

Issue No: 19

Issue: Housing Market Areas

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1. Glasgow and the Clyde Valley Joint Structure Plan 2000, Technical Report 5 'A Housing Market Area Framework'
2. Glasgow and the Clyde Valley Joint Structure Plan 2006, Technical Report TR1/06 'Review of Supply and Demand for Housing' Appendix One
3. Glasgow and the Clyde Valley Strategic Development Plan Proposed Plan, Background Report 12, Housing Need and Demand Assessment, Technical Appendix TA01 'A Housing Market Area Framework'
4. Scottish Planning Policy, The Scottish Government, 2010, page 14, section 68 (Extract)
5. Letter from the Scottish Government's Centre for Housing Market Area Analysis 'Glasgow and the Clyde Valley's Housing Need & Demand Assessment (HNDA): Final Appraisal by the Centre for Housing Market Analysis (CHMA) (21 June 2011)
6. Housing Need and Demand Assessment Guidance, The Scottish Government 2008 (Extract)
7. Glasgow and the Clyde Valley Strategic Development Plan Proposed Plan, Background Report 12, Housing Need and Demand Assessment, Technical Appendix TA06 'Review of Supply and Demand/Need for Housing', Section 8

Issue 19	Housing Market Areas	
Development plan reference:	Spatial Framework 3 Sustainable Communities	Reporter:
Body or person(s) submitting a representation raising the issue (including reference number):		
E8 Taylor Wimpey UK Ltd E42/3 Lynch Homes E45/3 Cala Homes (West) E51/1 Scottish Government (Directorate for the Built Environment) E52/12 Mactaggart and Mickel (Homes) Ltd. E55/4 Homes for Scotland		
Provision of the development plan to which the issue relates:	Diagram 17 (page 41) Paragraph 4.76 (page 42) Schedule 9 (page 45)	
Planning authority's summary of the representation(s):		
<p>E8 Taylor Wimpey UK Ltd, E42/3 Lynch Homes, E45/3 Cala Homes (West), E52/12 Mactaggart and Mickel (Homes) Ltd. and E55/4 Homes for Scotland Consider the current system of Housing Market Areas to be contrived and unnecessarily complicated, thus making it difficult for the public to understand and that a simpler single tier housing market area based on local authority areas would be more appropriate. The current system of Housing Market Areas for private sector housing is no longer appropriate and should be replaced by local authority boundaries.</p> <p>E55/4 Homes for Scotland Cross reference required in paragraph 4.76 to the relevant section of a Background Paper which indicates how the Housing Market Area analysis has been translated into the Council area estimates. This is considered particularly important as around 20% of all demand is mobile.</p> <p>E51/1 Scottish Government (Directorate for the Built Environment) If the Reporter considers that the Proposed Plan does not deliver a generous supply of land, then Schedule 9 should be re-worked to identify the shortfall in each sub-market area, including a distribution of mobile demand.</p>		
Modifications sought by those submitting representations:		
<p>E8 Taylor Wimpey UK Ltd, E42/3 Lynch Homes, E45/3 Cala Homes (West), E52/12 Mactaggart and Mickel (Homes) Ltd. and E55/4 Homes for Scotland Amend Diagram 17 'Housing Market Areas' to reflect local authority boundaries.</p> <p>E8 Taylor Wimpey In the context of unitary local authority housing market areas, a limited allowance i.e. 15%, for immediate cross-boundary movement and in migration should be applied.</p>		

E55/4 Homes for Scotland

Amend paragraph 4.76 to include cross reference to the relevant section of a Background Report which indicates how the Housing Market Areas analysis has been translated into the Council area estimates.

E51/1 Scottish Government (Directorate for the Built Environment)

Amend Schedule 9 to identify any identified shortfall in each sub-market area including a distribution of mobile demand.

Summary of responses (including reasons) by planning authority:

It is important to note that many of the housing issues are inter-related and other aspects of the responses will be dealt with more fully in other Schedule 4's, notably Issues 17 - 27: The relationship between the housing issues is detailed in the Housing Land - A Strategic Overview topic paper.

E8 Taylor Wimpey UK Ltd, E42/3 Lynch Homes, E45/3 Cala Homes (West), E52/12 Mactaggart and Mickel (Homes) Ltd. and E55/4 Homes for Scotland

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects these modifications on the basis that

- it considers the system of distinct Housing Market Areas as a basis for assessing private sector supply and demand within the Glasgow and the Clyde Valley area to be a long-standing one which has been confirmed through continuing reviews in terms of its appropriateness. This fact has been accepted by the Scottish Government as the basis of housing analysis in predecessor strategic plans, including most recently the 2000 and 2006 Structure Plans.
- The evidence for developing the Housing Market Area system is provided by Sasines data, in combination with the results from Housing Choice Surveys. This evidence shows that house buyers consider a wider area for the purchase of their home than any one Council area. It is therefore appropriate that this is reflected in the Strategic Development Plan housing demand assessment, which recognises local and mobile demand within a housing market area context.
- The housing market area framework has been subject to on-going review to ensure its continued relevance, including
 - the 2000 and 2006 Structure Plans (Glasgow and the Clyde Valley Joint Structure Plan 2000, Technical Report 5 'A Housing Market Area Framework') (Supporting Document 1)
 - the Glasgow and the Clyde Valley Joint Structure Plan 2006, Technical Report TR1/06 'Review of Supply and Demand for Housing' Appendix One) (Supporting Document 2) and
 - most recently as part of the Housing Need and Demand Assessment (Housing Need and Demand Assessment Final Report, Technical Appendix TA01 'A Housing Market Area Framework') (Supporting Document 3).
- The housing market area framework meets the requirements of the Scottish Government's Scottish Planning Policy (Supporting Document 4 -

page 14, section 68) which explicitly acknowledges the fact that local authority boundaries will seldom align with the reality of housing market geographies.

- The Glasgow and the Clyde Valley Housing Need and Demand Assessment, which includes the methodology for defining housing market areas, has been declared 'robust and credible' in a letter from the Scottish Government's Centre for Housing Market Analysis in June 2011 (Supporting Document 5).
- The Scottish Government's Housing Need and Demand Assessment Guidance (March 2008) Page 7 (Supporting Document 6) explains that where a Housing Need and Demand Assessment is 'robust and credible' its approach will not be considered at examination.
- Housing Need and Demand Assessment Final Report, Technical Appendix TA01 'A Housing Market Area Framework' (Supporting Document 3) sets out the outcome of an updated analysis of Sasines data covering the period 2002-08 in order to test the validity of the current Housing Market Area system and to consider whether any changes were required.
- The process involved two stages (i) the identification of areas to form the building blocks of the system, and (ii) the examination of the inter-relationships between the building blocks to identify housing market operating over a wider area. The analysis concluded that the most appropriate framework for the private sector remained the three tier housing market area system consisting of Tier 1 - Conurbation; Tier 2 - Central and Eastern Conurbation and Tier 3 - 11 Housing Sub-Market areas and 2 Discrete market areas.
- It is considered that using the suggested local authority areas would be an essentially expedient approach that a) would distort the reality of the operation of the private housing market and b) would not be evidence-based as required for the Housing Need and Demand Assessment.

E55/4 Homes for Scotland

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects these modifications on the basis that

- Scottish Planning Policy requires planning authorities to assess housing requirements by housing market area recognising in paragraph 68 (Supporting Document 4) that they will rarely coincide with local authority boundaries.
- However, Scottish Planning Policy also requires the Strategic Development Plan to set out housing requirements by local authority area.
- Schedules 8 and 9 of the Proposed Plan set out the private sector housing requirements by Housing Market Area. So as to satisfy the requirements of the Scottish Planning Policy, Schedule 7 of the Proposed Plan sets out housing requirements by local authority area. As the assessment of private sector housing requirements is undertaken at the Housing Market Area level, consequently, the local authority figures presented have to be approximated (as indicated in the Notes at the foot of Schedule 7, page

43). This approximation is calculated by taking the projected new build in the Conurbation and its discrete Housing Market Areas (2009 Housing Land Audit and Urban Capacity Study) and subtracting the surplus identified in the Housing Market Area assessment (Schedules 8 and 9).

- Planned housing figures by Council area therefore reflect both housing demand and available supply. The location of the available housing land supply determines in which Council area(s) the mobile part of the housing demand will be met.
- The Housing Need and Demand Assessment, Technical Appendix TA01 'A Housing Market Area Framework' (Supporting Document 3) and related Technical Appendix TA06 Section 8 paragraph 8.22 (Supporting Document 7) sets out in detail the Housing Market Area framework, explaining mobility within the Conurbation and that it is not possible accurately to translate a housing market area outcome into a local authority figure.

E8 Taylor Wimpey UK Ltd

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects these modifications on the basis that

- Scottish Planning Policy requires planning authorities to assess housing requirements by housing market area recognising in paragraph 68 that they will rarely coincide with local authority boundaries (Supporting Document 4). However, Scottish Planning Policy also requires the Strategic Development Plan to set out housing requirements by local authority area.
- The proposal for a 15% allowance for immediate cross-boundary movement and in migration acknowledges mobility in housing demand between settlement areas beyond existing local authority boundaries as incorporated within the housing market area framework in terms of private sector supply and demand. No evidence has been submitted in support of the figure of 15% which appears to be an arbitrary figure. The Glasgow and the Clyde Valley Strategic Development Planning Authority has reviewed the current Housing Market Area system (Supporting Document 3) and in its view its evidence-led approach reconfirms the appropriateness of the current Housing Market Area system.

E51/1 Scottish Government (Directorate for the Built Environment)

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects this modification on the basis that

- this representation prejudices the Reporters' consideration of the 'generous land supply' issue (Issue 20 Schedule 4 Generous Land Supply).
- Notwithstanding, it should be noted that it would be inappropriate to include an allocation of mobile demand in a comparison of supply and demand for individual housing sub-market areas.
- By its nature, both local and mobile demand are considered within the three tiers of the Housing Market Area framework. Detail relating to local

and mobile demand within the Housing Market Area system is set out in Housing Need and Demand Assessment, Technical Appendix TA06 'Review of Supply and Demand/Need for Housing' Section 8 (Supporting Document 7)

Reporter's conclusions:

Reporter's recommendations: