

Issue 11	Housing Land Requirement	
Development plan reference:	Section 6 City Region as a Successful, Sustainable Place - Enabling Delivery of New Homes	Reporter:
Body or person(s) submitting a representation raising the issue (including reference number):		
<p>Scottish Enterprise (PP24_05) Homes for Scotland (PP35_02) Gladman Scotland (PP40) CALA (Homes) West (PP43_03) (PP43_04) Wallace Land Investments (PP45_03) (PP45_04) Hallam Land Management (PP46_03) (PP46_04) Stewart Milne Homes (PP49_01) (PP49_02) (PP49_03) (PP49_04) Strathclyde Partnership for Transport (PP52_12) Mr W Hill & Mr R Hill (PP53_01) (PP53_04)</p>		
Provision of the development plan to which the issue relates:		
<p>Setting the Housing Land Requirement (pages 54-59) Policy 8 Housing Land Requirement (page 56) Policy 9 Affordable and Specialist Provision (page 64)</p>		
Planning Authority's summary of the representation(s):		
<p>A number of representees made specific comments regarding the approach to the setting of the Housing Land Requirement; the wording of the Policy 8, Housing Land Requirement; the related contextual text; and Schedules 5 to 8.</p> <p>This issue is closely linked to views on Housing Issue 10, Selection of Growth Scenario.</p> <p><u>Scottish Enterprise (PP24_05)</u></p> <p>Scottish Enterprise considers that the Proposed Plan should make provision for a generous supply of land for the delivery of new homes to ensure that the housing needs of the population are met, to support the economic growth of this prime region in Scotland. On this basis, Scottish Enterprise supports the approach of the Proposed Plan providing the strategic authority is satisfied that sufficient land will be made available in the constituent Local Development Plans to enable the provision of sufficient new homes within the timescale of the plan.</p> <p>Scottish Enterprise seeks no changes to the Proposed Plan providing the strategic authority is satisfied that the Proposed Plan will facilitate the provision of a generous number, type and tenure of new homes to meet needs during the plan period.</p>		

Homes for Scotland (PP35 02)

Given their position with respect to Issue 10, Selection of Growth Scenario, Homes for Scotland are seeking that the Housing Estimates are founded on either the Oxford Economic “rebalanced scenario” which they consider should have been run through the Housing Need and Demand Assessment Tool, or as a minimum, that the High Migration Scenario is selected rather than the Sustained Growth Scenario.

They also consider that a 25% allowance is added to the private sector to allow for potential affordable housing contributions and that a 20% generosity is added to the social sector figures as well as the private sector figures. They do not agree that no generosity is added to the social sector and say that the plan seems to be deliberately constraining social housing development and that the reason given for this, namely resources, is not reasonable.

Alternative figures for the private sector Housing Supply Targets based on the High Migration Scenario are provided, and they add 25% to recognise the need to provide affordable housing on site and a further 20% generosity.

Given their position on these matters, they are seeking consequential changes to Policy 8, Housing Land Requirement, and the related Schedules 6 to 8 and contextual text.

Within the representation form they refer to their Composite Representation Report (**RSD11**) and the Turley’s Report on Developing an Effective Deliverable Housing Strategy, Homes for Scotland – Clydeplan (**RSD10**), as additional supporting evidence.

The summarised response states:

- The current approach taken by Clydeplan does not identify enough of a Housing Land Requirement to meet the economic ambition of the Plan.
- Proposed Plan Background Paper 1 (**RSD12**) suggests that more housing should be planned for to meet just the economic base scenario and the implication is that more still, over and above the high migration scenario, would be required to meet the rebalanced economy scenario.
- The Housing Need and Demand Assessment should have run an economic growth based scenario in line with the findings of Proposed Plan Background Paper 1.
- Proposed Plan Background Paper 1 (**RSD12**) should be updated to reflect the City Deal commitments and the findings run through the Housing Need and Demand Assessment to provide a housing projection that is consistent with the growth ambitions stated in the plan.
- By following the principal projection there is a danger that we are simply projecting forward a set of circumstances that are that of market failure. This will constrain economic growth potential.
- The High Migration Scenario should be used as a minimum but preferably a “rebalanced economy” scenario should be used.

- The Plan is not in accordance with the Scottish Planning Policy in that it is not applying generosity correctly and we would contend that the maximum 20% should be added given the recent history of under delivery.
- Recognition should be given for the need for private sector sites to deliver 25% affordable housing on site so there is a need for more sites in areas where the private sector can deliver
- Explanation is needed as to why Schedules 6, 7 and 8 look back to 2012.

Gladman Scotland (PP40)

Paragraph 6.60 of the Proposed Plan states that “*in order to provide flexibility, support the housebuilding industry and provide for long term growth, a generosity level of 10% has been applied to the private sector housing supply target*”. Whilst the principle of the generosity allowance is in line with the requirements of Scottish Planning Policy, the Proposed Plan does not include the “*robust explanation*” required by Paragraph 116 of Scottish Planning Policy to set out why the level of generosity has been set at this level. Without this robust justification, it is impossible to know if this level of generosity is appropriate, and in light of the other changes made to the overall housing supply position in the Proposed Plan compared to the adopted Strategic Development Plan, it appears to be a decision made to ensure that the housing land requirement is kept to a minimum. There appears to be a weakening of the importance of the generous supply of housing land by the overall approach of the plan to housing/housing need.

CALA Homes (West) (PP43 03) (PP43 04)

Wallace Land Investments (PP45 03) (PP45 04)

Hallam Land Management (PP46 03) (PP46 04)

Given their position with respect to Issue 10, Selection of Growth Scenario, the various parties are seeking that the Housing Estimates are founded on the High Migration Scenario rather than the Sustained Growth Scenario.

Alternative Figures are presented for the High Migration Scenario by “*Adopting the assumptions for Stage 2 Adjusted Housing Estimates by Local Authority used by the SDPA (Strategic Development Plan Authority) for the Sustained Growth Scenario (Background Report 8, Figure 3)*”. They are seeking that the High Migration Scenario is adopted as the baseline for setting the Housing Supply Targets or that the alternative figures presented are adopted as the Housing Estimates.

The representees are keen to ensure that the Plan adopts an all tenure approach to Housing Supply Targets and the Housing Land Requirement and the Reporter’s conclusions on the Examination of the approved Strategic Development Plan, (Report to Scottish Ministers on the Strategic Development Plan (March 2012)) are highlighted:

“Land should made available either through the development plan or development management process to meet the identified all-tenure housing supply target and housing land requirement in full, regardless of the tenure of housing provided.”

They do not accept that Clydeplan's approach to Housing Supply Targets for the social sector. They recognise that the social Housing Supply Target deviates from the Sustained Growth Scenario estimates and state that, contrary to Scottish Planning Policy no reasonable explanation for this deviation is given. Accordingly they consider that the Housing Supply Targets for social housing should be adjusted positively to take account of the High Migration Scenario. Alternative Housing Supply Targets for both the social sector and private sector are provided.

The application of 20% generosity should be applied to the all tenure targets, and alternative housing land requirements are derived. They say that this level of generosity would provide the best opportunity to maintain a 5 year effective housing land supply at all times through the emerging Local Development Plans as well as meeting the Housing Supply Target in full.

Given their position on these above matters, they are seeking consequential changes to Policy 8, Housing Land Requirement, related Schedules 6 to 8 and the contextual text.

Stewart Milne Homes (PP49_01) (PP49_02) (PP49_03) (PP49_04)

Given their position with respect to Issue 10, Selection of Growth Scenario, Stewart Milne Homes are seeking that the Housing Estimates are founded on the High Migration Scenario rather than the Sustained Growth Scenario.

They consider that the all-tenure total is the key figure in the Plan, and that this total should reflect the High Migration scenario but adjusted to reflect the limitations on delivery of social rented housing.

Alternate figures for Housing Supply Targets to reflect the High Migration Scenario are provided, and adjusted to reflect the limitations on the delivery of social housing.

They consider that the private element should then have a 20% generosity margin applied to derive an alternative Housing Land Requirement which would be increased by 15,200 houses.

They present context from the Turley's report, Developing an Effective Deliverable Housing Strategy, Homes for Scotland – Clydeplan, (October 2015) (**RSD10**), especially pages 63-65) regarding a categorisation of "strong" to "weaker" market areas and argue that there is a concentration of land in the "weaker" market areas which has failed to deliver. They provide their assessment of the years of effective land supply in the Clydeplan authorities, and for Clydeplan as a whole, they consider that there is 2.5 years effective land supply.

They consider that the Proposed Plan strategy continues to rely on the same spatial strategy as the last two plans, and that this strategy has not delivered the development needed.

They argue for an additional 15,200 houses, and recommend that taking account of comparative market strengths, around 50% of that should be allocated to East Dunbartonshire and East Renfrewshire across the two Plan periods, with the balance

being allocated to Renfrewshire, North and South Lanarkshire.

Elements of Policy 8 are considered too restrictive. They suggest wording changes to Policy 8 to deal with flexibility in the event that additional housing land is needed to meet any shortfalls; support the presumption in favour of sustainable economic development; and seek the reintroduction of a version of Diagram 4 from the approved Plan (May 2012) (**RSD15**) to assess the balance between need and demand, against the plan strategy.

Strathclyde Partnership for Transport (PP52 12)

Strathclyde Partnership for Transport state that the accessibility of sites by sustainable transport should be a key driver in allocating land to residential uses, and is of particular importance in relation to affordable and specialist provision where car ownership levels are likely to be below average. They have stated that the emphasis given to the importance of location in relation to the provision of housing in 6.23 is welcome, but is not reflected in policies 7-9 and have sought modifications to Policies 8 and 9 in this regard.

Mr W Hill & Mr R Hill (PP53 01) (PP53 04)

Given their position with respect to Issue 10, Selection of Growth Scenario, Messrs Hill are seeking that the Housing Estimates are founded on the High Migration Scenario rather than the Sustained Growth Scenario.

They do not agree with the approach to setting of the Housing Estimate based on the Sustained Growth Scenario, which they consider is not sufficiently ambitious and fails to provide for the possibility of high levels of economic growth. They would prefer the selection of the High Migration Scenario as the basis for the Housing Estimates, and consider that the Housing Estimates for the private sector, should be increased by 16,500 houses which is the difference between the High Migration Scenario and the Sustained growth Scenario.

They query the effectiveness of the land supply (refer Issue 12, Housing Land Supply) and propose that generosity should be set at 20%, in order to maximise the prospect of achieving the Housing Supply Target.

They consider that Policy 8 is agreeable other than bullet point 5 which they consider to be vague and subject to interpretation and suggest alternative wording.

Modifications sought by those submitting representations:

Suggested Text deletions marked with ~~strikethrough~~
Suggested Text additions underlined

Homes for Scotland (PP35 02)

Schedules 6, 7 and 8 should be revised. The High Migration Scenario should be used as a minimum but preferably the Oxford Economics' rebalanced economy scenario should be used. This will require revisions to Proposed Plan Background

Paper 1 and the Housing Need and Demand Assessment.

20% generosity should be applied to all tenures to comply with the Scottish Planning Policy.

Bullet point 5 of Policy 8 requires review and they have suggested the following amendment:

- ~~through the 'Implementing the Plan and Development Management' section of the Plan (Section 10), take steps to remedy any shortfalls through the granting of planning permissions that contribute to sustainable development in line with Diagram 11, the Assessment of Development Proposals (page 98) and accord with the Vision and Spatial Development Strategy, Local Development Plans and other local strategies.~~

Recognition should be given for the need for private sector sites to deliver 25% affordable housing on site so there is a need for more sites in areas where the private sector can deliver.

The title of Schedule 7 needs to be revised as this schedule "excludes" the generosity allowance.

Gladman Scotland (PP40)

As a minimum, the level of generosity to be added to the Housing Land Requirement should be increased to 20%.

Robust justification should be provided for the level of generosity added to the housing supply target at Paragraph 6.60 or for any other level of generosity provided for as a result of these representations.

CALA Homes (West) (PP43 03) (PP43 04)

Wallace Land Investments (PP45 03) (PP45 04)

Hallam Land Management (PP46 03) (PP46 04)

Given their position on these above matters, they are seeking consequential changes to Policy 8, Housing Land Requirement, the related Schedules 6 to 8, contextual text and Background Report 8, to reflect the High Migration Scenario.

Alternative wording for a revised Policy 8 is provided, along with alternative wording for paragraphs 6.50-6.65 and alternative figures for Schedules 6 to 8:

- Schedule 6 Housing Supply Targets and Housing Land Requirement (GCV Area)
- Schedule 7 All Tenure Housing Supply Targets by Local Authority (Including a 10% adjustment to the Private Housing Supply Target)
- Schedule 8 All Tenure Housing Land Requirements by Local Authority (Including a 10% adjustment to the Private Housing Supply Target)

"Policy 8 Housing Land Requirement

In order to provide a generous supply of land for housing to deliver the Housing Supply Targets (Schedule 7) in support of the Vision and Spatial Development

Strategy, Local Authorities should:

- *assess the established housing land supply to identify whether further allocations are required through consultation and agreement with the housebuilding sector in accord with PAN 2/2010 Affordable Housing and Housing Land Audits;*
- *allocate a range of sites which are effective or expected to become effective in the plan period up to year 10 from the expected year of adoption to meet the Housing Land Requirement as set out in Schedule 8 All Tenure Housing Land Requirements by Local Authority;*
- *provide for a minimum of 5 years effective land supply at all times;*
- *undertake annual monitoring of completions and land supply through Housing Land Audits through consultation and agreement with the housebuilding sector in accord with PAN 2/2010 Affordable Housing and Housing Land Audits; and*
- *take immediate steps to remedy any shortfall in the 5 year effective housing land supply through the granting of planning permissions that contribute to sustainable development in accord with Diagram 11 Assessment of Development Proposals.*

Housing proposals on brownfield or greenfield sites will be considered favourably and granted planning permission to maintain a 5 years effective housing land supply where it can be demonstrated that:

- *The development will be in keeping with the character of the settlement and local area;*
- *The development will not undermine green belt objectives; and*
- *Any additional infrastructure required as a result of the development is either committed or to be funded by the developer.”*

Associated changes to the contextual text in paragraphs 6.50-6.65 are also suggested as follows.

6.50 Taking this evidence into account, along with the feedback through the Main Issues Report consultation process, the ~~Sustained Growth scenario~~ High Migration Scenario is considered to be a reasonable basis on which to base the future planning for the strategic housing land requirements for the city region and will enable Clydeplan to plan for ~~a more positive and ambitious outlook than the evidence suggests may occur~~ sustainable economic growth.

6.51 The ~~Sustained Growth scenario~~ High Migration Scenario is therefore used to set the Housing Supply Targets and Housing Land Requirement ~~which have ultimately been set at levels above the High Migration scenario~~ enabling Clydeplan to plan for ambitious yet realistic levels of growth. The High Migration Scenario supports the Agenda for Sustained Growth (2011) and seeks to continue the development strategy as set out in the previous Strategic Development Plan.

6.53 These adjustments have resulted in the private sector estimates increasing overall for the 2012–2029 period by nearly 3,000 units (Schedule 6) due largely to

stock changes, and the estimates for Glasgow City reducing with commensurate increases in other Local Authority areas due to adjustments for mobile demand. ~~The Housing Need and Demand Assessment and its accompanying Technical Report TR07, Strategic Housing Estimates, Background Report 8 contains full details of the approach.~~

~~6.58 There has been a downward adjustment of the social sector targets to reflect the likely availability of resources as well as past completion rates and a broadly compensatory upward adjustment of the private sector targets. The identification of an all-tenure housing supply target recognises the potential role of the private sector in providing a range of affordable housing types, not just through the application of quota policies to otherwise wholly private developments. New housing provided in any tenure will contribute to meeting the overall housing supply targets which has been identified across Clydeplan. Assumptions regarding the likely tenure of the provider should not impose artificial or unnecessary restrictions on new housing provision. The resultant Housing Supply Targets are considered to be realistic and deliverable.~~

~~6.59 In compliance with Scottish Planning Policy, generosity is to be added to Housing Supply Targets to establish the Housing Land Requirement. In the setting of realistic and deliverable targets, the social sector targets have been generally reduced on the basis of resource availability assumptions with the balance being generally reallocated to the private sector.~~

~~6.60 In the private sector there is a ~~land supply~~ Housing Supply Target of nearly around 100,000-117,000 (sic) units to 2029 across the city region ~~set against a Housing Supply Target of approximately 70,000 units.~~ Despite this surfeit of land supply, In order to provide flexibility, support the housebuilding industry and provide for long term growth, a generosity level of 40% 20% has been applied to the private sector Housing Supply Target. The private sector Housing Land Requirement is therefore increased by 6,970 units to a total of 76,670 140,370 units.~~

~~6.61 In terms of the social sector no generosity has been added and therefore the social sector Housing Land Requirement is the same as the Housing Supply Target.~~

~~6.62 It is anticipated that, taking account of the need to set Housing Land Requirements which incorporate generosity, there is more than sufficient capacity within the identified all-tenure land supply to meet total housing need and demand across the city region.~~

~~6.63 Schedule 6 illustrates the impact that the adjustments have made to the initial Housing Estimates to take account of the anticipated tenure balance and generosity. These adjustments have the effect of setting private sector and all-tenure Housing Land Requirements which not only exceed the Housing Estimates for the Sustained Growth Scenario chosen for the Plan, but also those for the more optimistic High Migration scenario.~~

~~6.65 The Housing Land Requirement can be met from a number of sources, most notably from sites in the established land supply which are considered effective or expected to become effective in the plan period, sites with planning permission,~~

proposed new land allocations in Local Development Plans, potential new sites identified in the Urban Capacity Study (Background Report 9) and the land supply will be supplemented from the granting of new planning permissions and other additional windfall sites. In preparing Local Development Plans, each planning authority should be confident that land can be brought forward for development within the plan period and that the range of sites allocated will enable the housing supply target to be met, providing for a minimum of 5 years effective housing land supply at all times. The ~~private sector~~ all tenure Housing Land Requirement should be met at both Local Authority and Housing Sub-Market Area to provide for local and mobile housing demand as set out in Schedule 9.

Stewart Milne Homes (PP49 01) (PP49 02) (PP49 03) (PP49 04)

Stewart Milne Homes suggested changes relate to Schedule 6, 7 and 8 and Policy 8, although other consequential alternations to the text and other relevant schedules would be required.

They consider that the Housing Supply Target of the Plan should be adjusted to reflect the High Migration Scenario to 108,000, split 32,000 social-rented and 76,000 private. The private target should then have 20% added as a generosity margin, i.e. an additional 15,200 houses to the Housing Land Requirement.

Of this 15,200 increase to the Housing Land Requirement, around 50% of that should be allocated to East Dunbartonshire and East Renfrewshire across the two Plan periods, with the balance being allocated to Renfrewshire, North and South Lanarkshire.

The title of Schedule 7 requires to be revised as it is incorrect. This schedule “excludes” the generosity allowance.

They are seeking that Policy 8 is modified to remove the reference to Schedule 9, and to deal with flexibility in the event that additional housing land is needed to meet any shortfalls.

- In Policy 8, bullet point 1, stop text after “Land Requirements by Local Authority”.
- In Policy 8 bullet point 5 the words “and accord with” are replaced by “taking account of”.

They support the reintroduction of a version of Diagram 4 from the Strategic Development Plan 2012 to assess the balance between need and demand, against the plan strategy.

It is recommended that the final sentence of paragraph 6.65 is deleted and replaced with:

“While Schedules 7 and 8 show a notional split between social-rented and private housing, Scottish Planning Policy requires that the all-tenure requirement be delivered by Local Development Plans. This Plan recognises the scope for flexibility between tenures and providers within the all-tenure requirement.”

Strathclyde Partnership for Transport (PP52 12)

Policies 8 and 9 should make reference to the accessibility of sites by sustainable transport being a key consideration in allocating land to residential uses.

Mr W Hill & Mr R Hill (PP53 01) (PP53 04)

They recommend that the Housing Estimates are based on the High Migration Scenario and that generosity is set at 20% in order to maximise the prospect of achieving the Housing Supply Target.

The final bullet point of *Policy 8 Housing Land Requirement* should be should be rewritten as follows;

- Contributing to sustainable development, in accordance with the principles of sustainable development identified in Scottish Planning Policy. Local Development Plans should also identify the circumstances in which additional housing sites can be brought forward in the context of a shortfall in the 5-year housing land supply.

Summary of responses (including reasons) by Planning Authority:

Selection of Scenario

Homes for Scotland (PP35 02)

Gladman Scotland (PP40)

CALA (Homes) West (PP43 03) (PP43 04)

Wallace Land Investments (PP45 03) (PP45 04)

Hallam Land Management (PP46 03) (PP46 04)

Stewart Milne Homes (PP49)

Mr W Hill & Mr R Hill (PP53 01) (PP53 04)

Clydeplan does not accept the suggested modifications in respect of the adoption of higher migration scenarios; re-running of the Housing Need and Demand Assessment; and amending Proposed Plan Policy 8 and the associated text, Schedules and Background Reports as it considers that it has justified its adoption of the Sustained Growth Scenario as documented within the Proposed Plan at Paragraphs 6.47-6.51 and within its response to Issue 10, Selection of Growth Scenario.

Representees have suggested alternative Housing Supply Targets and Housing Land Requirements ranging from an additional 15,200 to 32,400 units.

If such a significant level of additional Housing Land Requirement were to be accepted, this may require a revisit of the Plan strategy and a return to the Main Issues Report consultation stage. Although alternative site locations are before the Reporter, Issue 14, Site Specific Proposals, this would not provide a sufficiently comprehensive basis for reconsidering the land strategy of the Plan.

Housing Supply Targets and Housing Land Requirement

Stewart Milne Homes (PP49 01) (PP49 02)

Clydeplan does not accept that the Turley's methodology* provides an appropriate basis for apportioning the Housing Supply Targets or Housing Land Requirement for a number of reasons set out and expanded on, in the following. In summary, Clydeplan considers that:

- the appropriate method for assessing housing need and demand is through preparation of a Housing Need And Demand Assessment;
- the Turleys method takes no account of social housing need or market segmentation;
- Clydeplan analysis of housing delivery, reveals that over 70% of completions take place in the areas classified by Turleys as "weaker" and "poor" market areas and this is programmed to continue in the future;
- the setting of the Housing Supply Targets involves policy judgments and was undertaken collectively and agreed by the eight authorities of Clydeplan and the Glasgow and the Clyde Valley Housing Market Partnership.

* Stewart Milne Homes consider that the Housing Supply Target of the Plan should be adjusted to reflect the High Migration Scenario to 108,000, split 32,000 social-rented and 76,000 private. The private target should then have 20% added as a generosity margin, i.e. an additional 15,200 houses to the Housing Land Requirement, and that around 50% of that should be allocated to East Dunbartonshire and East Renfrewshire across the two Plan periods, with the balance being allocated to Renfrewshire, North and South Lanarkshire. By way of evidence they refer to the Turleys Report and a categorisation of market strengths into areas of "strong", "moderate", "weaker" and "poor" market strength described at pages 63-65 (**ASD23**).

As required by Scottish Planning Policy, housing need and demand, including adjustments to take account of social housing need and private sector market demand, was assessed fully through the preparation of the Housing Need and Demand Assessment undertaken by the eight authorities of the Glasgow and the Clyde Valley Housing Market Partnership. This approach provides an evidence based approach to the assessment of housing need and demand and was assessed as "robust and credible" on 21st May 2015 (**ASD22**).

The methodology outlined in the Turley's report, focuses only on the private sector, and takes no account of social housing need. The report presents a categorisation of relative market strengths "strong", "moderate", "weaker" and "poor" market strength within the Clydeplan area (**ASD23**). This categorisation takes no account of market segmentation and the reality of the way in which home mover's exercise choice based on a compromise between size, type, location and price. The categorisation is premised on an implied concept that home buyers will choose to locate in the areas of stronger and moderate market strength such as East Dunbartonshire and East Renfrewshire.

In reality and from Clydeplan's analysis of completions in 2013 (Proposed Plan, Background Report 07, page 14, **(ASD08)**) only 14% of private sector completions were in East Renfrewshire and East Dunbartonshire. Further analysis of the 2014 Housing Land Audit reveals that, using the Turley's categorisation, over 70% of completions took place in 2013 and 2014 in the "weaker" and "poor" market areas and that this is programmed to continue in the future **(ASD24)**. Therefore when looking at the Turley's categorisation of areas from the perspective of completions and delivery, the "weaker" and "poor" areas are the stronger areas in relation to delivery. Delivery is programmed to continue to take place in the Proposed Plan Development Corridor (paragraph 5.6 of Proposed Plan) and to improve in the Community Growth Areas over time.

The process of setting the Housing Supply Targets, as required by the Housing Need and Demand Assessment Manager's Guide, was by agreement of the local authorities taking into account their own local policy agendas and then considering the combined impact of those, at the level of the Strategic Development Plan Authority. It was at this stage that policy adjustments to the Housing Estimates were applied.

The process is described in Background Report 08 Section 8, pages 10-16 **(ASD25)** and takes account of a range of judgement based factors including:

1. environmental factors
2. social factors
3. economic factors which may impact on demand and supply
4. capacity within the construction sector
5. the potential inter-dependency between delivery of market and affordable housing at the local level
6. availability of resources
7. likely pace and scale of delivery based on completion rates
8. recent development levels

The most significant adjustments were made as a result of Factors 2, 3 and 6 above. In many authorities positive adjustments were made for a number of reasons:

- to adjust for repopulation and growth agendas (higher than estimates using the Housing Need and Demand Assessment Tool and National Records of Scotland household projections);
- to reflect improving completion rates and views around improving economic performance;
- to take account of City Deal; and,
- to reflect the availability of resources.

In summary and conclusion, in accordance with national policy and guidance the Clydeplan authorities have undertaken a full Housing Need And Demand Assessment, and taken a considered, collective and agreed view of Housing Supply Targets and the Housing Land Requirement. The Turleys methodology for

apportioning housing supply targets on the basis of a view of relative market strengths, does not provide an appropriate method for addressing these matters. For these principal reasons, Clydeplan does not accept the alternative Turleys method to setting the Housing Supply Targets and Land Requirements, proposed by Stewart Milne Homes.

Application of Generosity

Homes for Scotland (PP35 02)

Gladman Scotland (PP40)

CALA (Homes) West (PP43 03) (PP43 04)

Wallace Land Investments (PP45 03) (PP45 04)

Hallam Land Management (PP46 03) (PP46 04)

Stewart Milne Homes (PP49 01) (PP49 02)

Mr W Hill & Mr R Hill (PP53 01) (PP53 04)

Clydeplan does not accept that generosity should be applied at the maximum level of 20% to all tenures, or that the Plan may be deliberately constraining growth for a number of reasons set out and expanded on, in the following. In summary, Clydeplan considers that:

- considerable generosity (26% all tenure) has already been built into the process in translating the National Records of Scotland projections to Housing Supply Targets;
- the Clydeplan authorities did not consider it realistic to increase the Housing Land Requirement for the social tenure which is influenced directly by the availability of public sector resources;
- in the circumstances where there is considered to be an adequate land supply overall, the Clydeplan authorities agreed to continue the policy focus on delivery and regeneration.

As documented in the Proposed Plan (page 8), the National Records of Scotland project household change of 80,200 from 2012-29. The Housing Need and Demand Assessment Tool default for Existing Need is just over 4,000 (Proposed Plan Background Report 08, paragraph 6.5, page 6) (**ASD25**), however when applying the Housing Market Partnership's view of existing need of 11,700, (all of which goes to the social sector), this resulted in total Housing Estimates of 91,860 split 43% social and 57% private.

Housing Estimates were adjusted for the private sector when all projected demand was compared to all projected stock and adjustments were made to account for stock changes. This increased the private sector by 2,870 and total Housing Estimates to 94,730. The Housing Estimates were then adjusted geographically within the Housing Market Area to reflect mobile demand.

Housing Supply Targets were then set and as documented in Proposed Plan Background Report 8 Beyond the Housing Need and Demand Assessment, one of the most influential considerations was Factor 6, the impact of the availability of resources (see Section 9 and page 13) (**ASD25**). This resulted in reductions to the social sector based on past completion rates and the view of the likely availability of

funding at that time. The balance was generally added to the private sector again to reflect past completions but also to reflect growth ambitions including in relation to City Deal.

For the 2012-29 period, the combined result of these adjustments summarised in Schedule 6 of the Proposed Plan, was an increase of 9,130 units in the all tenure Housing Supply Target from 91,860 to 100,990.

Having made all of the above adjustments, the all tenure Housing Supply Targets (100,990) are 20,790 units higher than the National Records of Scotland projections (80,200) demonstrating that significant generosity of 26% is already built into the process before applying the recommended 10-20% generosity for the Housing Land Requirement stage.

For the private sector only, the generosity is even larger. From Schedules 5 and 6 in the Proposed Plan, it can be seen that the social/private split of the tenures has changed from 43%/57% (Housing Estimates) to 30%/70% (Housing Supply Targets) and the private sector has increased by 17,160 units or 33% from 52,540 to 69,700.

Given that the social sector Target has already been substantially reduced from the Housing Estimate as a result of the eight local authorities' views on resource planning assumptions, there was a consensus amongst the Clydeplan authorities that no new generosity should be added to that Target. Delivery of the social sector is closely linked to availability of public sector resources and to increase the Housing Supply targets by a margin of generosity was considered artificial and would not reflect the intention that the Targets are to be reasonable and deliverable (Scottish Planning Policy paragraph 115) (**ASD01**). This results in a Housing Land Requirement, which is the same as the Housing Supply Target for the social sector tenure.

Scottish Planning Policy is not fully clear on which tenures generosity is to be applied to. Whilst Paragraph 116 (**ASD01**) is not specific on tenure, the previous paragraph 115 refers to the "target" being reasonable and reflecting housing demand in the "market sector". From this it could be taken that generosity is to be applied only to the "market sector". Irrespective of the interpretation of Scottish Planning Policy, Clydeplan has provided a reasoned justification within the Proposed Plan for its approach to generosity being applied only to the private sector and not to the social sector, and it is noted that this approach is not contested by the Scottish Government (PP57) who made no comment on this issue.

Given the National Records of Scotland projection of 80,200 homes, the increase in the Housing Supply Targets to 107,960, and the overall availability of land of 117,600 units at 2013, generosity has been set at 10% and only applied to the private sector. This reflects the policy decision agreed by all eight planning authorities that:

- generosity and ambition have been applied throughout the process and particularly to the private sector (with increases from the starting position of National Records of Scotland projections, through to Housing Estimates, Adjusted Housing Estimates and the Housing Supply Targets);

- the setting of Housing Supply Targets should be realistic and deliverable;
- an excess of land for all tenures is already available (117,600 units at 2013,) which exceeds the Housing Supply Target (100,990 units) by 16,610 or 16%; and that,
- the policy focus of the Plan on delivery and regeneration should be strengthened.

To add additional land at this time when delivery remains low compared to pre-2008 levels, while there is an excess of land available, could detract from the delivery and regeneration focus and ambition of the Plan. In the Clydeplan area, in the circumstances in which the land supply is considered to be of a substantial scale, land is not considered an impediment to delivery. This view is based on analysis of long term delivery trends (Proposed Plan Background Report 07 **(ASD08)** and Land Supply for Housing Monitoring Report 2014 **(ASD09)** which confirm two important points:

- whilst the private sector established land supply has increased significantly in recent years and is now around its highest level for twenty years, delivery has remained low leading to the conclusion that delivery is strongly influenced by other factors including economic and fiscal conditions; and,
- there have been periods where more units were built than programmed indicating that completions can surpass programming in times of high or increasing demand.

(Refer pages 17-18 of Land Supply for Housing Monitoring Report 2014, **(ASD09)**).

In summary and conclusion, Clydeplan does not therefore accept that the Plan is deliberately constraining growth or that generosity should be set at 20%. It considers that a 10% generosity added only to the private sector, has been fully reasoned and justified and is an acceptable premise on which to predicate the policy focus of the Plan on delivery and regeneration. Going forward, post Ministerial approval of the Plan, Clydeplan will be seeking to deliver its policy focus through productive collaborative working with key stakeholders including the development industry, Scottish Government, local authorities and City Deal around an evolving Action Programme.

Additional 25% to the Private Sector for Affordable Housing

Homes for Scotland (PP35 02)

Clydeplan does not accept that an additional 25% should be added to the private sector to allow for affordable housing for a number of reasons set out and expanded on, in the following. In summary, Clydeplan considers that;

- the proposed approach does not comply with Scottish Planning Policy and PAN 2/2010; and
- the numbers of affordable homes delivered through quota policies are therefore a very small percentage of delivery overall and to add 25% on top of the private sector land allocation, would be significantly over estimating the

likely contribution from quota policies.

In accordance with Scottish Planning Policy paragraph 128 (**ASD01**) the authorities in the city region apply the policy by requiring 25% contribution from within, not in addition to, private sector sites. Paragraph 14 of Planning Advice Note 2/2010 states that “each site should contribute 25% of the total number of housing units as affordable” (**ASD26**).

Five local authorities have an affordable housing contributions policy and in the case of North Lanarkshire it applies only to Cumbernauld. Unfortunately precise data is not available across the Clydeplan authorities on what has been delivered through the quota policies due to the different types of products (such as discounted market sector housing) and way that the data is collected. However, what can be concluded is that quota policies have contributed to average delivery of 1,600 social sector units per annum in recent times referred in the Land Supply Monitoring Report 2014 at page 10 (**ASD09**). Additionally, affordable housing contributions can be taken in the form of commuted sums contributions which do not necessarily have a land implication. Commuted sums can also be used for delivery through other mechanisms such as direct stock purchase potentially for tenure change. The numbers of affordable homes delivered through quota policies are therefore a very small percentage of delivery overall and to add 25% on top of the private sector land allocation, would be significantly over estimating the likely contribution from quota policies, or need and demand for these products.

Policy 8 Wording and Paragraph 6.65

Homes for Scotland (PP35 02)

CALA (Homes) West (PP43 03) (PP43 04)

Wallace Land Investments (PP45 03) (PP45 04)

Hallam Land Management (PP46 03) (PP46 04)

Stewart Milne Homes (PP49 03) (PP49 04)

Clydeplan does not accept the alternative wordings proposed for Policy 8, Housing Land Requirement and paragraph 6.65 for a number of reasons set out and expanded on, in the following. Clydeplan would however suggest, if the Reporter is so minded, a minor correction at bullet 2 which should read “up to year 10 from” rather than “for” as written.

The main substantive proposed change identified within the alternative wording suggestions is that reference to Schedule 9, Private Housing Land Requirement by Housing Sub-Market Area in Policy 8 bullet 1, should be omitted. This is also relevant to the suggested amendment to the wording of the final sentence of paragraph 6.65 substituting the words “private sector” for “all tenure”. Stewart Milne Homes (PP49) are also seeking a modification to emphasise the “all tenure” issue and have provided a specific alternative wording for the final sentence of Paragraph 6.65.

Clydeplan does not accept that the wording in Paragraph 6.65 and bullet point 1 of Policy 8 of the Proposed Plan, should be modified to remove reference to meeting private sector demand at housing sub market area for the following reason. As

described in the Proposed Plan at paragraphs 6.43 – 6.45 on Tenure, Clydeplan supports the view that there is a distinction in how the geography of need and demand for the social and private tenures arises and is met. Clydeplan maintains that for the social sector the appropriate geography for assessing and meeting need is the local authority and for the private sector it is the housing market area.

Clydeplan does not accept that the wording of bullet point 5 in relation to the development management section of Policy 8 requires modification (Homes for Scotland (PP35_02)). Clydeplan has taken a consistent view to the wording of policies in respect of Development Management considerations and the referencing of the 'Implementing the Plan and Development Management' section of the Plan (Section 10) throughout the Plan and change is considered unnecessary and would lead to inconsistency.

Clydeplan does not accept that the wording of bullet point 5 in relation to the development management section of Policy 8 requires modification (Stewart Milne Home (PP49)). Clydeplan considers that the wording used closely reflects Section 25 of the Town and Country Planning (Scotland) Act 1997 which states that "Where, in making any determination under the planning Acts, regard is to be had to the development plan, the determination shall be made **in accordance with** the plan unless material considerations indicate otherwise" (**ASD40**). Additionally, Clydeplan has taken a consistent view to the wording of policies in respect of Development Management considerations and the referencing of the 'Implementing the Plan and Development Management' section of the Plan (Section 10) and change is considered unnecessary and would lead to inconsistency.

Clydeplan does not accept the proposed alternative policy wording for Policy 8 (CALA Homes (West) (PP43_03) (PP43_04), Wallace Land Investments (PP45_03) (PP45_04), Hallam Land Management (PP46_03) (PP46_04) for the following reasons:

- Clydeplan considers that the additional references proposed relating to the role of Housing Land Audits at proposed bullet points 1, 4 and in the proposed new penultimate sentence of paragraph 6.65, are unnecessary and do not add to the existing Proposed Plan bullet 4 which covers this issue adequately.
- In relation to proposed modified bullets 1 and 5, Clydeplan does not consider that the proposed wording add value to the existing wording of the Proposed Plan at bullets 1, 2, 3 and 5 which are intended to ensure that local planning authorities make appropriate land provisions for the Housing Land Requirement and take steps to remedy any shortfalls through the granting of planning permissions.
- The proposed second section to the policy commencing "Housing proposals on brownfield or greenfield", is not considered to add value additional to the final bullet point 5 of Policy 8 which refers to the assessment of development proposals against Section 10 and Diagram 11 of the Plan and the presumption in favour of sustainable development.

Clydeplan does not accept that there is a need for introduction of a version of Diagram 4 from the Strategic Development Plan 2012 to assess the balance between need and demand, against the plan strategy (Stewart Milne Homes

(PP49_03) (PP49_04)). Clydeplan considers that Policy 8, which aims to ensure that Housing Land Targets and Requirements are provided for within Local Development Plans and shortfalls in the land supply remedied, and Section 10, Implementing the Plan and Development Management, together provide an appropriate development management framework for assessing development proposals.

Policy Wording in relation to Sustainable Travel

Strathclyde Partnership for Transport (PP52_12)

Clydeplan does not accept that Policy 8, Housing Land Requirement, or Policies 7 or 9 also referenced in the representation, require to be amended to include reference to the accessibility of sites by sustainable transport as a key consideration in allocating land to residential uses, for a number of reasons set out below

- the concept of sustainable travel and a resilient and sustainable compact city model reducing the need for travel, is embedded throughout the Plan Strategy. It is specifically referenced under the Vision on Page 10 in relation to the “Delivery and Outcomes Focus for Planning and Placemaking” and “Low Carbon Infrastructure” and each of Policies 7, 8 and 9 refer to support for achievement of the Plan’s vision.
- Policy 8 which is most relevant to locational considerations and sustainable travel considerations, addresses these matters adequately. The policy makes reference in bullet point 5 to sustainable development, and the development management considerations outlined in Section 10 of the Plan. These Development Management considerations include Policies 17 and 18 on sustainable transport and active travel.

Other Proposed Text Changes

CALA (Homes) West (PP43_03) (PP43_04)

Wallace Land Investments (PP45_03) (PP45_04)

Hallam Land Management (PP46_03) (PP46_04)

Clydeplan does not accept the modification in respect of paragraphs 6.50-6.51, 6.53, 6.60-6.63 to reflect higher migration scenarios, as it considers this relates to Clydeplan’s choice of the Sustained Growth Scenario and its approach to applying generosity which are addressed above and more specifically in its response to Issue 10.

In respect of paragraph 6.58 Clydeplan does not accept the modification as it considers it has set out its approach to the Housing Land Requirement in Schedule 8 All Tenure Housing Land Requirement and Policy 8 as required by Scottish Planning Policy.

Title of Schedule 7

Homes for Scotland (PP35_02)
Stewart Milne Homes (PP49_02)

Clydeplan would accept the modification because the title of Schedule 7 is incorrect. If the Reporter is so minded, Clydeplan would suggest the following text is deleted (strikethrough) from Schedule 7 (page 58):

- “Schedule 7 All Tenure Housing Supply Targets by Local Authority” ~~(including a 10% adjustment to the Private Housing Supply Target)~~

Other

Scottish Enterprise (PP24_05)
Homes for Scotland (PP35_02)
Stewart Milne Homes (PP49_02)

The comments made by Scottish Enterprise (PP24_05) are noted, and Clydeplan is satisfied that its strategy will assist in facilitating the provision of a generous number, type and tenure of new homes to meet need through its policy focus on delivery combined with an already sufficient supply of land available for housing development. Refer also to Issues 12 Housing Land Supply and 13 Joint Action Towards Delivery.

Stewart Milne Homes (PP49_02) have raised an additional issue around years of land supply delivered by Clydeplan and the Local Development Plans. The figures they have provided are not specifically sourced and do not compare with the local authorities' views of their land supplies. Also the figures provided relate to the land supplies in the current Strategic and Local Development Plans compared with the previous assessment of need and demand, rather than this Proposed Plan which will set the context for subsequent Local Development Plans. The issue raised relates to their view of the failure of successive Strategic Development Plan strategies. No specific modification is sought.

Clydeplan does not accept their position on these matters. Clydeplan consider that the approach of the Proposed Plan is justified, within the Plan itself and within Issue 10, Selection of Growth Scenario, Issue 12 Housing Land Supply and Issue 13 Joint Action Towards Delivery. Going forward, it will be the role of the Local Development Plans to provide and maintain a five year effective land supply and Policy 8 Housing land Requirement, provides a specific context in this regard.

Homes for Scotland (PP35_02) have stated that an explanation is required as to why Schedules 6, 7 and 8 look back to 2012. This matter is covered in the text of the Proposed Plan at Paragraph 6.40, in Background Report 08 Beyond the Housing Need and Demand Assessment at paragraph 3.1 (**ASD25**), and in the Housing Need and Demand Assessment at section 2.4 (**ASD10**). For these reasons therefore, Clydeplan does not accept that additional explanation is necessary.

Reporter's conclusions:

[Note: For DPEA use only.]

Reporter's recommendations:

[Note: For DPEA use only.]