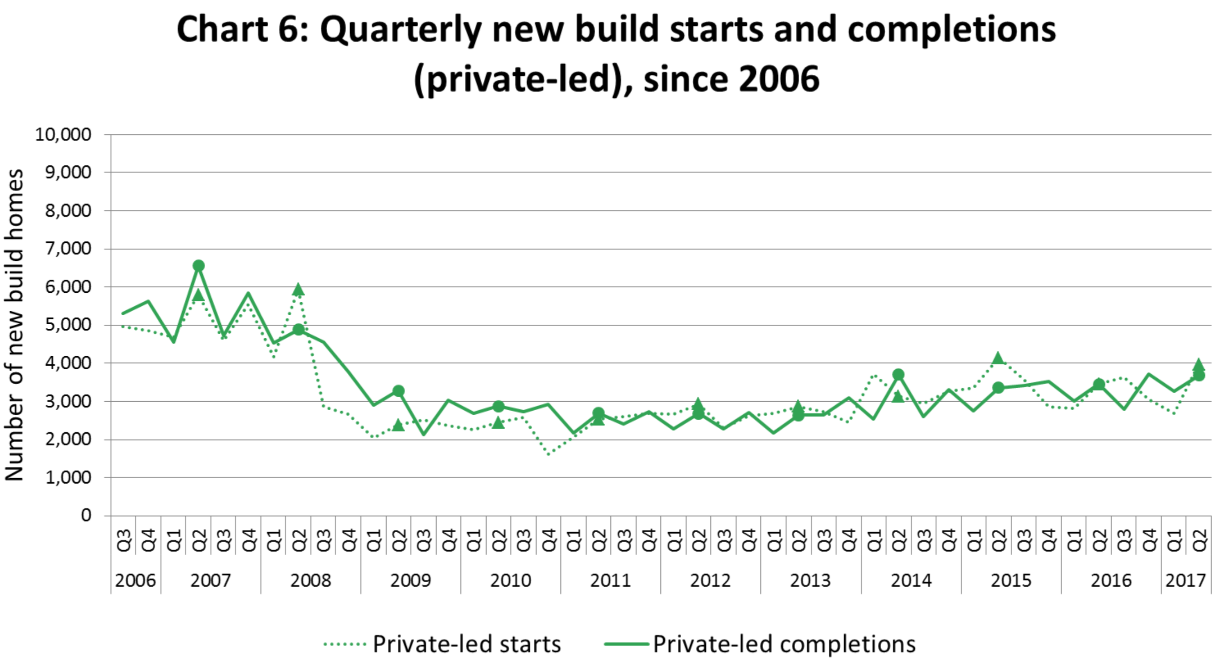
Map A: New build housing - all sector completions: rates per 10,000 population, year to end June 2017



New Build Housing – Private-led Housing

The private sector is the biggest contributor to overall house building, accounting for more than four-fifths (82%) of all homes completed in the 12 months to end June 2017.





Trends over the last ten years

In 2007 and 2008 (years to end June) the number of private sector homes started were around 20,000 while completions were around 20,000 to 22,000. Private sector led new build housing was hit particularly hard by the recession. The number of homes completed dropped steeply over the period from 2008 to 2010 then continued to decrease more gradually to under 10,000 in 2013. Since then, the number of homes completed increased each year, bringing completions through the year to just under 13,500 in the year to end June 2017.

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, is available at http://www.gov.scot/Topics/Built-Environment/Housing/BuyingSelling/help-to-buy.

Trends to end June 2017

Between April and June 2017, 3,684 private sector led homes were completed; 7% (232 homes) more than the same quarter in 2016 (see Chart 6). This brings the total for the year to end June 2017 to 13,470, which is 59 homes (0.4%) more than the 13,411 completions in the previous year.

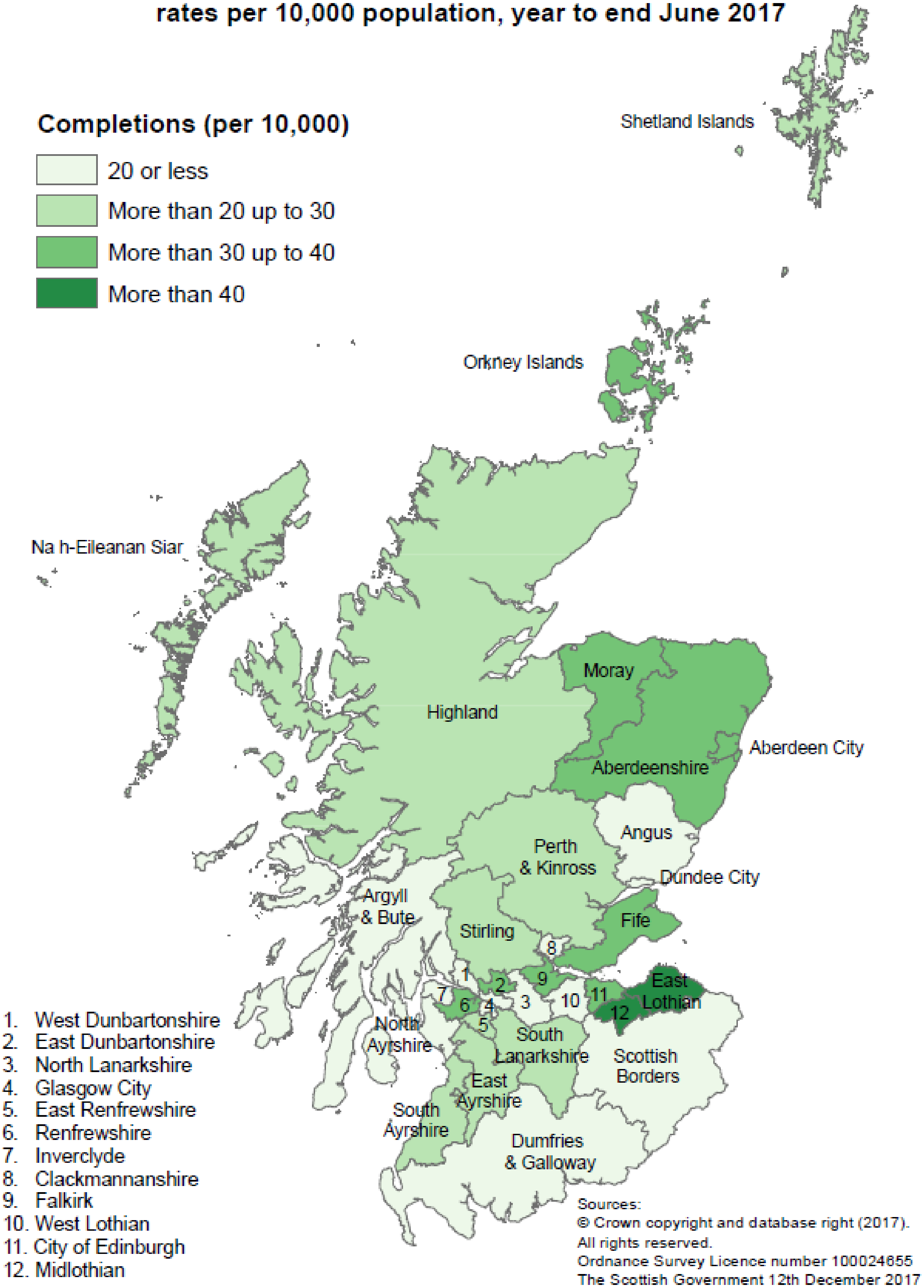
Meanwhile there were 3,972 private sector led starts between April and June 2017, up 15% on the same quarter in 2016. This brings the total for the year ending June 2017 to 13,364, which is 5% (668 homes) more than the 12,696 starts in the previous year.

Sub-national figures for the year to end June 2017

Map B shows the rates per 10,000 head of population of private sector led new build completions in each local authority for the year to end June 2017.

The highest completion rates have been in Midlothian, East Lothian, Fife, the Orkney Islands, and Moray. The lowest rates meanwhile, have been in West Dunbartonshire, Dundee City, North Lanarkshire, Inverclyde, and Glasgow City.

Map B: New build housing - private sector completions: rates per 10,000 population, year to end June 2017



New Build Housing – Social Sector

Social sector housing consists of local authority and housing association housing, and has accounted for just under a fifth (18%) of all new build homes completed over the 12 months to end June 2017. 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 2017. However, to enable easier understanding of how each sector contributes to the all sector totals described previously, figures are also presented for the same time period to end June (although quarterly charts include the latest quarter's data).

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

Chart 7a: Housing Association and Local Authority new build starts and completions, years to end June 2007 to 2017

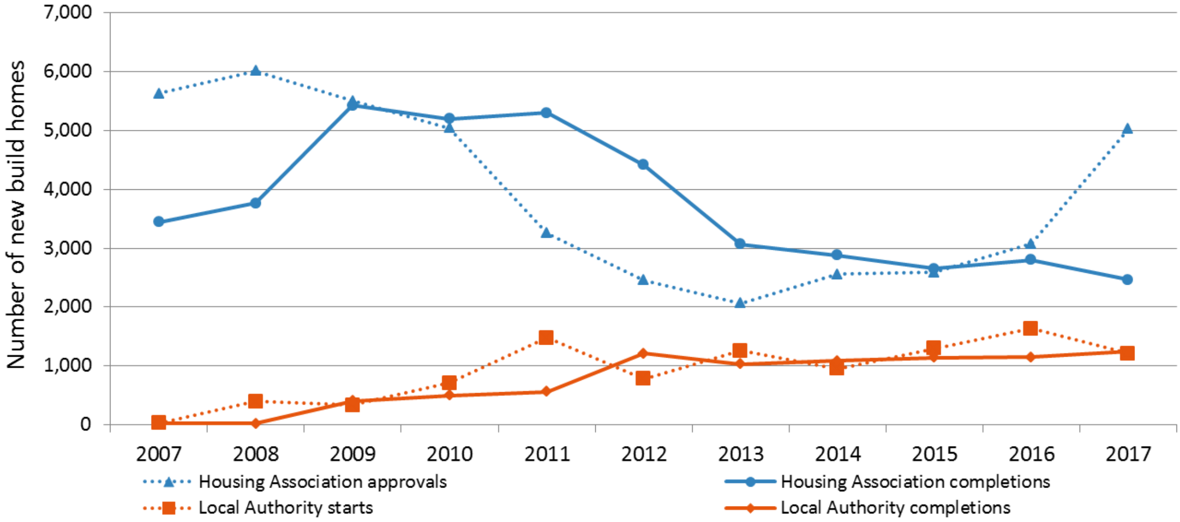


Chart 7b: Housing Association and Local Authority new build starts and completions, years to end September 2007 to 2017

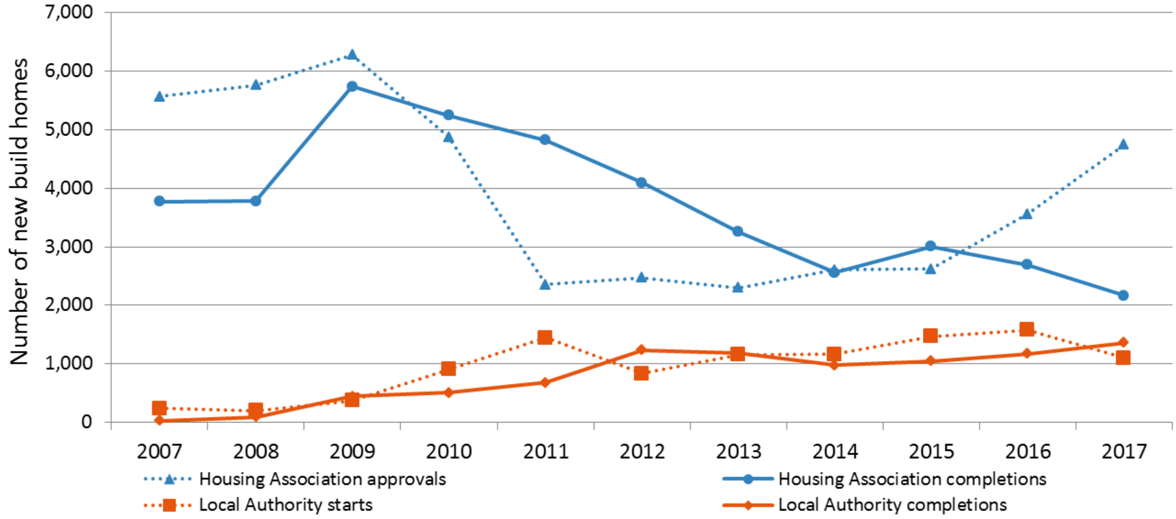


Chart 8: Quarterly new build approvals and completions (Housing Associations) since 2006

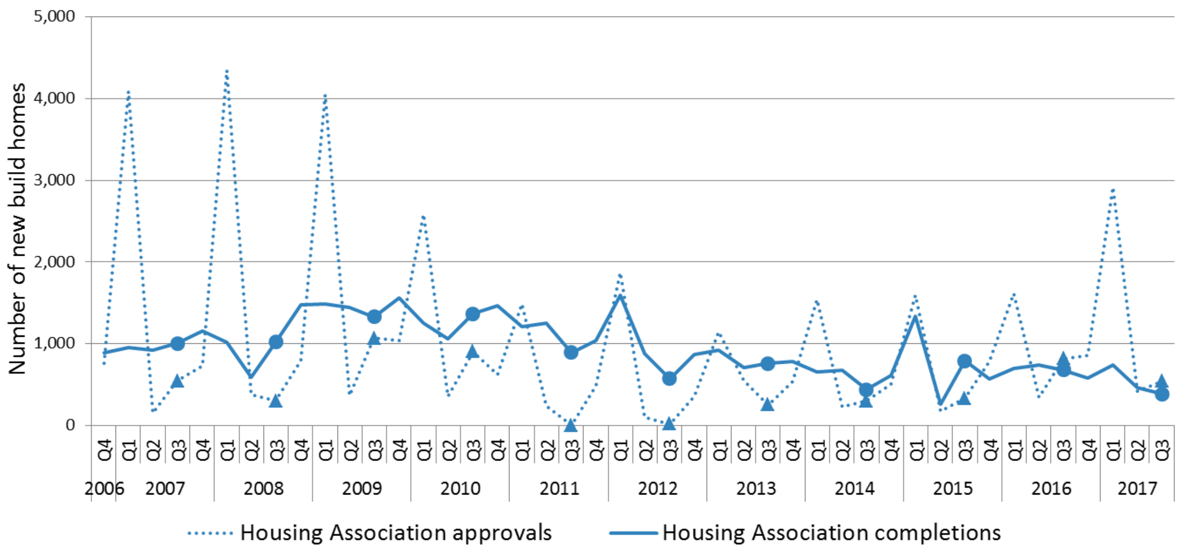
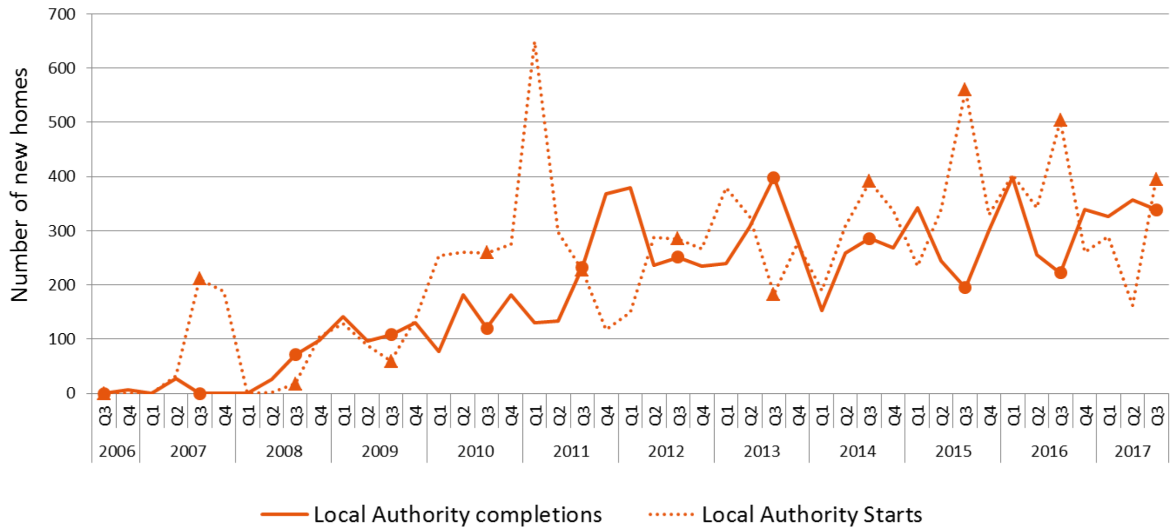


Chart 9: Quarterly new build starts and completions (Local Authority) since 2006



Trends over the last ten years

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

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

Between 2007 and 2009 (years to end June) the number of housing association completions increased from just over 3,400 to under 5,500. Completions then decreased fairly steeply to just under 3,100 in 2013, after which completions have fallen more slowly to just over 2,400 in 2017.

The number of housing association approvals meanwhile decreased from just over 5,600 to just over 2,000 from 2007 to 2013 (years to end June). The figures have since increased to just over 5,000 in the year ending June 2017, with a 63% increase in the latest year.

Very few local authority homes were built in 2007 and 2008 (years to end June). The number gradually increased from around 400 in the year ending June 2009 to over 1,200 in the year ending June 2012 and has remained fairly stable since then up until the year ending June 2017. Local Authority housing has accounted for 8% of the total amount of new build homes completed across all sectors in the 12 months to end June 2017.

Trends to end June 2017

There were 819 social housing completions between April and June 2017; 18% less than the same quarter in 2016. This brings the total for the year to end June 2017 to 3,708. This is a 6% decrease on the 3,953 social sector completions in the previous year.

Meanwhile, 588 social sector homes were started between April and June 2017; 15% less than the same quarter in 2016. This brings the total for the year to end June 2017 to 6,234. This is a 32% increase on the 4,714 social sector starts in the previous year.

Sub-national figures for the year to end June 2017

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 2017. The housing stock of 6 local authorities (Argyll & Bute, Dumfries & Galloway, Glasgow, Inverclyde, Na h-Eileanan Siar and Scottish Borders) has been transferred to housing associations and so these areas do not build new local authority houses.

In the year to end June 2017 rates of housing association new build completions were highest in the Orkney Islands, Na h-Eileanan Siar, Argyll & Bute, Glasgow City, and the Shetland Islands, whilst no new housing association houses were built in East Ayrshire, Inverclyde, and Midlothian.

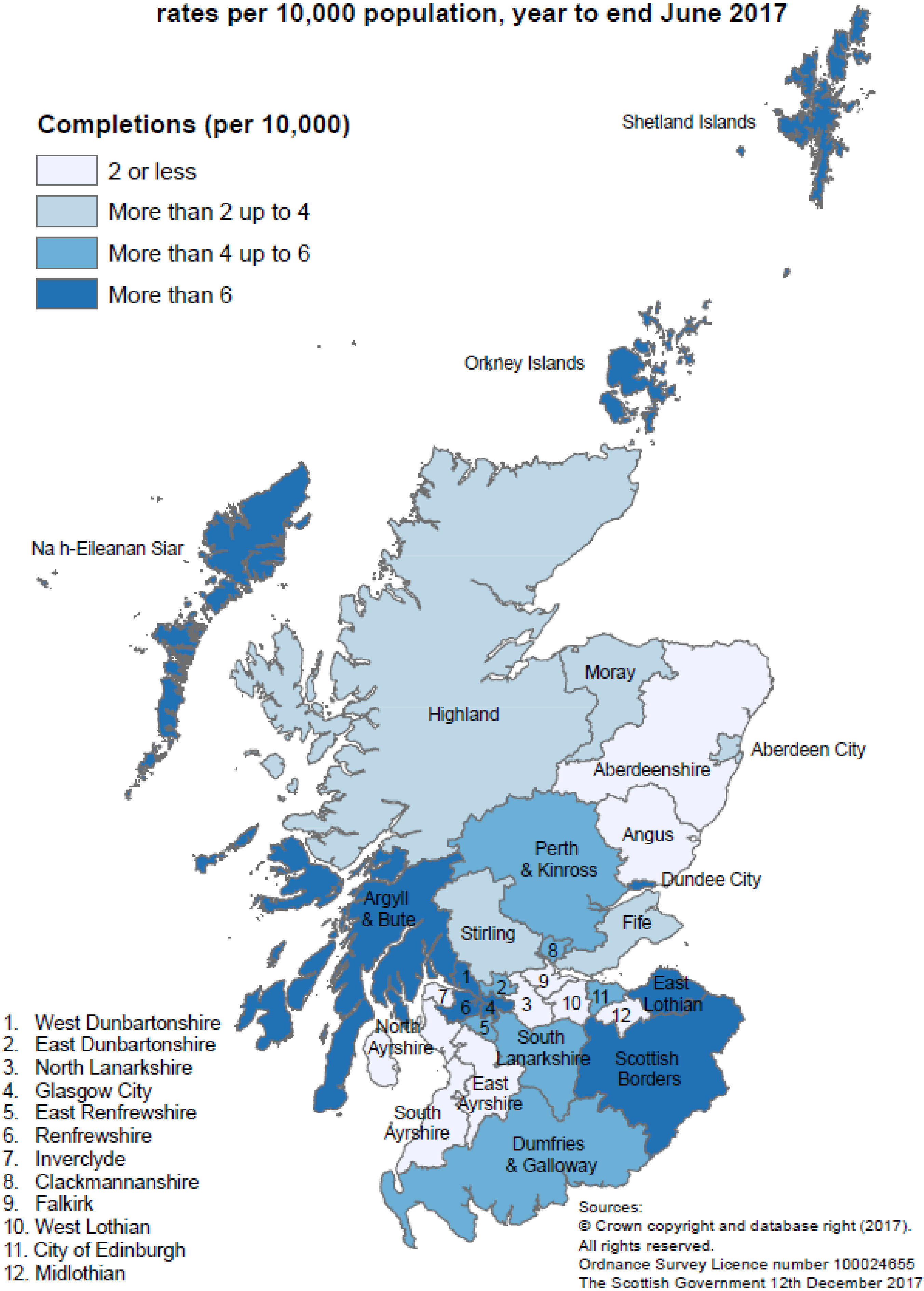
Meanwhile local authority new build rates were highest in Fife, the Orkney Islands, and East Lothian. As well as the 6 stock transfer authorities mentioned above, Dundee City, East Renfrewshire, Renfrewshire, the Shetland Islands and West Dunbartonshire built no new homes in the year ending June 2017.

Latest data to end September 2017

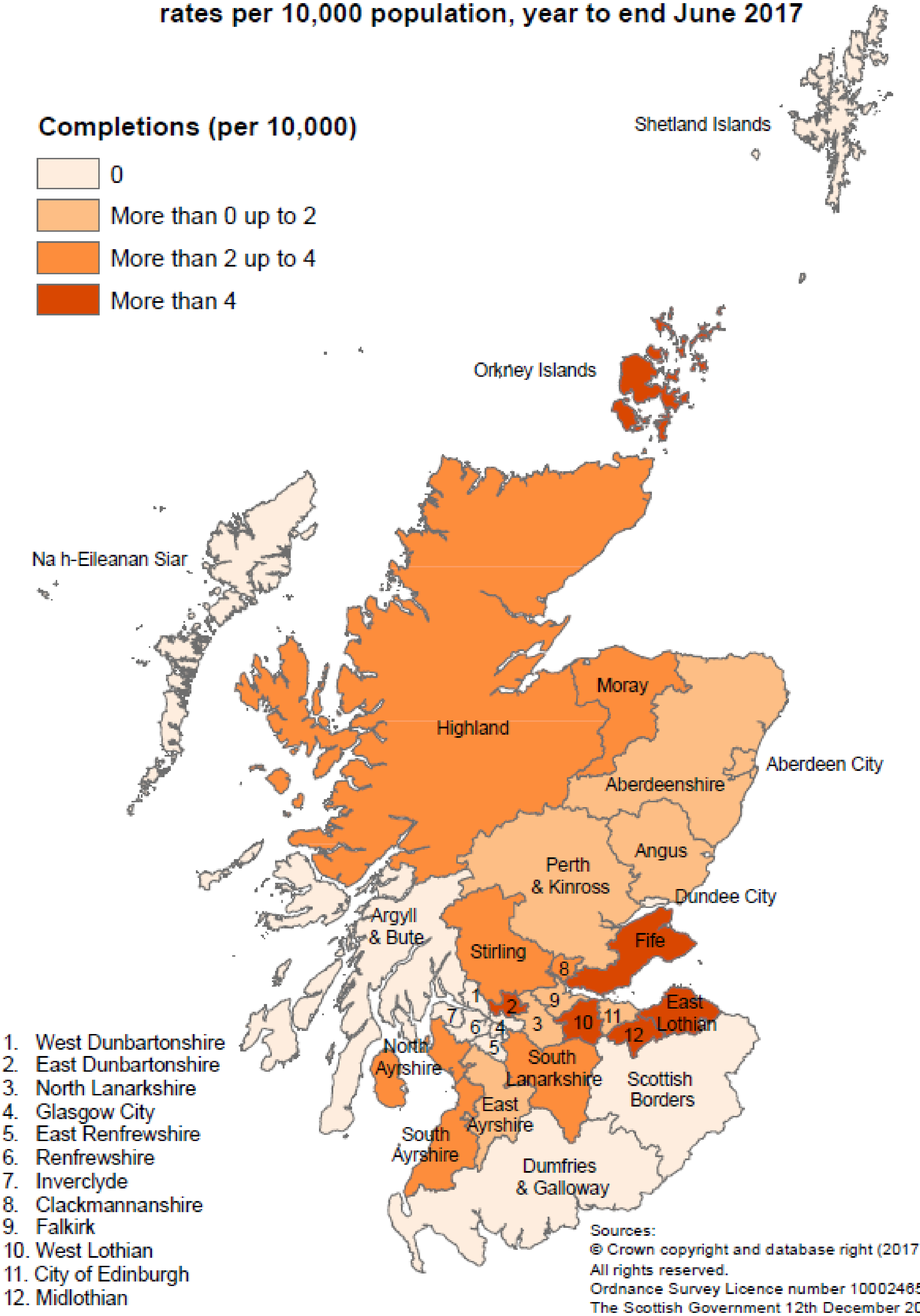
A total of 725 social sector homes were completed between July and September 2017, 20% fewer than the 903 homes completed in the same period in 2016. This brings the total for the 12 months to end September 2017 to 3,530, which is 9% less than the 3,871 completed in the previous year. The decrease in the 12 months to end September 2017 is due to a decrease in Housing Association led completions, which decreased by 19%, whereas local authority led completions increased by 16%.

Meanwhile, 935 social sector homes were started between July and September 2017. This is down by 29% compared to the same quarter in the previous year. This brings the total for the 12 months to end September 2017 to 5,849 which is a 14% increase (707 homes) on the 5,142 starts in the previous year. The increase in the 12 months to end September 2017 is due to Housing Association approvals increasing by 33% (1,180) homes whilst Local Authority starts decreased by 30% (473 homes) (see Charts 8 and 9).

Map C: New build housing - housing association sector completions: rates per 10,000 population, year to end June 2017



Map D: New build housing - local authority sector completions: rates per 10,000 population, year to end June 2017



Sources:

Ordnance Survey Licence number 100024655
The Scottish Government 12th December 2017

Affordable Housing Supply up to end September 2017

Affordable Housing Supply Programme (AHSP) statistics reflect the broader supply of affordable homes (i.e. for social rent, affordable rent and affordable home ownership) and include off the shelf purchases and rehabilitations as well as new builds. The social rent new build element of this covers largely the same houses referred to in the social sector new build section of this report. Statistics for the AHSP are available up to the end of September 2017. As a result they have been presented here for the year to end September. This differs from the figures in much of the remainder of this report which cover years to end June.

Changes in the funding programme in 2011 and 2012 impacted on the timing of affordable housing activity as well as the level of activity and this should be borne in mind when making comparisons over time.

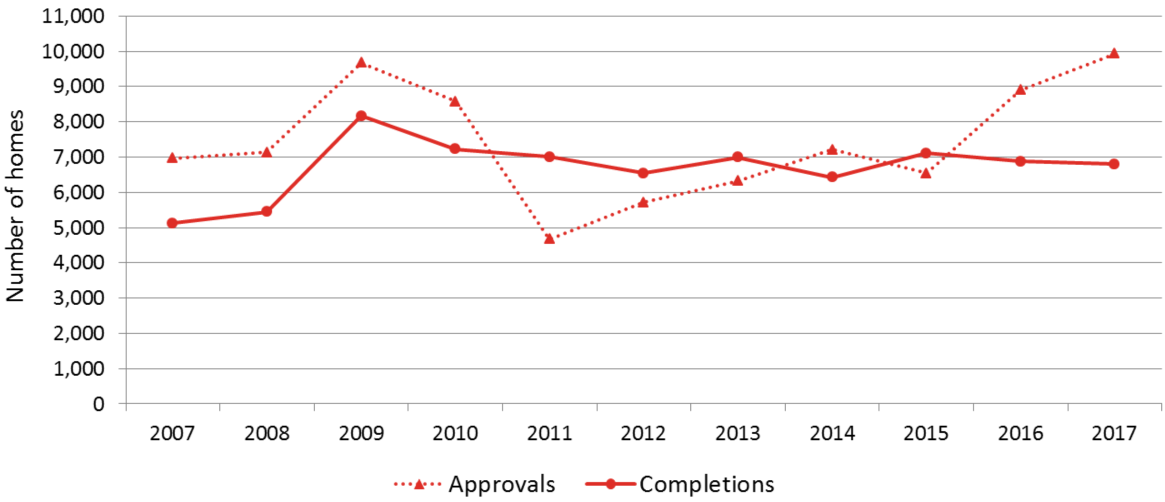
Approvals, starts and completions are all measured for the AHSP. Approval is the point at which funding is granted and, along with completion, is a significant part of the administration process meaning that the data should be of good quality. Starts meanwhile can be recorded at any point in the development,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

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

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

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

Chart 10: Annual Affordable Housing Supply Programme (AHSP) approvals and completions, years to end September, 2007 to 2017



A total of 1,229 affordable homes were completed in the quarter between July and September 2017, a 26% decrease, or 436 less homes than the same quarter last year. This brings the total for the year to end September 2017 to 6,795, down 1% on the 6,877 completions in the previous year.

Between July and September 2017 a total of 1,332 affordable homes were approved. This is 684 (34%) less than in the same quarter in the previous year. It brings the total for the year to end September 2017 to 9,928 approvals, up 12% on the previous year.

There were 1,712 affordable homes started in the quarter between July and September 2017, a 14% decrease, or 283 less homes than the same quarter last year. This brings the total for the year to end September 2017 to 9,287, up 8% on the 8,561 starts in the previous year.

Chart 11 below shows that total affordable housing supply programme completions decreased by 1% in 2017 (year to end September). In the latest year, social rent completions accounted for 60% of all completions, with affordable rent and affordable home ownership making up 14% and 26% of the total, respectively.

Chart 12 below shows that the total affordable housing supply programme approvals increased by 12% in 2017 (year to end September). In the latest year, social rent approvals accounted for 66% of all approvals, with affordable rent and affordable home ownership making up 15% and 19% of the total, respectively.

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.

Chart 11: AHSP Completions, years to end September, 2006 to 2017

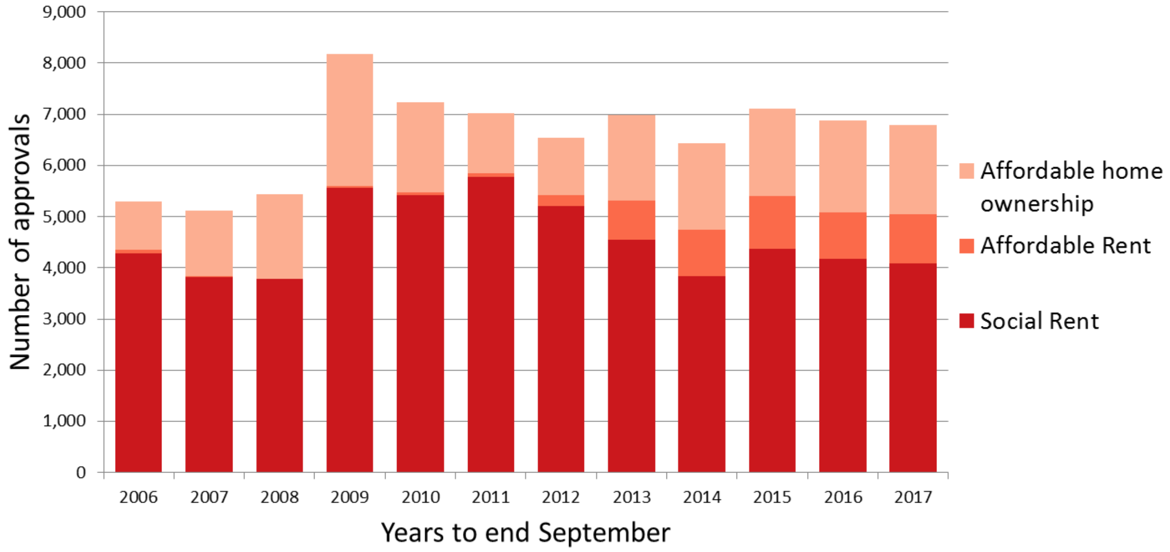
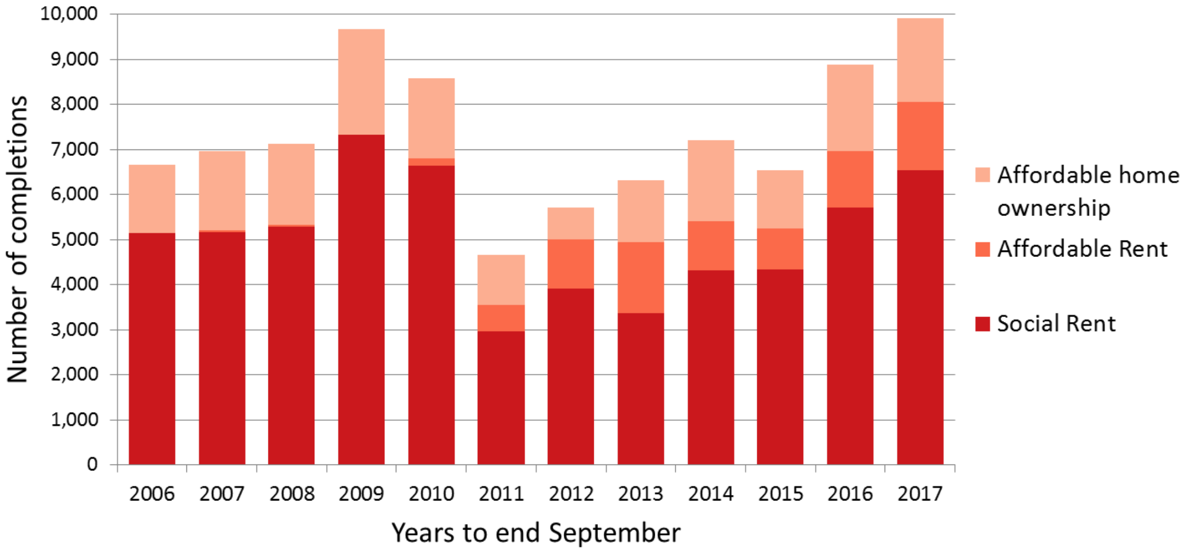


Chart 12: AHSP Approvals, years to end September, 2006 to 2017

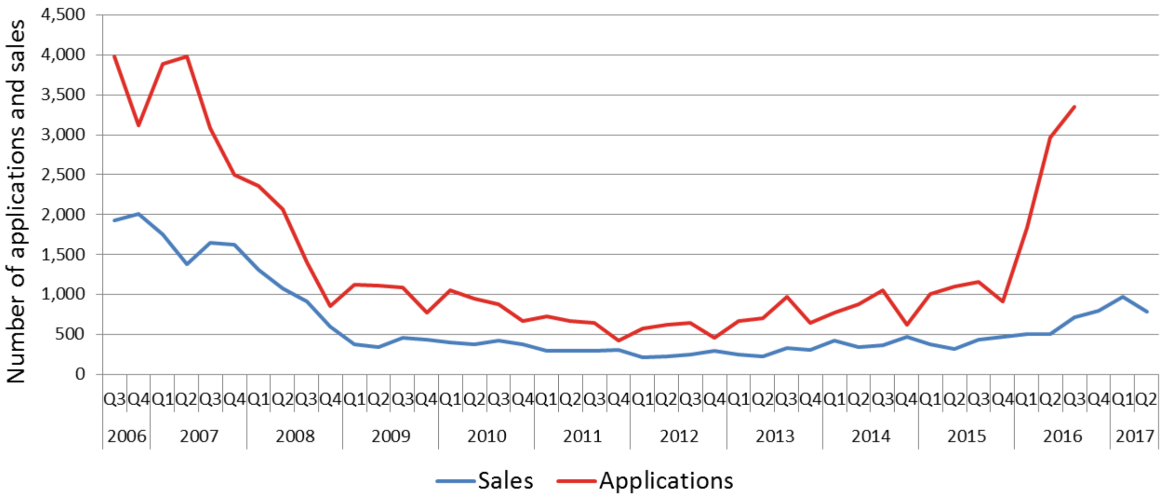


Sales of Local Authority Dwellings to Sitting Tenants (Right to Buy)

Most sales of local authority housing to tenants are sales under Right to Buy although a small number cover other sales such as voluntary sales by local authorities to sitting tenants.

In July 2013 the Scottish Government announced that the Right to Buy scheme was to end for all tenants. Immediately following this announcement the number of applications and the number of sales between July and September 2013 both increased (by 39% and 44%, respectively) compared to the previous quarter.

Chart 13: Local Authority Sales to Sitting Tenants, Quarterly Applications and Sales, 2006 onwards



Note: The Right to Buy scheme closed to all new applicants on 31 July 2016, therefore application figures for 2016 Q3 (July - September) relate to applications for the single month of July 2016 only and there are no applications in subsequent quarters. Sales figures can occur in a period later than that in which the application was made.

The Right to Buy scheme subsequently closed to all new applicants on 31 July 2016, therefore there have been no **Right to Buy applications** made during the last three quarters (October 2016 to June 2017). Throughout the final year of the scheme (the year to end September 2016), there were 9,060 applications made, more than double the 3,890 applications that were made in the previous year to end September 2015. This increase is likely to have been because this was the last chance for social housing tenants with an entitlement to exercise their Right to Buy before the scheme closed.

It can take a period of time for applications to be processed and for sales to be made, and therefore **Right to Buy sales** are still being recorded. In the latest available quarter, April to June 2017, there were 787 Right to Buy sales, 56% more than the 506 sales in the same quarter in the previous year, however this was 19% less than the 971 sales in the previous quarter, January to March 2017. This drop in the latest quarter suggests that the recent increase in sales may have now peaked and may begin to fall further in future quarters as the number of applications remaining in the system continues to fall.

Long Term Empty Properties and Second Homes

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

- **Unoccupied Exemptions:** generally properties which are empty and unfurnished for less than 6 months and exempt from paying council tax[2].

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

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

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

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

Regarding policy changes, from 1st April 2013, local authorities gained the discretionary power to remove the council tax discount associated with long term empty properties or to set a council tax increase of 100% on certain properties which have been empty for 12 months or more. Prior to April 2017, second homes were entitled to a council tax discount of between 10% and 50%, and as of April 2017, local authorities were also given the option to remove the council tax discount on second homes. For 2017-18, 14 out of the 32 local authorities had removed the council tax discount on second homes and all other local authorities had opted for a 10% discount on second homes.

Management information systems can also have an impact on how properties are recorded. Some local authorities have reported issues with categorising properties on their management information systems, therefore figures for second homes for three local authorities have been estimated for 2017, based on the previous year's figures. In addition, there have also been some improvements in the data held by some local authorities leading to the reclassification of a number of properties between the long term empty and second home categories. These changes should be kept in mind when comparing the numbers in recent years.

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

The latest figures, for September 2017, show that there were 25,660 second homes, 43,500 unoccupied exemptions which have generally been empty and unfurnished for less than 6 months, and 37,135 long term empty properties that had been empty for more than 6 months. Of those that had been empty for more than 6 months, over half (23,358 or 63%) had been empty for over 12 months, and of those 13,065 had a council tax discount below 10% or a council tax increase applied under the new powers described above.

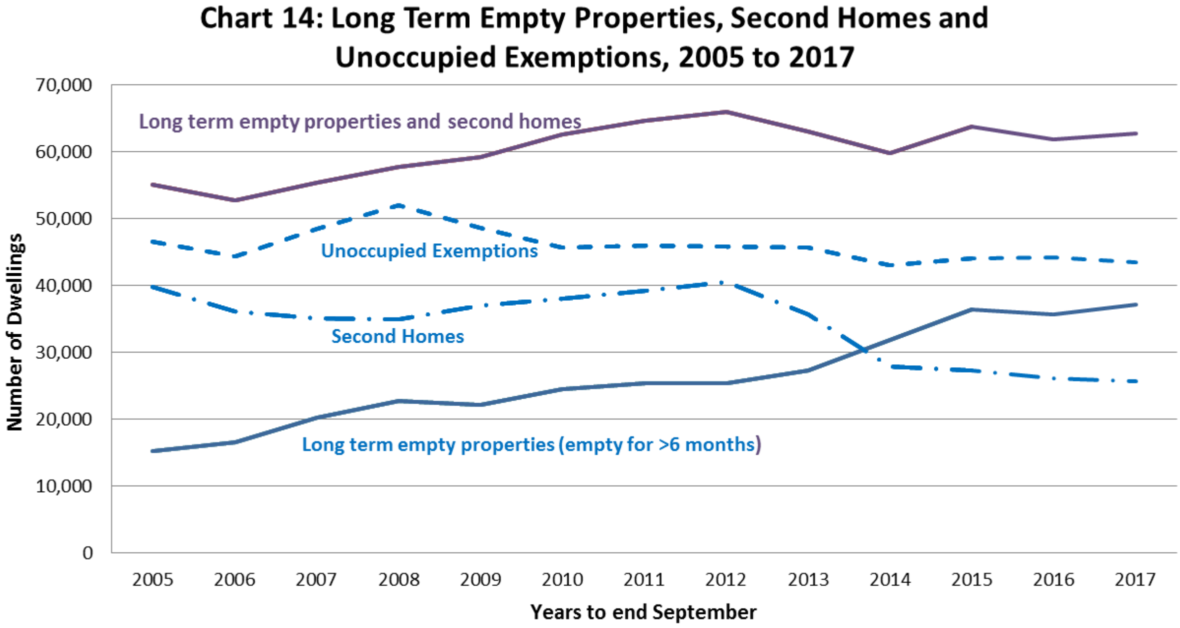


Chart 14 above shows that, since 2005, the number of long term empty properties has generally been on the rise, having more than doubled over this period, however some of the rises in 2013 to 2015 will be due to the reclassification of some properties in the light of the new powers described above. There has been a slight decrease between 2015 and 2016, however 2017 figures have increased to a similar level to in 2015. The number of second homes has remained more steady until recently, with the reductions in 2013 to 2016 also likely to be at least partly due to reclassification. The number of unoccupied exemptions has remained relatively steady since 2005, aside from a slight increase in 2008.

After a decrease between 2005 and 2006 the total number of long term empty properties and second homes increased from 52,823 in 2006 to 66,053 in 2012 (13,230 dwellings or 24%). It has since fallen to 59,763 in 2014 before increasing in 2017 to 62,795 (with a slight peak of 63,736 in 2015). This is an increase in the last year of 930 properties (2%). However, this change over time should be interpreted with some caution; increases and decreases can be caused in part by reclassification exercises which local authorities carry out from time to time, or issues with management information systems, rather than real changes in numbers of properties.

Notes

This document should be read along with the explanation of the statistics which provides information on how the statistics are collected and how they should be interpreted are provided below.

Starts and completions

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

Comparing over time

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

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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.

Correspondence and enquiries

For enquiries about this publication please contact:
Katrina Caldwell,
Communities Analysis Division,
Telephone: 0131 244 7229,
e-mail: housingstatistics@gov.scot

For general enquiries about Scottish Government statistics please contact:
Office of the Chief Statistician,
Telephone: 0131 244 0442,
e-mail: statistics.enquiries@gov.scot

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