

Housing statistics for Scotland 2010: Key Trends Summary

Introduction

This document provides a summary of the updated [Housing Statistics for Scotland web tables](#), which present comprehensive data on housing activity in Scotland. These are interactive tables and present data up to 2009-10 (for annual data) 30 June 2010 (for social sector new build and affordable housing quarterly series) or 31 March 2010 for other quarterly series.

The tables include information on new housing supply, the Affordable Housing Investment Programme (AHIP), public sector stock and house sales, local authority housing management, houses in multiple occupation (HMO), special needs housing, rent registration and private sector improvement grants.

Key Points

- **New housing supply:** new housing supply (new build, refurbishment and conversions) decreased by 16% between 2008-09 and 2009-10, from 22,368 to 18,836 units. This was driven by a decrease in private completions. However, despite the overall fall, both housing association and local authority new build figures increased from the previous year. These data are the basis for National Indicator number 32 in the Scottish Government's 2007 Spending Review. This indicator is also presented on the Scotland Performs website <http://www.scotland.gov.uk/About/scotPerforms/indicators> which provides the latest information on how Scotland is performing on a range of topics affecting all aspects of Scottish life.
- **New house building:** In 2009-10, there were 17,474 completions in Scotland, a decrease of 17% on the previous year. Starts also fell, with a 22% drop from 19,593 in 2008-09 to just 15,372 in 2009-10.
- **Affordable Housing Investment Programme (AHIP):** In 2009-10 there were 8,133 units completed through all AHIP activity - this figure is up 31% on the previous year and is the highest figure recorded since the AHIP programme began.
- **Public sector housing stock:** At 31 March 2010, there were 323,100 local authority dwellings in Scotland, a 1% decrease from the previous year.
- **Sales of public authority dwellings:** Sales of public authority dwellings fell by 46% in 2009-10, from 3,678 to 1,992. This continues the declining trend in sales observed over recent years, following the introduction of the modernised Right to Buy, which came into effect on 30 September 2002.
- **Public sector vacant stock:** At 31 March 2010, there were 9,756 units of vacant stock, of which 32% consisted of normal letting stock. This represents 1% of all normal letting stock, and is unchanged from the previous year.
- **Lettings:** During 2009-10 there were 28,500 permanent lettings of local authority dwellings, an increase of 15% on the previous year. Lets to homeless households represented 43% of all local authority lets in 2009-10.
- **Evictions:** Eviction actions against local authority tenants resulted in 1,262 evictions or abandoned dwellings in 2009-10 (748 evictions, 514 abandoned dwellings). This is a decrease of 29% on the previous year.
- **Housing Lists:** Applications held on local authority lists decreased slightly to 198,754 in 2010.
- **Houses in multiple occupation:** In 2009-10, 7,888 applications were received in respect of the mandatory licensing scheme for houses in multiple occupation. At 31 March 2010 there were 11,881 licences in force, representing an increase of 4% over the previous year.

New housing supply

Data on new housing supply informs National Indicator 32 (Increase the rate of new house building) which is assessed as part of the Scotland Performs framework, and comprises the following elements:

- **new house building:** houses completed by or for housing associations, local authorities or private developers for below market rent or low cost home ownership; houses completed for market sale by private developers;
- **refurbishment:** houses acquired by housing associations and refurbished either for rent or low cost home ownership. Refurbishment of private dwellings funded wholly or partly through the AHIP; and
- **conversion:** net new dwellings created by conversion from non-housing to housing use or by alterations to existing dwellings in all tenures.

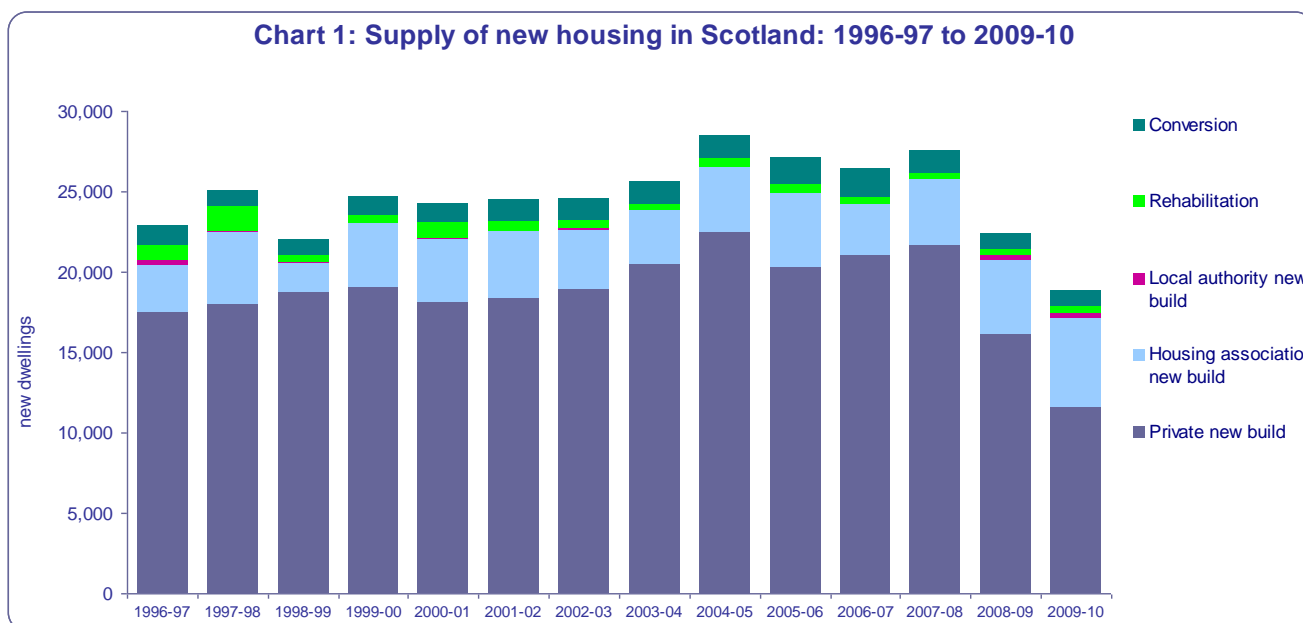
The supply of new housing decreased by 16% between 2008-09 and 2009-10, driven by a steep drop in private house building - completions in the private sector were at their lowest level since the early 1980s. However both housing association and local authority completions were higher in 2009-10 than in the previous year - social sector completions were at their highest level since 1981-82.

Table 1: Components of new housing supply in Scotland

	Private new build	Housing association new build	Local authority new build	Rehabilitation	Conversion	Total housing supply
1996-97	17,492	2,963	241	984	1,244	22,924
1997-98	17,984	4,489	114	1,514	958	25,059
1998-99	18,784	1,753	120	380	958	21,995
1999-00	19,074	3,964	69	413	1,151	24,671
2000-01	18,195	3,804	112	971	1,103	24,185
2001-02	18,309	4,197	65	597	1,311	24,479
2002-03	18,938	3,715	94	514	1,305	24,566
2003-04	20,454	3,368	0	410	1,409	25,641
2004-05	22,444	4,024	0	677	1,336	28,481
2005-06	20,249	4,698	0	469	1,695	27,111
2006-07	21,010	3,231	6	437	1,702	26,386
2007-08	21,656	4,097	28	389	1,417	27,587
2008-09	16,106	4,577	336	426	923	22,368
2009-10	11,555	5,576	343	442	920	18,836

The above table contains the most up-to-date figures at the time of publication. Please note that these figures may differ slightly from those previously reported due to revised data emerging from councils.

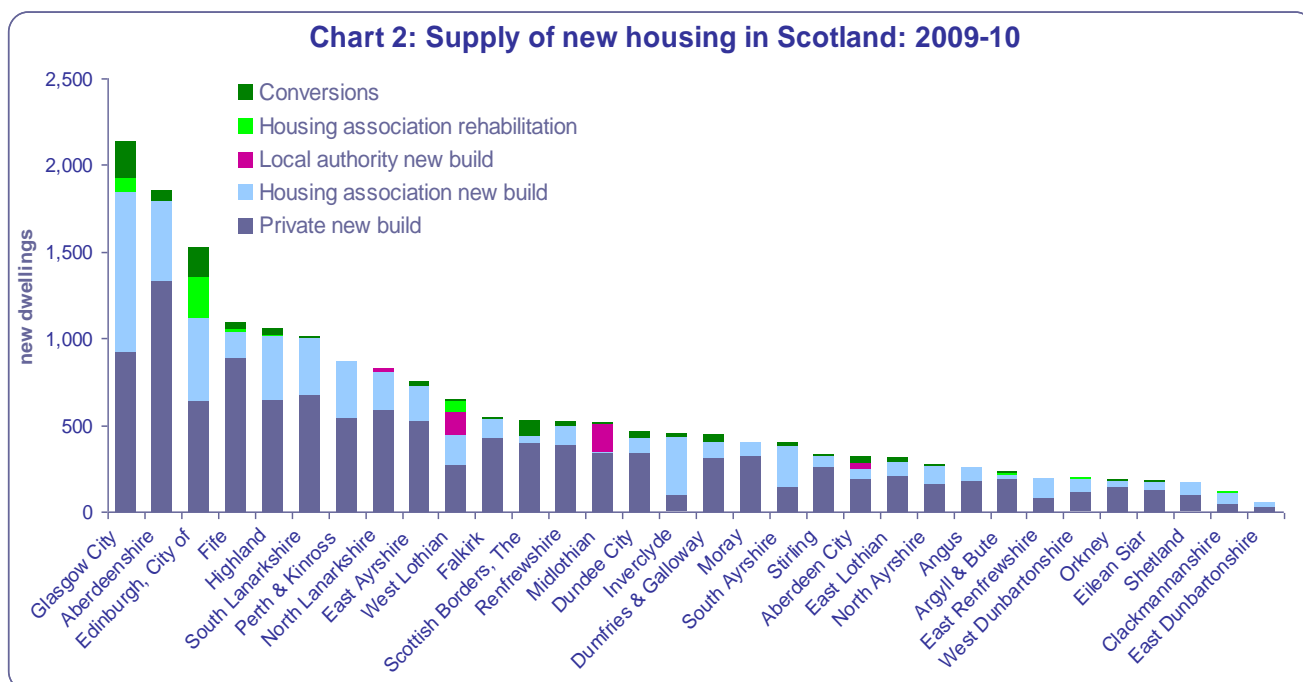
Chart 1: Supply of new housing in Scotland: 1996-97 to 2009-10



The components of housing supply within each local authority for 2009-10 are shown in Chart 2. Glasgow City accounted for 11% of Scotland's new housing in 2009-10, with over 2,100 new units. Around 900 (43%) of these were private sector new build completions, and there were a similar number of completions by housing associations. Local authority new build accounted for 31% of all new housing supply in Midlothian and 20% in West Lothian.

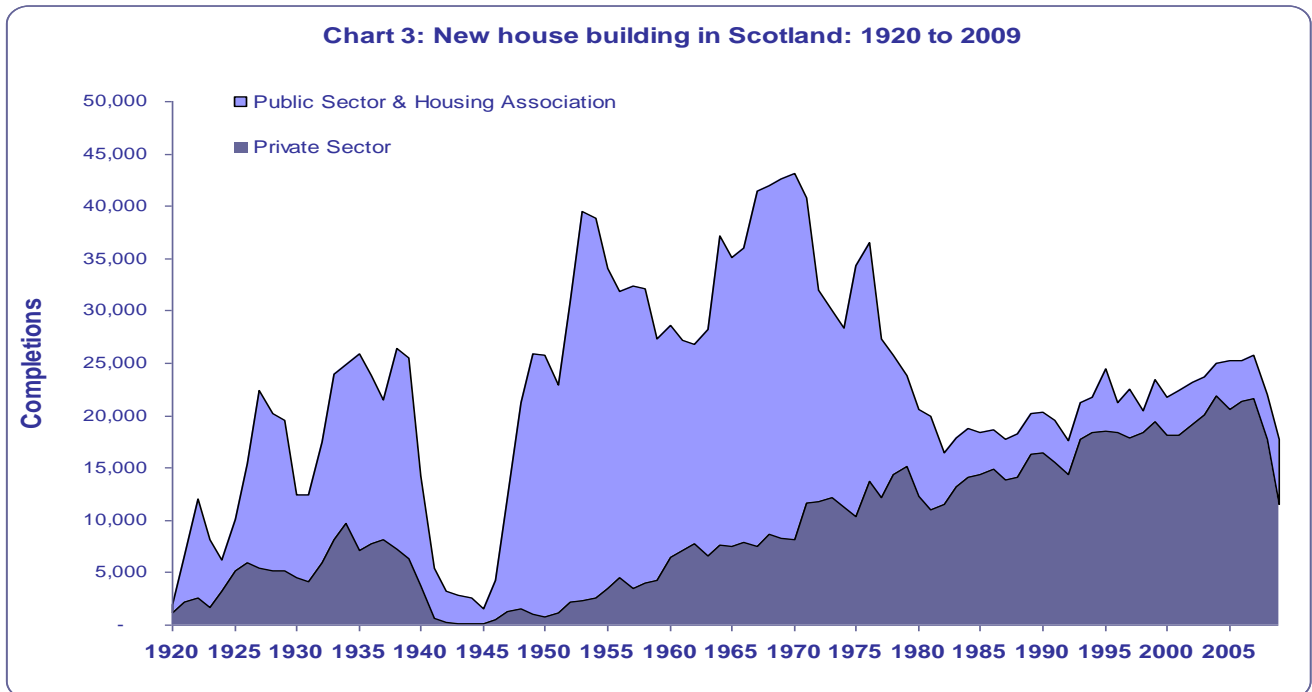
Conversions from non-housing to housing use were of particular importance to the supply of new housing in the Scottish Borders, representing 18% of the supply of new housing in 2009-10, whereas in Edinburgh, 16% consisted of housing brought back into use through refurbishment.

Chart 2: Supply of new housing in Scotland: 2009-10



New build

Historic trends in new build showed peaks in the early 1950s and late 1960s resulting primarily from programmes of post-war reconstruction and slum clearances. From a high point of about 41,000 to 43,000 completions a year, mainly in the public sector, the level of new build fell during the early 1980s to under 20,000 completions per year. There was then an overall upward trend to just over 25,000 completions per year by 2007, largely due to private sector new build which represented around 84% of all completions. The remainder of new build was predominantly by housing associations. However in the latest two years there has been a significant decrease back to levels not witnessed since 1992 (Chart 3).



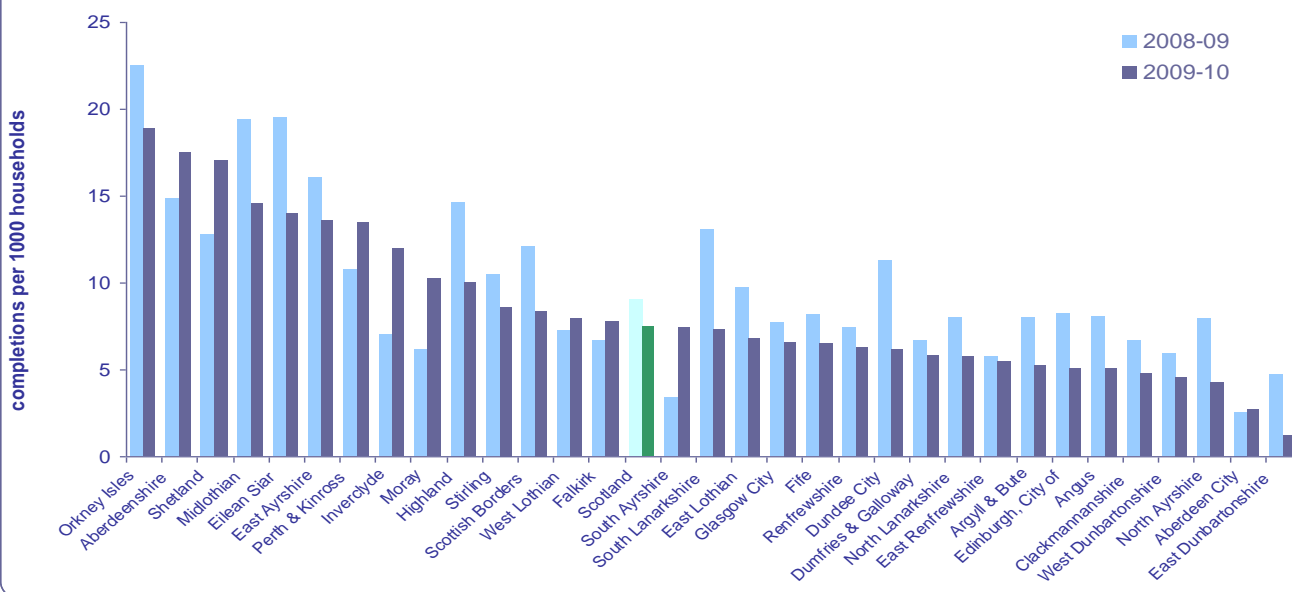
In 2009-10, there were 17,474 completions in Scotland, a decrease of 17% on the previous year, when 21,019 had been completed. Starts in 2009-10 also fell, with a 22% drop from 19,593 in 2008-09 to just 15,372 in 2009-10.

The recession has hit the private house building industry particularly hard, with a 28% reduction in completions and a 29% reduction in starts since last year. Private starts for 2009-10 stand at 9,792, falling to levels last seen in the early 1980s. In contrast, housing association completions show a 22% increase to 5,576, the highest number recorded.

After years of very few new local authority housing completions in Scotland there are signs of a new wave of council house building. Local authority completions reached 343 in 2009-10 - 158 of these were in Midlothian, who have now completed 447 council houses since 2007-8. There were 523 starts in 2009-10 and this was the highest figure since 1993-94.

Chart 4 shows the change in completion rates per 1,000 households between 2008-09 and 2009-10, for local authority areas. Completion rates in South Lanarkshire fell from 13.0 to 7.3 between the two years.

Chart 4: New housing in Scotland: completion rates per 1000 households



Affordable Housing Investment Programme (AHIP)

The Scottish Government’s Affordable Housing Investment Programme (AHIP) funds both housing for rent and for low cost home ownership. The majority of funding is provided to Registered Social Landlords (RSLs) although the AHIP also provides funding to others including individuals, councils and private developers. Further information on the scope of AHIP and detailed statistics can be found on the Scottish Government’s website <http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/NewBuild>

The number of units provided through the AHIP programme since 2000-01 are illustrated in the charts below.

Chart 5: Units Completed Through AHIP Activity: 2000-01 to 2009-10

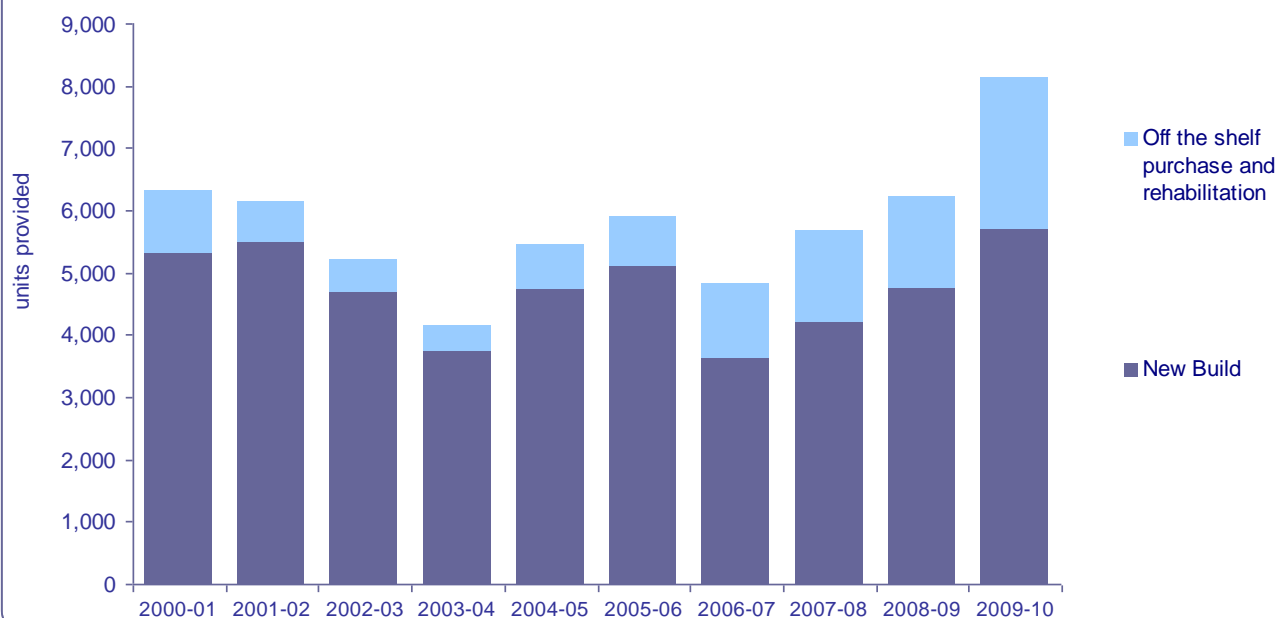
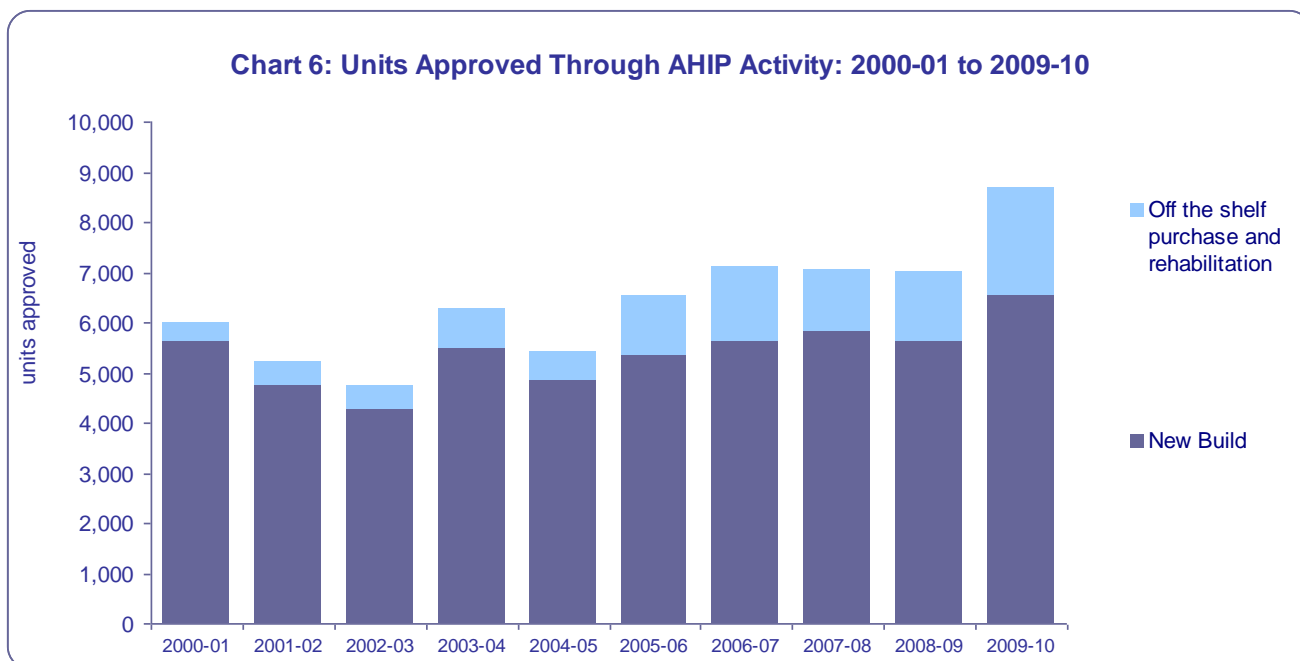


Chart 5 above shows that in 2009-10 there were 8,092 units completed through all AHIP activity - this figure is up 30% on the previous year and is the highest figure recorded since the AHIP programme began.



In 2009-10 there were 8,663 units approved through all AHIP activity. This represented an increase of 23% from the previous year and is the highest figure recorded since the AHIP programme began.

In the year to end June 2010 there was a 2% increase in completions (to 7,274) compared with the previous year. For the latest quarter available, to end-June 2010, completions are down 45% on the same period in 2009 but approvals are up 69%.

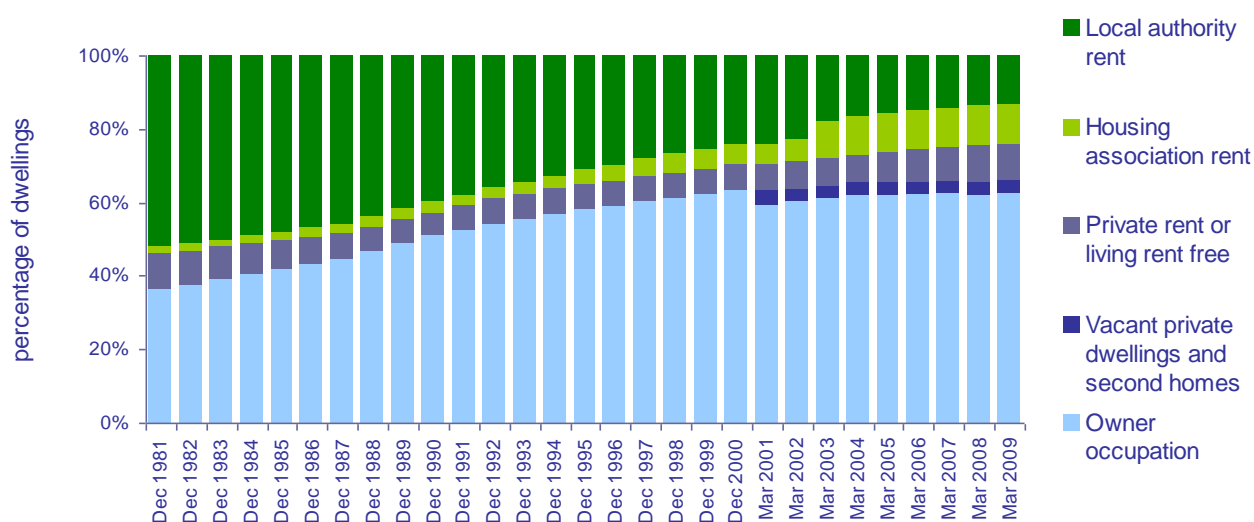
In 2009-10 data on actual starts was recorded for the first time - there were 10,212 starts in this year. However starts in the quarter to end June 2010 are down on the same period the previous year – from 2,451 to 974.

Stock By Tenure

The last quarter of a century has seen a significant change in housing tenure. In 1981, less than 40% of dwelling stock was owner occupied. By 2009, this had risen to 62% (Chart 7). Although there has been a similar pattern of change across much of Europe, the change has been particularly dramatic in Scotland.

Mirroring changes in cultural attitudes toward home ownership, two structural factors have contributed to this shift: the introduction of the right to buy for public authority tenants in 1979 coupled with the decline of local authority new build, and the increased contribution of private sector house building.

Chart 7: Changes in tenure in Scotland since 1981



Note the change in methodology from March 2001. Scottish Household Survey data is combined with dwelling counts of occupied and vacant property (General Register Office for Scotland) to split privately owned stock into owner occupied, private rented and vacant. Social rented stock counts provided by local authorities and the Scottish Housing Regulator.

Local Authority¹ Housing Stock

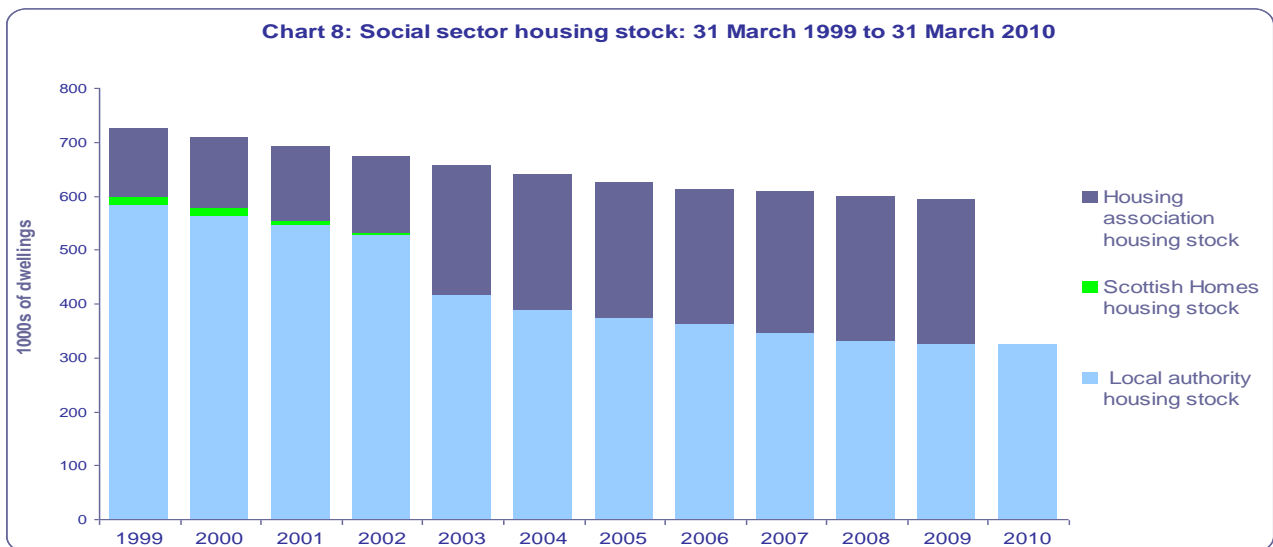
Local authority stock levels have been decreasing each year since the 1980s. This is mainly due to tenants buying their homes under right to buy coupled with a decline in the number of new local authority dwellings being built, as well as community ownership programmes whereby a public authority transfers either all or part of its housing stock and management function to RSLs.

The New Towns established during the 40s, 50s and 60s were wound up in the mid 90s, with most of the stock being transferred to other public authorities. Between 1990 and 2005, Scottish Homes transferred about 75,000 units previously owned by the Scottish Special Housing Association to housing associations and co-operatives.

During 2003, three councils transferred their stock to RSLs (Dumfries & Galloway, Glasgow City and Scottish Borders). While the decrease in housing stock had been running at 3-4% per year since the late 1990s, primarily due to right to buy sales, the transfers resulted in the loss of over 20% of the total stock. Argyll & Bute and Comhairle nan Eilean Siar transferred their stock in late 2006, and Inverclyde transferred its stock in December 2007. Together, these resulted in the loss of a further 4% of stock.

Stock figures for RSLs in 2009-10 have not yet been published by the Scottish Housing Regulator. Local authority stock levels have decreased by 1% from the previous year to around 323,000 units. Figures for social sector stock in 2009 showed that of the 594,000 units, 55% was owned by local authorities. This represents a substantial change since the mid 1990s when public authorities owned nearly 90% of the 777,000 units of social rented stock. The increased contribution of registered social landlords to the social rented sector is reflected in their rising stock levels since the late 1990s. Chart 8 below shows recent trends in the ownership of social rented housing stock.

¹ Includes Scottish Homes figures up to and including 2005



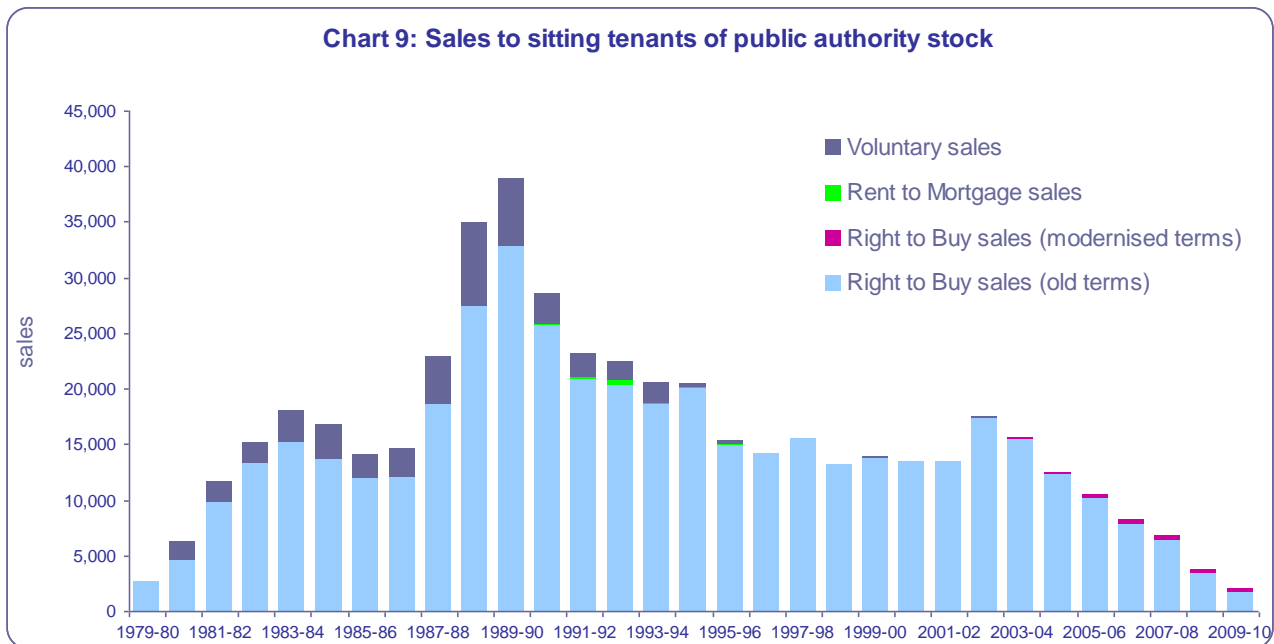
Sales of social sector housing to sitting tenants

The introduction of right to buy legislation in 1979 had a substantial impact on the profile of Scottish housing. Over the years, nearly half a million public sector properties have been sold under the Right to Buy scheme (Chart 9). The annual rate of sales to sitting tenants peaked at just under 40,000 in 1989, at the height of the housing boom. It then fell rapidly in the early 1990s as the housing market crashed, settling at around 15,000 per year from the mid 1990s onwards. Legislation introduced as part of the Housing (Scotland) Act 2001 then resulted in significant changes in right to buy terms for new tenants from 2002-03.

After a small upturn in 2002-03, sales have declined consistently to a current level of 1,992 public authority right to buy sales for 2009-10 (including local authorities with total stock transfers). This decrease is to be expected because, following the change in legislation, new tenants are on modernised terms which in most cases means they could not buy until October 2007 at the earliest, and this on less favourable terms than previously.

Up to and including 2009-10 there have been just over 2,000 sales of Local Authority housing under modernised terms and in the latest year 14% of sales were under modernised terms. This proportion has been steadily rising since their introduction in 2002-03, but this is due to the consistent fall in old terms right to buy rather than any increase in modernised sales.

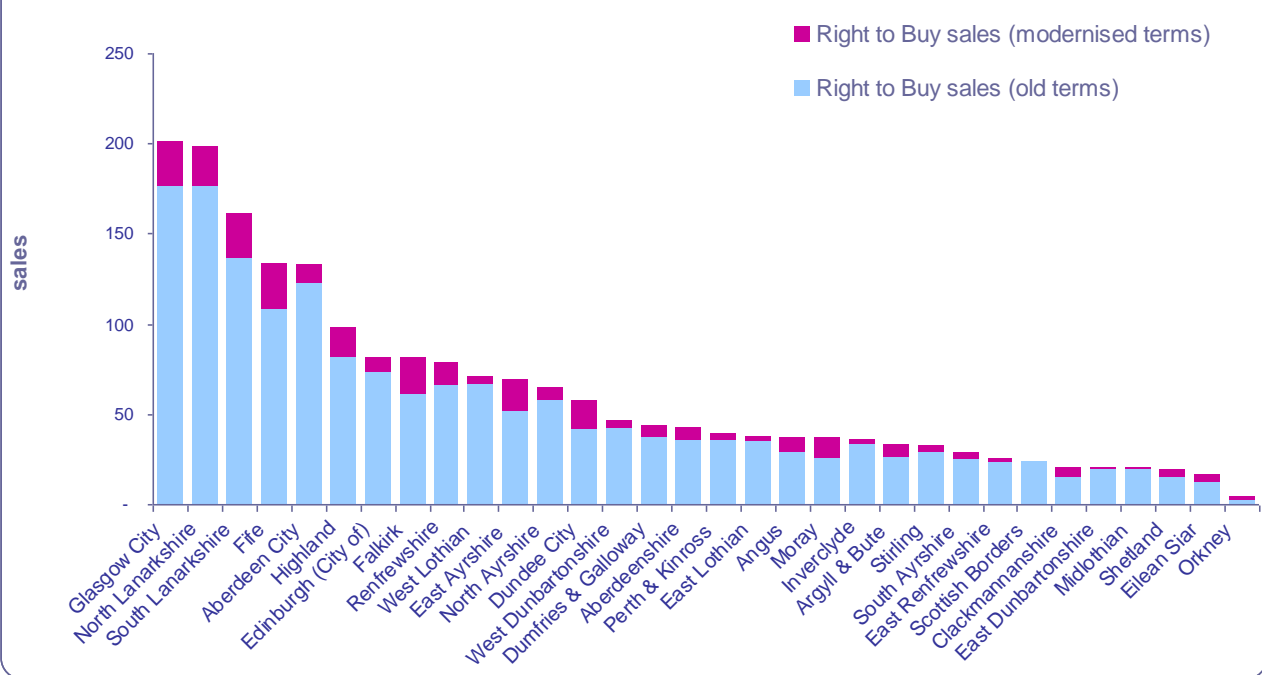
The scale of sales to sitting tenants since the inception of the Right to Buy scheme in 1979 is shown in Chart 9.



Local authorities can apply for the Scottish Government to grant pressured area designation for specified localities, resulting in the suspension of the right to buy for all modernised tenancies in local authority and registered social landlord properties for up to five years. Currently, local authorities have made 15 successful applications for pressured area designation and several more have applications under consideration. Further changes to Right to Buy were proposed in the Housing (Scotland) Bill. The Bill included a provision to end the Right to Buy for new supply social housing and for new tenants. It also introduced more flexibility and local control over the designation of pressured areas.

Chart 10, below, shows the numbers of sales in each local authority under the old and modernised terms for 2009-10. This chart includes sales of former council houses in local authorities which transferred their stock to housing associations. Glasgow had the highest number of sales at 201, followed by North Lanarkshire at 198. Fife had the highest number of modernised terms sales at 26. However the council with the highest proportion of its sales made under modernised terms was Moray (32%).

Chart 10: Sales to sitting tenants of public authority stock: 2009-10



Public authority vacant stock

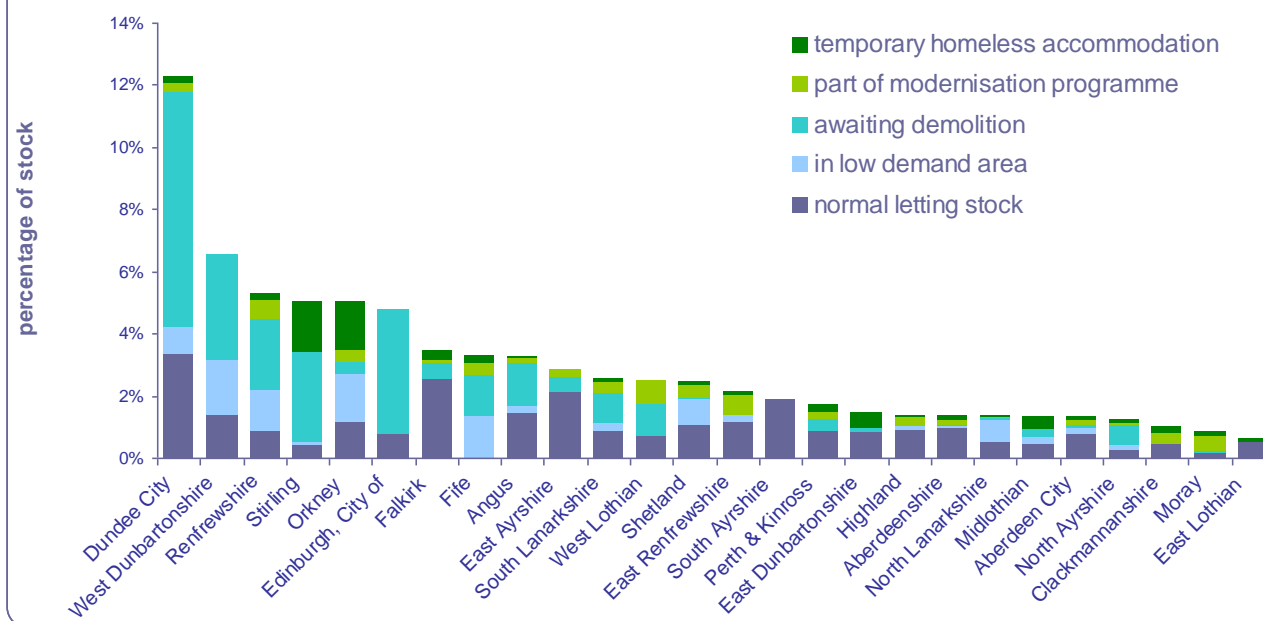
Public authority dwellings can be vacant for a variety of reasons, such as being part of a planned disposal or modernisation/repair programme, or in low demand areas. At 31 March 2010, there were 9,756 units of vacant stock which was up 7% on 2009.

Of this, 42% was awaiting demolition or sale, 14% was in a low demand area, 7% was part of a modernisation programme, and a further 5% was used as temporary accommodation for the homeless.

The remaining 32% of vacant stock was normal letting stock, which represents 1% of all local authority normal letting stock.

Vacant stock in each local authority area (except those which have transferred their stock – Information on vacant RSL stock is published by the Scottish Housing Regulator) is shown in Chart 11 below. This shows vacant stock, by reason for vacancy, as a proportion of all local authority housing stock. Dundee had a high number of vacant stock due to a programme to vacate and demolish a number of high rise flats in the city.

**Chart 11: Vacant local authority stock as a proportion of all local authority stock:
March 2010**



The length of time that properties have been vacant depends on the reason for the vacancy. Normal letting stock tends to be empty for less time than other types of vacant stock. For example, at March 2010, 22% of vacant letting stock had been vacant for less than 2 weeks, and only 8% had been vacant for over two years. Of stock awaiting demolition however, only 1% had been vacant for less than two weeks, and 43% had been vacant for over two years.

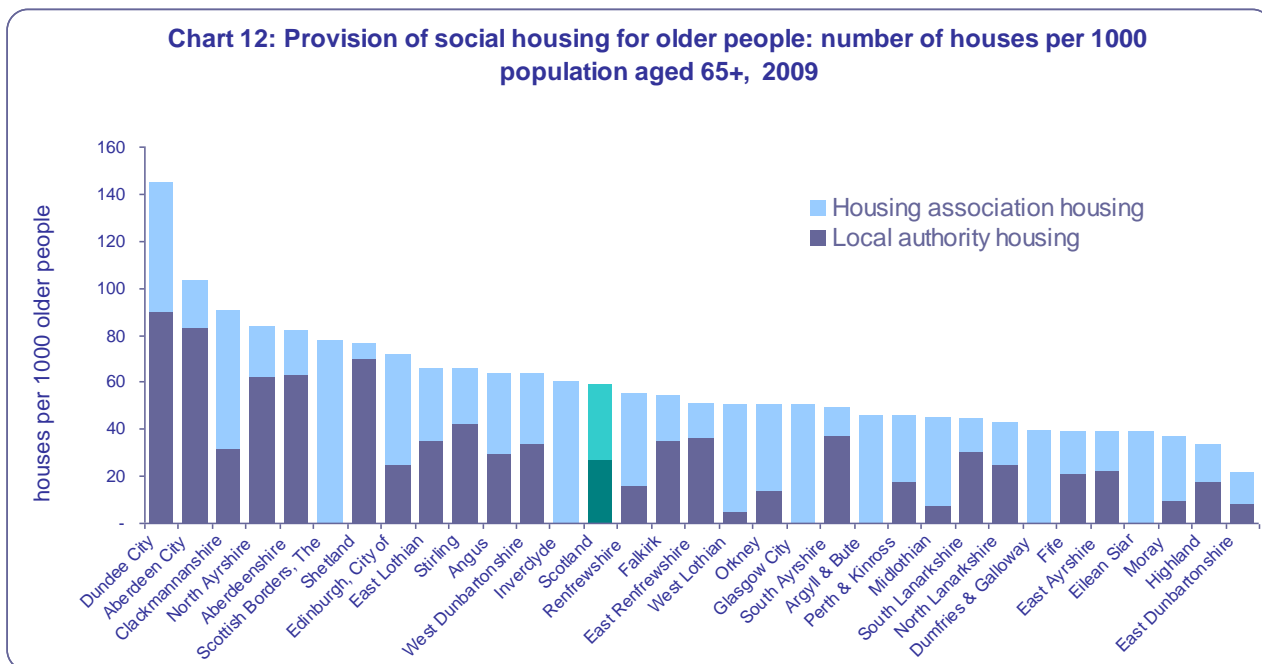
Social housing for older people and those with disabilities

Housing for older people and those with disabilities is provided by both local authorities and housing associations. In addition, councils provide their own programmes, following on from the disbanded ‘Supporting People’ scheme, to help meet specific housing needs of older and other vulnerable people to give them the opportunity to continue to live in their own homes. Housing for people with variable needs is currently mainly classified as very sheltered, sheltered, medium dependency, wheelchair and ambulant disabled, although figures can vary from year to year as dwellings may be adapted to suit the particular needs of tenants, or re-classified by providers.

The amount of very sheltered accommodation showed consistent increases, rising from about 700 in 1996 to 5,100 in 2008, but this number fell to 3,500 in 2009. Figures for sheltered accommodation remained fairly constant between 1996 and 2009 at around 33,000-35,000 units. The less specialised medium dependency housing has shown an overall drop from 17,600 to 13,800 units since 1996. Housing adapted for wheelchair use by those with disabilities has increased from 2,300 in 1996 to 5,600 in 2009.

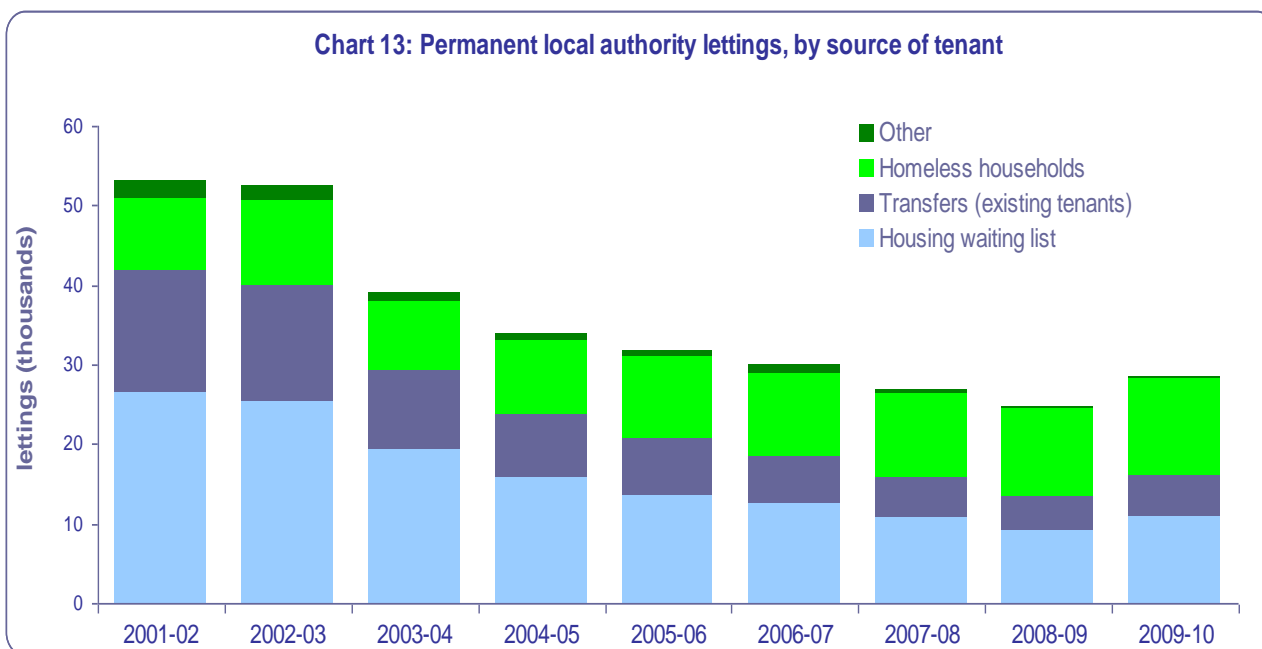
RSL special needs housing figures for 2009-10 have not yet been published by the Scottish Housing Regulator. Local authority figures at 31 March 2010 show that sheltered and very sheltered housing numbers are similar to those recorded in 2009.

Chart 12 shows the 2009 provision of social housing for older people in relation to the number of people aged 65 and over living in each local authority area. Dundee had the most provision with 145 such houses per 1,000 of the population aged 65 and over.

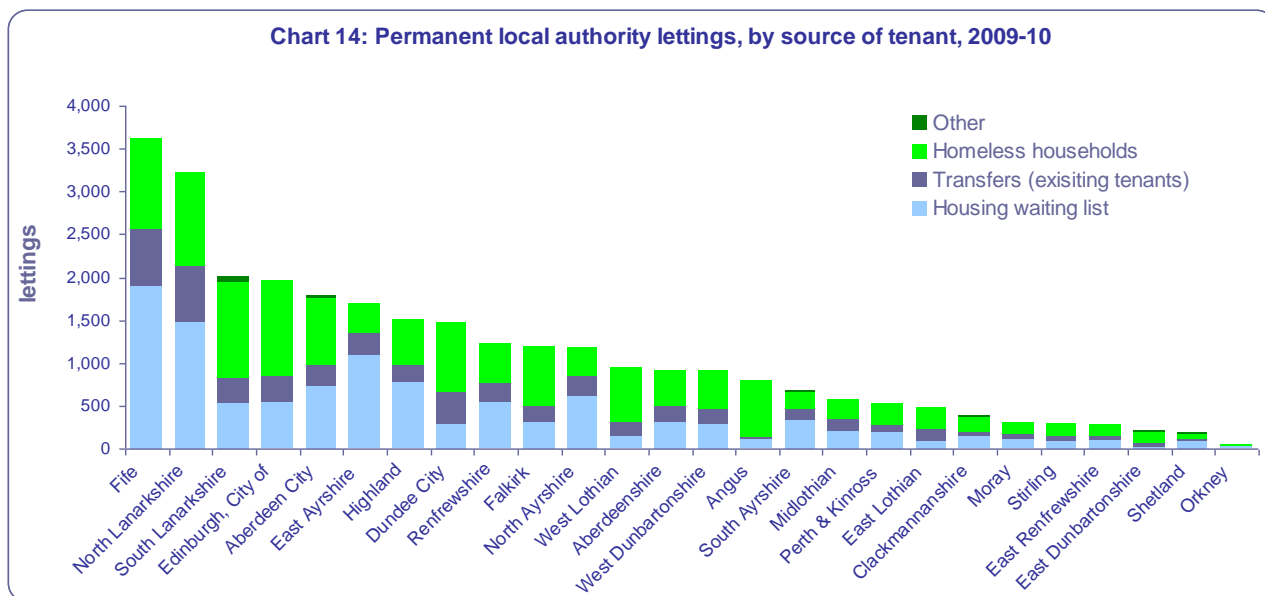


Local authority lettings

Mirroring the falling stock levels, the number of local authority lettings decreased each year throughout the 2000s (Chart 13). However during 2009-10 there were 28,462 permanent lettings made, an increase of 15% compared to the previous year. Much of this increase can be attributed to Fife where levels returned to those of 2003-04 – the increase can be attributed to a number of different reasons including new builds and regeneration.



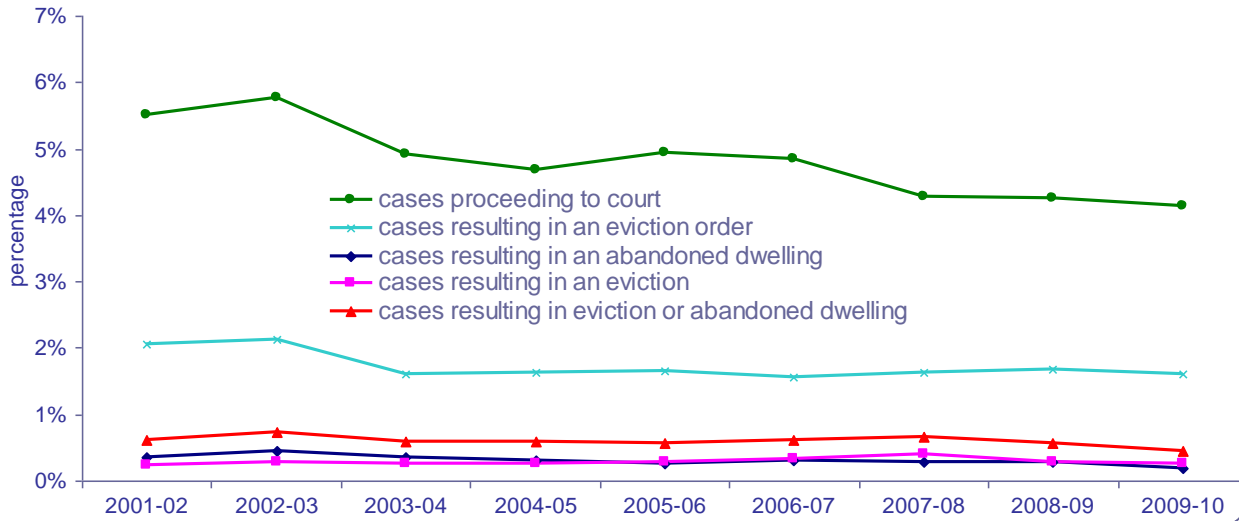
The proportion of lets allocated to homeless applicants is one of the key indicators in measuring local authorities' capacity to respond to changes in homelessness legislation in relation to removing the distinction between priority and non-priority need in 2012. Over the past few years, the number of local authority lets to homeless households has gradually increased. In 2009-10, 43% of all local authority lettings were to homeless households which represented a reduction from 45% in 2008-09. However both these figures represent a substantial increase compared to the situation at the start of the decade (17% in 2001-02). In fact, of lets made to *new* tenants, over half are now allocated to homeless applicants (52% in 2009-10) (Chart 14).



Local authority evictions

Local authority tenancy terminations (i.e. evictions plus abandoned dwellings) as a result of eviction actions remained fairly stable over recent years at around 0.6% of normal letting stock but declined in the latest year to 0.4% (Chart 15). Within this, the number of evictions of local authority tenants has fallen by 17% this year, from 896 in 2008-09 to 748 in 2009-10. This currently represents about 6% of all cases proceeding to court. Eviction actions resulting in abandoned dwellings have fallen from 877 cases to 514 in the latest year.

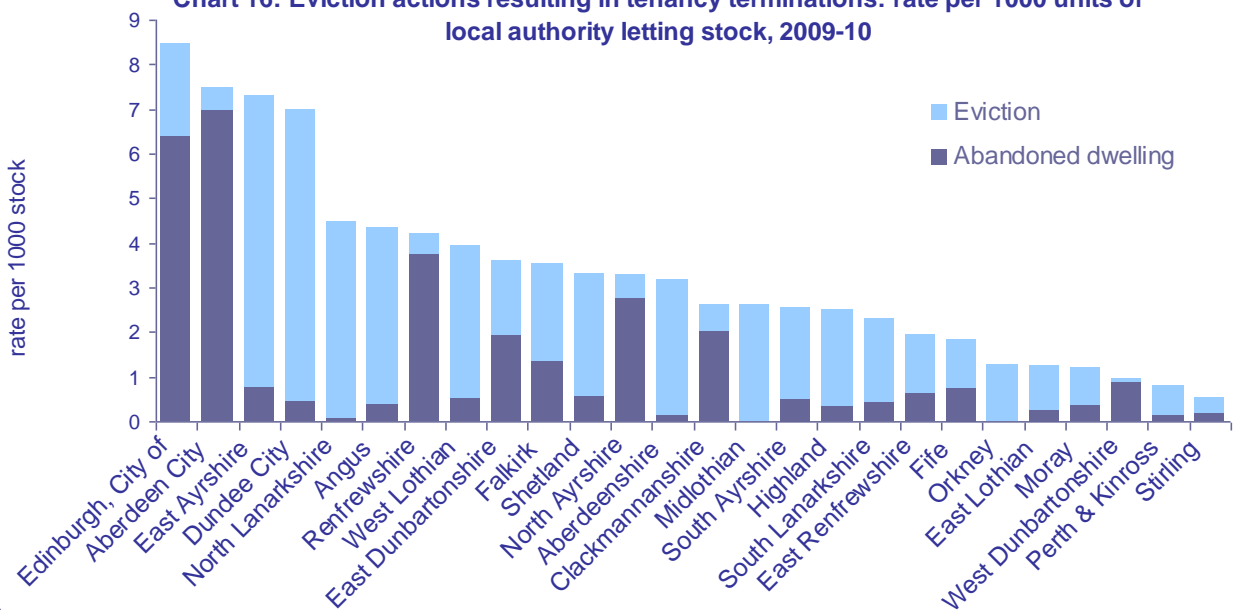
Chart 15: Eviction actions against local authority tenants, as a proportion of local authority letting stock



Across local authorities, there is considerable variation in the rate of evictions or abandoned dwellings in relation to normal letting stock levels (Chart 16). In 2009-10, The City of Edinburgh had the highest eviction/abandoned dwelling rate at 8.5 per 1000 units of letting stock (44 evictions, 136 abandoned dwellings). Stirling had the lowest rate of evictions in 2009-10.

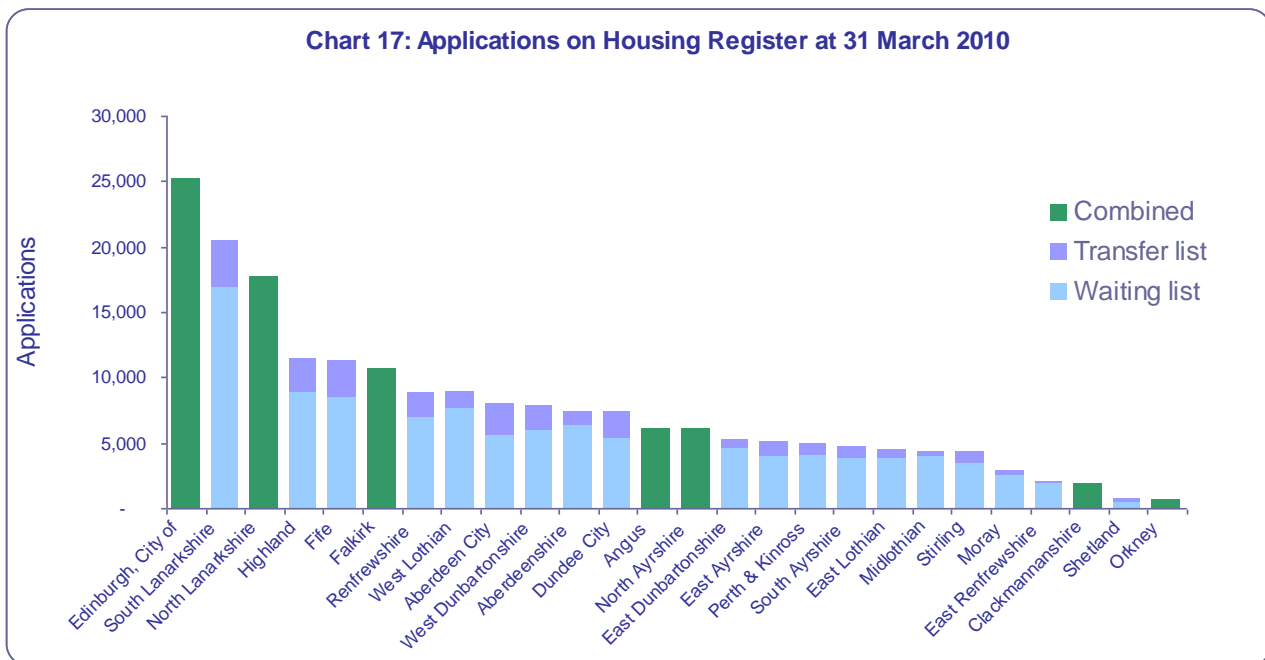
There is also considerable variation between local authorities in the proportions of evictions and abandoned dwellings. For example, eviction actions in urban local authorities tend to result in a higher proportion of abandoned properties than in rural areas.

Chart 16: Eviction actions resulting in tenancy terminations: rate per 1000 units of local authority letting stock, 2009-10



Housing Lists

Local authorities vary in the way in which they operate and manage applications for housing and allocations, with some holding separate lists for waiting and transfer applicants and others not distinguishing. In recent years, a number of local authorities have begun to operate Common Housing Registers with Housing Associations in the area, meaning that a household may be allocated to any social rented housing. Of councils who switched from operating their own list to a Common Housing Register, there was little increase in numbers so, in these regions, applications to the council only register gave a fairly close indication of the numbers for the whole social sector.



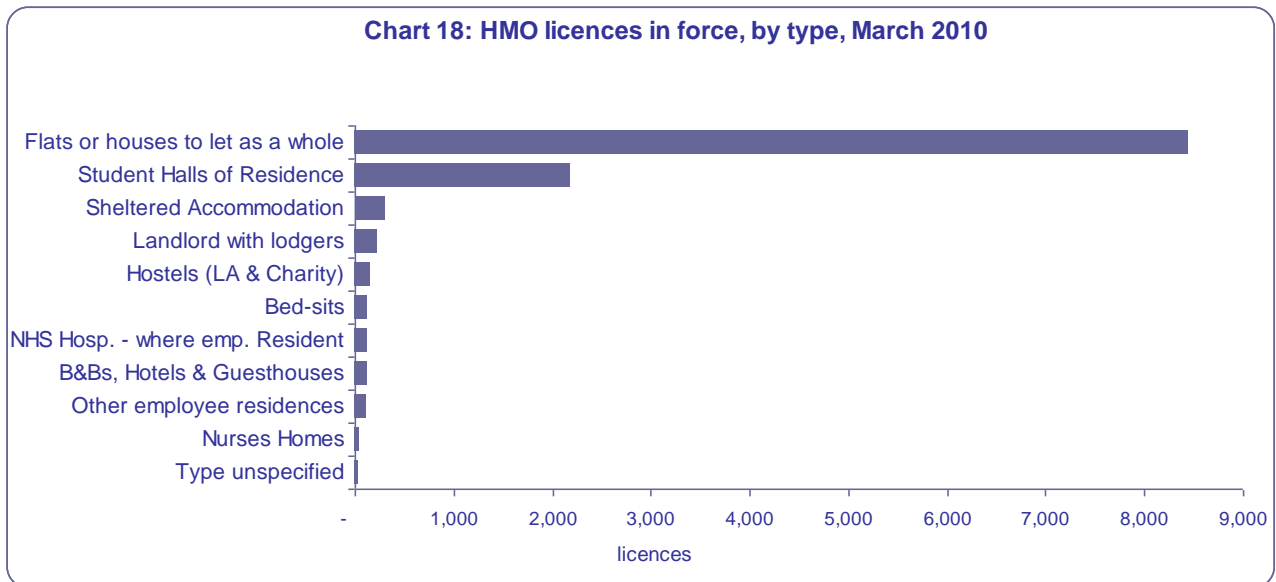
At 31 March 2010, 198,754 applications were recorded for Scottish local authority owned housing, a 0.4% decrease from 2009. Around one fifth of these applications were from existing tenants of the authority (see Chart 17). While numbers of applications are recorded accurately within each authority, there is difficulty in recording actual numbers of people wishing to access all social housing and also in determining their current tenure. In addition to the inevitable double-counting of people who apply to more than one local authority, households often apply for both council and RSL housing in their desired area. They may also exit the lists as they take up tenancies with other housing providers or for other reasons.

Houses in multiple occupation

The number of licences in force has increased year on year since the introduction of the mandatory licensing scheme in 2001. The most recent figures for 2010 show 11,881 licences in force at 31 March, 4% more than the previous year. 82% of the licences are in force in just four local authority areas – Aberdeen City, The City of Edinburgh, Dundee City and Glasgow City. 42% of Scotland's HMO licences operate in The City of Edinburgh alone.

There were 7,888 applications received in 2009-10, 7% fewer than the year before. 21% of these were new applications, and the remainder were applications for licence renewals.

Chart 18 below shows the number of licences in force at 31 March 2010, by the type of property. Flats or houses to let are by far the largest HMO type (71%).

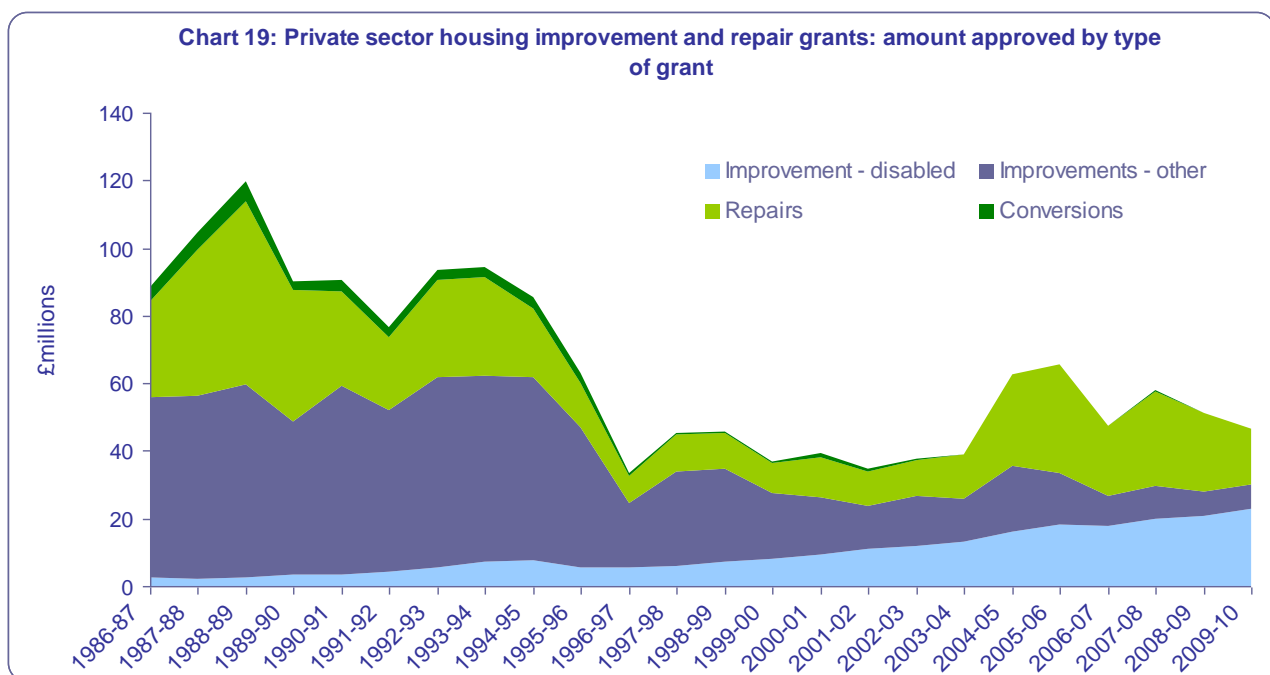


Private sector housing improvement and repair grants

Historically, the total amount approved² by councils for private sector housing improvement and repair grants peaked at over £100 million per year during the late 1980s. Improvements for adaptations for the disabled only accounted for a small proportion of this at that time (2%).

Over the course of the last two decades, the amount approved for grants for disabled adaptations has risen from just over £2 million in 1987-88 to over £22.6 million in 2009-10, and now represents around half of the total amount approved for all work types in 2009-10 (£46.4 million) (Chart 19). The number of grants approved for disabled adaptations has similarly increased – from an average of 1,300 per year in the late 1980s to almost 6,000 in 2009-10.

From 2010-11 local authorities will only be required to provide grants for eligible disabled adaptations (excluding extensions). The Scheme of Assistance will be in operation for all other forms of private sector home repair or improvement works.



² Refers to grants approved each year regardless of whether the money was spent in that year or not.

A NATIONAL STATISTICS PUBLICATION FOR SCOTLAND

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