

Issue No: 22

Issue: All Tenure Housing Requirement

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2. Housing Need and Demand Assessment Guidance, The Scottish Government 2008 (Extract)

3. Glasgow and the Clyde Valley Strategic Development Plan Proposed Plan, Background Report 12, Housing Need and Demand Assessment (Extract)
4. 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 (Extract)
5. Glasgow and the Clyde Valley Strategic Development Plan Proposed Plan, Background Report 12, Housing Need and Demand Assessment (Extract)
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13. Housing Need and Demand Assessment Guidance, The Scottish Government 2008 (Extract)

Issue 22	All Tenure Housing Requirement	
Development plan reference:	Spatial Development Strategy Spatial Framework 3 Sustainable Communities Housing	Reporter:
Body or person(s) submitting a representation raising the issue (including reference number):		
<p>E6 Quarriers E8 Taylor Wimpey Ltd. E9 Wallace Land E10 CALA Homes/ Taylor Wimpey UK Ltd E12 CEMEX UK Ltd. E24 Banks Group E31 Caledonian Properties E42/3 Lynch Homes E42/4 Lynch Homes E42/5 Lynch Homes E45/3 CALA Homes (West) E45/4 CALA Homes (West) E45/5 CALA Homes (West) E51/1 Scottish Government (Directorate for the Built Environment) E52/14 Mactaggart and Mickel (Homes) Ltd. E55/4 Homes for Scotland</p>		
Provision of the development plan to which the issue relates:	Paragraphs 4.64 to 4.89 (pages 40 to 49) Schedules 6 to 11 (pages 43 to 48)	
Planning authority's summary of the representation(s):		
<p>The main issue is that the Proposed Plan has not dealt satisfactorily with an all tenure housing requirement and specifically that the identified need for affordable housing (which it is argued should be more closely integrated with demand for private housing) has not been translated into allocations for additional housing land.</p> <p>E6 Quarriers This representation is concerned that there are not options for the delivery of new land for private housing outside the context of brownfield regeneration opportunities. It raises five main points:</p> <ul style="list-style-type: none"> • no apparent comprehensive assessment of the deliverability of existing supply; • a singular reliance on brownfield development; • theoretical oversupply of market housing; • backlog in affordable housing provision; • need to deliver land for affordable housing and the role that private housing plays enabling that development. <p>E8 Taylor Wimpey Ltd. Urgent need for affordable and intermediate housing requiring private housebuilding to either provide or cross-subsidise provision. A shortfall of 85,000</p>		

affordable units is identified in the Plan with no vision as to how it will be delivered.

E8 Taylor Wimpey Ltd., E9 Wallace Land, E10 CALA Homes/ Taylor Wimpey UK Ltd

The Strategic Development Plan strategy does not appear to provide a framework for addressing affordable housing needs, and this is particularly pertinent in areas such as East Renfrewshire where there is a recognised shortfall of land for affordable housing.

E12 CEMEX UK

The private and affordable sector housing should be considered together; it is inappropriate to divorce consideration of affordable housing from the private sector. This approach ignores both the valuable contribution that the private sector can make to the delivery of affordable housing and the importance of mixed tenure development in creating and maintaining successful communities. The two sectors are inherently interdependent with reliance on private sector delivery of affordable housing likely to increase during the life of the Strategic Development Plan due to the anticipated reduction in public sector subsidy.

E24 Banks Group

There is no evidence of generous housing land supply in the Proposed Plan. As appears to be the case for affordable housing requirements there should be much more flexibility given to Local Development Plans to deal with this issue. There should be a consistent approach between these two elements in order that it can be dealt with in an integrated manner.

E31 Caledonian Properties

Considers that the Glasgow and the Clyde Valley Strategic Development Planning Authority should combine the two affordability assumptions and release additional land for housing (paragraph 4.67).

E42/3 Lynch Homes, E45/3 CALA Homes (West)

There is no requirement in Scottish Planning Policy to plan specifically for the tenure based approach adopted in the Proposed Plan which adds complexity without any benefits for the public or stakeholders. The Proposed Plan should have addressed the future requirement for private demand and affordable housing needs, and simply aggregated these components to assess an overall strategic housing requirement as supported by the guidance set out in the Housing Need and Demand Assessment methodology by Scottish Government. The methodology adopted in the Proposed Plan is flawed and does not provide a sound basis to assess the overall level of the strategic housing requirement over the plan period.

E42/4 Lynch Homes, E45/4 CALA Homes (West)

Rather than subdividing the Housing Need and Demand Assessment demographic scenario into ill defined housing tenures for planning purposes, a replacement Schedule 6 is required showing its components and the assessment of the total housing requirement.

E42/5 Lynch Homes, E45/5 CALA Homes (West)

The Proposed Plan's consideration of affordable housing is not considered to be in accord with the policy requirements set in paragraphs 86 to 88 of Scottish Planning Policy. There is no requirement to separately identify the scale of affordable housing to be met in each local authority area. This should be part of the overall strategic housing target to be assessed from the Housing Need and Demand Assessment. The commentary set out in the text about the affordable housing sector is confusing and as there is no strategic direction in the Spatial Development Strategy it therefore does not provide any clear direction to the Local Development Plans.

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

Scottish Planning Policy paragraphs 66, 70, 72, and 86 require the planning system to allocate a generous supply of land to meet identified housing requirements across all tenures. The Scottish Government (Directorate for the Built Environment) considers that evidence exists in the Housing Need and Demand Assessment on which to base an overall housing requirement figure across all tenures, and that this should have been the starting point for the consideration of housing land supply issues in the plan and therefore do not agree with the conclusion at Paragraph 4.85 of the Proposed Plan that the Strategic Development Plan should not identify a land supply for the affordable sector. The analysis of affordable housing needs that is included in the Strategic Development Plan demonstrates that this sector could produce significant demands for land use change.

E52/14 Mactaggart and Mickel (Homes) Ltd.

To identify an affordable housing shortfall of 85,000 units but fail to provide any strategic direction on the manner in which this need is to be met represents an abdication of responsibility by the Strategic Development Plan. To indicate that it is up to each Local Development Plan to detail the manner in which this known need is to be met fails to address the strategic requirement identified. Indeed the Glasgow and Clyde Valley approach runs contrary to the National Planning Framework for Scotland 2 Paragraph 75.

It is considered that for the Council areas where there is an affordable housing shortfall that a Strategy Support Measure is required, compelling each local authority to meet their identified requirement. It is considered that by allocating sufficient effective housing land that the private sector could assist in addressing the affordable housing shortfall both geographically and over the Glasgow and the Clyde Valley Strategic Development Plan period. This is particularly important where available funding for registered social landlords has been dramatically reduced. Other mechanisms including enabling private development/shared equity etc. also needs to be considered. These comments are equally applicable to the 22,000 intermediate houses required over the Plan period.

E55/4 Homes for Scotland

Scottish Planning Policy and the Government's guidance on Housing Need and Demand Assessments are both clear that housing in development plans is to be considered across all tenures, and land allocated to reflect the totality of needs and demands. The fact that affordable housing needs are assessed by Council area makes it entirely reasonable to combine consideration with the assessment

of private demand by Council area.

Schedule 10 contains an assessment of affordable needs by Council area. The Proposed Plan notes correctly in paragraph 4.80 that these figures cannot be taken directly as requirements for new build housing, as other approaches will play a part too. Paragraph 4.84 then seeks to avoid any further consideration of land requirements by arguing that the flexibility built into the Plan will cover any land requirements. However, this flexibility is based on at least two false assumptions, and is never quantified to allow verification that it is sufficient to meet needs as well as provide a generous land supply. In addition, there are variations by Council area in the assumed land supply to meet affordable housing needs.

Paragraph 4.86 then states that it is the role of Local Authorities to “determine their respective housing supply targets and associated housing land requirements through their respective Local Housing Strategies and Local Development Plans.” While this is correct in terms of Scottish Planning Policy, it does conflict with the Strategic Plan, which is quite clear that:

- it has identified private housing requirements
- there is enough housing land to meet these requirements
- there is enough flexibility built into the projections and land supply to cover any affordable housing land issues
- Local Development Plans should therefore not identify further land.

Which is the correct position for local authorities to adopt? Do they accept the Strategic Plan’s clear instruction not to allocate further housing land? Do they use their Local Housing Strategy and Local Development Plan to assess their own requirement? If the latter, do they then rely on Diagram 4 to justify setting their own housing targets and land requirements?

Modifications sought by those submitting representations:

E6 Quarriers; E8 Taylor Wimpey; E9 Wallace Land; E10 CALA Homes/ Taylor Wimpey UK Ltd; E12 CEMEX Ltd.; E24 Banks Group; E31 Caledonian Properties

No specific modifications sought.

(Related aspects are dealt with in Issue 17 Effectiveness and Additional Housing Land and Issue 20 Generous Land Supply.

E42/3 Lynch Homes; E45/3 CALA Homes (West)

- Modify the wording in para 4.66
- Delete reference to para 4.68
- Delete reference to paras 4.73, 4.74, 4.75 and 4.76 to exclude all references in the Proposed Plan to Private Sector Housing
- Substitute map showing local authority areas as the Housing Market Areas in Diagram 17
- Replace Schedule 6 into para 4.66

Schedule 6 (amended): Housing Requirements

Local Authority	Housing Requirement to Meet Housing Need & Market Demand						
	7 Year 2013-20			12 Year 2013-2025			Annual Requirement
	Market	Affordable	Total	Market	Affordable	Total	
East Dunbartonshire	1,718	3,650	5,368	2,118	4,850	6,968	581
East Renfrewshire	1,400	1,750	3,150	1,700	1,950	3,650	304
Glasgow City	16,164	26,850	43,014	26,164	36,750	62,914	5,243
Inverclyde	891	2,175	3,066	991	2,275	3,266	272
North Lanarkshire	9,673	0	9,673	16,073	0	16,073	1,339
Renfrewshire	5,282	363	5,644	7,982	363	8,344	695
South Lanarkshire	10,055	7,675	17,730	12,555	8,975	21,530	1,794
West Dunbartonshire	1,782	0	1,782	2,982	0	2,982	248
GCV total	46,964	42,463	89,426	70,564	55,163	125,726	10,477
Note: Based on Planning Scenario/High Affordability including lower estimate of Backlog of Need							

E42/4 Lynch Homes, E45/4 CALA Homes (West)

These representations propose the following modifications:

- 4.70 delete from the first sentence “..the private sector”
- 4.71 (duplicate modification to E47/2 & E45/2 above)
- 4.72 delete from the second sentence “Considerable...” and replace with “However, it needs to recognise that limited...”
- 4.72 add at the end of the paragraph:
 “As required by Scottish Planning Policy, Schedule 7 details the scale of land release to be allocated in the Local Development Plans to Year 7. Local Development Plans are advised to adopt the annualised estimate of the strategic housing requirement to assess the housing shortfalls and allocations needed over the 10 year plan period.
 “Local Development Plans should through the Local Housing Strategy adopt the findings from the Housing Need and Demand Assessment to assess Local Housing Needs and any affordable housing shortfall. If a shortfall is identified then an affordable housing policy is appropriate.
 “Local Development Plans can allocate land for affordable homes to help deliver the Strategic Development Strategy.”
- 4.77 delete paragraph and replace with
 “Having determined the strategic housing requirement for each local authority area, Schedule 7 (amended) details the scale of housing allocations to be met by site allocations to year 7 as required by Scottish Planning Policy. This is based on the effective land supply in the latest Housing Land Audit (2010). Windfall sites are not included in this land supply assessment. The land identified in the Urban Capacity Study has not been agreed effective and therefore cannot be included in this land supply. Land which is part of the Urban Capacity Study can be allocated in the Local Development Plans if it can be demonstrated that these are effective in the relevant plan period.”
- Delete Schedules 7, 8 and 9 and replace with new Schedule 7 before paragraph 4.77.

Schedule 7: Housing Shortfalls to Year 7

Local Authority	Housing Shortfalls to Year 7		
	Annualised Housing Requirement to Year 7 (i)	Effective Housing Supply (ii)	Housing Shortfall
East Dunbartonshire	4,065	1,110	2,955
East Renfrewshire	2,129	1,329	800
Glasgow City	36,700	18,024	18,676
Inverclyde	1,905	2,171	0
North Lanarkshire	9,376	6,515	2,861
Renfrewshire	4,868	4,311	557
South Lanarkshire	12,559	9,728	2,831
West Dunbartonshire	1,739	1,968	0
GCV total	73,340	45,156	28,679

**Source: (i) Strategic Housing Requirement (Schedule 6)
(ii) Assessed from 2010 Housing Land Audits as approved (2009 HLA for East Dunbartonshire)**

(Related aspects are dealt with in Issue 17 Effectiveness and Additional Housing Land).

E42/5 Lynch Homes, E45/5 CALA Homes (West)

Delete Paras 4.79 to 4.86 along with Schedules 10 and 11

The target for affordable housing is still retained in the Proposal Plan. This is now part of an amended Schedule 6 (see **E42/3 Lynch Homes**) which brings together the assessment of market demand and affordable housing needs in a consolidated table as required by SDP.

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

We suggest that the Reporter invites the Glasgow and the Clyde Valley Strategic Development Planning Authority to revisit its housing requirement to 2025 to take account of all tenures. In doing so the outputs of the Housing Need and Demand Assessment should be the starting point, but other factors including realistic prospects for the housebuilding industry, for growth, and for the availability of public subsidy to support affordable housing may also be taken into account. The Glasgow and the Clyde Valley Strategic Development Planning Authority should then be invited to identify a housing land requirement more than sufficient to accommodate this target (i.e. incorporating a generosity allowance), and taking account of a realistic assessment of the proportion of the established supply likely to become effective by 2025.

If the Reporter concludes from this exercise that the Proposed Plan does not deliver a generous supply of housing land, then we suggest that Schedule 9 of the Plan is reworked to identify the shortfall in each sub-market area (and including a distribution of mobile demand) and a requirement included in the Plan for the eight planning authorities to allocate land to meet these shortfalls through their Local Development Plans.

(Related aspects are dealt with in Issue 17 Effectiveness and Additional Housing Land and Issue 20 Generous Land Supply).

E52/14 Mactaggart and Mickel (Homes) Ltd.

A Strategy Support Measure to meet the affordable and intermediate housing requirement in full, both geographically and over the Glasgow and Clyde Valley Strategic Development Plan period.

E55/4 Homes for Scotland

- Paragraph 4.84 delete first two sentences and replace with: “The intermediate sector potentially is part of the wider approach to meeting affordable housing needs. Local authorities will assess the overall scale of housing land required to meet all needs, but should note that some households who can access intermediate housing may be more mobile than those in the social-rented sector. Some flexibility in land allocations may be needed to reflect this.”
- Paragraph 4.86, add a new second sentence: “Local Authorities will consider the total housing land required for all tenures.”

(Related aspects are dealt with in Issue 17 Effectiveness and Additional Housing Land and Issue 20 Generous Land Supply).

Summary of responses (including reasons) by planning authority:**General**

- The main issue raised by the representations is that the Proposed Plan has not dealt satisfactorily with an all tenure housing requirement and specifically that the identified need for affordable housing has not been translated into allocations for additional housing land.
- 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 and in a more integrated fashion in the paper 'Housing Land - A Strategic Overview'.
- Housing Need and Demand Assessment, the method to calculate housing requirements, is a new methodology.
- The Glasgow and the Clyde Valley Housing Need and Demand Assessment has been declared 'robust and credible' in a letter from the Scottish Government's Centre for Housing Market Analysis dated June 2011 (Supporting Document 1). The Scottish Government's Housing Need and Demand Assessment Guidance Page 7 (Supporting Document 2) explains that where a Housing Need and Demand Assessment is 'robust and credible' its approach will not be considered at examination. Instead the examination will focus on the proposed spatial policies for housing set out in the Proposed Plan and their relationship with the findings of the Housing Need and Demand Assessment.
- However, a number of methodological issues and gaps were identified in the guidance (detailed in the Housing Need and Demand Assessment, 2011, Paragraph 1.47, Page 17 and Technical Appendix 6, Section 2 (Supporting Document 3) and its Technical Appendix 6, Section 2 (Supporting Document 4). Methodological solutions were agreed and developed by the eight Glasgow and Clyde Valley local authorities through their Housing Market Partnership to fill these gaps.

- The Housing Need and Demand Assessment, although looking to 2025, will be reviewed in five years (2016) alongside the Proposed Plan.
- Responses are structured into the four sub-issues which recur in the various representations, before addressing the specific modifications proposed.
 1. the Proposed Plan should identify an all-tenure overall strategic housing requirement
 2. 85,000 has been identified as the estimated shortfall of affordable housing units 2008-2025
 3. the Delivery Framework
 4. recognition of the contribution which the private sector can make to meeting affordable housing

Sub-issues

- 1) The Proposed Plan should identify an all-tenure overall strategic housing requirement

E31 Caledonian Properties; E42/3, E42/4, E42/5 Lynch Homes, E45/3, E45/4, E45/5 CALA Homes (West), E51/1 Scottish Government (Directorate for the Built Environment)

Consider that Scottish Planning Policy 2010 requires the Proposed Plan to identify an all-tenure housing requirement.

E42/3, E42/4, E42/5 Lynch Homes, E45/3, E45/4, E45/5 CALA Homes (West)

Consider that the figures for the private and affordable sectors should therefore be aggregated for land supply purposes. These two respondents have re-calculated figures and offered alternative Schedules to conclude that there is a requirement for substantial additional land release.

- As has been mentioned in the introduction, there are a number of methodological issues and gaps in the Housing Need and Demand Assessment Guidance which have meant that the Housing Market Partnership has had to develop a methodology to overcome these gaps and produce a 'robust and credible' assessment of housing need and demand.
- This includes developing a robust methodology for both the affordable and market sectors, outlined in summary in the Proposed Plan paragraphs 4.66 - 4.69 and in more detail in the Housing Need and Demand Assessment, 2011, Page 17, paragraph 1.47 (Supporting Document 3) and Technical Appendix 6, Section 2 (Supporting Document 4).
- Two of the most critical gaps relate to the contention that the Proposed Plan has not identified an all-tenure housing requirement.
- Firstly:
 - The Guidance focuses on a housing needs assessment approach as undertaken traditionally for the affordable social rented sector in preparation of Local Housing Strategies.
 - That housing needs assessment approach cannot be applied to the private sector, as the private sector operates in a different way to the social rented sector.

- In addition, private and affordable sectors operate within different housing market areas (see Housing Need and Demand Assessment, 2011, Pages 26-29, paragraphs 2.21-2.31 (Supporting Document 5) and its Technical Appendix TA01 'A Housing Market Area Framework') (Supporting Document 6).
- Therefore, it has been necessary to apply different methodologies to assess affordable housing needs and private sector requirements. The two methodologies are not exclusive resulting in demand requirements being identified for the private sector and the assessment of need being presented for the affordable sector which will then be considered through the Local Housing Strategy process.
- Section 10 of Housing Need and Demand Assessment Technical Appendix 6 'Review of Supply and Demand/Need for Housing' sets out the issues arising from the use of different methodologies; specifically paragraphs 10.6 and 10.7 which state:
 - *"10.6 .. the methodologies for both sectors are not consistent ..*
 - *"Private sector is based on the planning scenario (C2) High affordability Private Rented Sector*
 - *Affordable sector is based on the planning scenario (C2) Low affordability Private Rented Sector*
 - *When totalled by tenure ..demand .. and ..need exceeds the overall number of households from the household projections by 26,000. This is because there is an overlap of households in high and low affordability scenarios.*
 - *Backlog Need, on advice from the Centre of Housing Market Analysis, has been added in addition to the household projections i.e. there are 72,000 households accounted for in addition to the .. household projections. Of these 6,000 are estimated to be able to meet their needs in the private market and have been added to the private sector supply/demand comparison.*
 - *It is possible that there is the potential for double counting between elements of backlog need and the household projections; however, it is unlikely that the level of double counting can be quantified (ref 4.4).*
 - *10.7 The consequence .. is that the all tenure summary has to be approached with caution and cannot be considered without understanding the inconsistencies in the models used for the private and affordable sectors. Furthermore, it would be inappropriate to directly translate affordable housing requirements into new build housing requirements. Local authorities, through their Local Housing Strategies, will derive housing supply targets for the affordable sector taking into account new housing supply, replacement housing, empty properties to be brought back into use and conversions."*
- The **Scottish Government (Directorate for the Built Environment) (E51/1)** has stated that it believes the evidence, albeit that it does not

present that evidence, exists in the Housing Need and Demand Assessment to present an all tenure housing requirement. However, the Glasgow and the Clyde Valley Strategic Development Planning Authority rejects this position for the reasons stated above. A **consistent** all-tenure view is, at this stage, not possible.

- Secondly:
- Scottish Government Guidance has failed to align the process of setting out Housing Supply Targets in a Strategic Development Plan area (see sub-issue 3 for more detail).
- In a unitary authority, a Housing Need and Demand Assessment would be prepared followed by a Local Housing Strategy setting out Housing Supply Targets which would translate into housing land requirements in the Local Development Plan.
- In a Strategic Development Plan area, the housing requirements for the Private sector are set out in the Strategic Development Plan Proposed Plan. However, for the Affordable sector, the outputs of the Housing Need and Demand Assessment require to be assessed through an additional stage in the Local Housing Strategy. The assessment of housing requirements for this sector is not a simple supply-demand land allocation issue but requires more detailed and concerted understanding of a range of factors, including management and letting policies for the existing stock, stock conditions and renewal policies, e.g. void and vacancy levels, and the use of empty properties and conversion/sub-division of dwellings (see sub-issue 2 for more detail).
- The Local Housing Strategy, after this assessment, will then set out the Housing Supply Targets to be translated into land requirements in the Local Development Plan. Therefore, the Glasgow and the Clyde Valley Strategic Development Planning Authority considers it is inappropriate for the Proposed Plan to set out housing requirements for the affordable sector and as such setting the Housing Supply Targets has been deferred to Local Housing Strategies which translate into housing land requirements in a Local Development Plan.
- The Glasgow and the Clyde Valley Strategic Development Planning Authority acknowledges the expectation in Scottish Planning Policy that the Strategic Development Plan should include an all-tenure housing requirement. However, as set out above, policy is also clear that such a housing requirement should be based on Housing Supply Targets, derived by local authorities in their Local Housing Strategies. While the Housing Need and Demand Assessment provides a key piece of evidence in deriving Housing Supply Targets, a number of other factors should also be taken into account for the affordable sector, as recognised by Scottish Government.
- The Strategic Development Planning Authority is satisfied that the approach taken is appropriate and pragmatic, and therefore rejects the representations.

2) 85,000 has been identified as the estimated shortfall of affordable housing units 2008-2025

E8 Taylor Wimpey Ltd, E52/14 Mactaggart and Mickel (Homes) Ltd.

These representations point to the shortfall of affordable housing units, estimated at 85,000 over the period 2008-25 (Schedule 10, Page 47 of the Proposed Plan), and presume that this figure should be taken as the affordable housing supply target, and that consideration should be given to allocation of housing land to meet this figure in full.

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects this argument on the following grounds:

- As the Proposed Plan makes clear (paragraph 4.80, page 46) “this housing need does not directly translate into a new house building requirement for affordable housing”. Need may be met by other means, including conversion, subdivision and the use of empty properties, or by use of other policy interventions such as adaptations or the management of lettings. New affordable housing will depend also significantly upon available resources, particularly public subsidy funding sources, which are likely to be severely constrained, at least in the initial phase of the Strategic Development Plan.
- The problem which may arise in a number of local authorities, is also highlighted, where the figures shown for the whole local authority mask variations (shortfall or surplus) at sub-area level.
- The Glasgow and the Clyde Valley Strategic Development Planning Authority’s stance is drawn directly from caveats noted in the Housing Need and Demand Assessment in Chapter 5, paragraphs 5.29 and 5.46 (Supporting Document 7). This reflects a caveat in the Scottish Government’s own Housing Need and Demand Assessment Guidance (2008, Page 7, paragraph 1) (Supporting Document 2). It is also implicit in the Scottish Government’s Local Housing Strategy Guidance 2008, Page 16, paragraphs 43 to 45 (Supporting Document 8) that the Housing Need and Demand Assessment is an important part of the evidence base, but that other evidence may also be considered in deciding how best to meet need and demand, and defining Housing Supply Targets.
- Scottish Planning Policy, 2010, paragraph 70 (Supporting Document 9) acknowledges that “wider strategic economic, social and environmental policy objectives should also be taken into account when determining the scale and distribution of the housing requirement and the housing supply target for an area”.
- The Scottish Government’s Centre for Housing Market Analysis is undertaking a stock-taking and review of the Housing Need and Demand Assessment process, based on the recent experience of authorities, with a view to refreshing the Guidance. One of the key issues identified by stakeholders relates to anomalous high or low figures compared to historical levels. It is considered legitimate for Housing Supply Targets to be lower (or higher) than Housing Need and Demand Assessment results, based on sound evidence (Presentation extracted from CHMA website, October 2011, slides 2 and 4) (Supporting Document 10).

- The representation by **Mactaggart and Mickel (Homes) Ltd. (E52/14)** proposes that the 22,000 figure identified for intermediate housing in Schedule 11, Page 48 of the Proposed Plan, should similarly be provided for in full.
- The Strategic Development Planning Authority considers this approach to be incorrect and would result in double counting.
- As the Schedule and accompanying text in Paragraphs 4.83 and 4.84 make clear, the figure of 22,000 for intermediate housing has been calculated for the purposes of the Proposed Plan as a 'potential' sector.
- The actual requirement would be dependent on factors such as availability of public subsidy and prospective households' access to affordable finance, as well as the continuing uncertainty over likely levels of demand for intermediate products and a range of constraints affecting future supply. Intermediate housing is expressed as a subset of Affordable Housing, i.e. the total Affordable Sector figure of 85,000 comprises both social rented housing and intermediate housing; a maximum potential intermediate housing component of 22,000 implies a correspondingly reduced social rented component of 63,000.
- The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects this modification and considers it would be unrealistic and potentially detrimental to its Spatial Vision and Spatial Development Strategy to make allocation for 85,000 affordable homes – a figure which is highly sensitive to methodological changes and which requires more substantive local analysis through the Local Housing Strategy process.
- A sustainable approach requires maximum return from the existing affordable housing resource before adoption of new-build as a solution.

3) Delivery Framework

E6 Quarriers; E8 Taylor Wimpey Ltd.; E9 Wallace Land; CALA Homes/ Taylor Wimpey UK Ltd; E42/5 Lynch Homes; E45/5 CALA Homes (West); E51/1 Scottish Government (Directorate for the Built Environment); E52/14 Mactaggart and Mickel (Homes) Ltd.; E55/4 Homes for Scotland.

These representations consider that the Proposed Plan does not provide a satisfactory strategic framework to address affordable housing needs, and should identify resulting land allocations. The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects this argument on the following grounds:

- the approach adopted in the Proposed Plan is consistent with Housing and Planning policy and guidance. The Proposed Plan, together with the Housing Need and Demand Assessment, provides evidence relating to likely future requirements for social rented housing, and the potential for intermediate housing to contribute to this need.
- The Proposed Plan and associated publications also recognise significant limitations which can only be resolved at local level. The Proposed Plan therefore provides an appropriate strategic context and framework for delivery of affordable housing through Local Housing Strategies and Local Development Plans.
- Local housing authorities have the responsibility for identifying Housing

Supply Targets for all tenures (although it is important to note that private sector housing requirements are set out in the Proposed Plan as they are calculated within a Housing Market Area system outwith local authority boundaries) within their Local Housing Strategies, as laid down in the following,:

- Housing (Scotland) Act 2001: Part 5 'Strategic Housing Functions', Section 89 Local Housing Strategies (Supporting Document 11).
- Scottish Planning Policy (2010): Paragraphs 69 and 86 (Supporting Document 9).
- Planning Advice Note 2/2010: Paragraphs 5, 6, 12, and Box 1 Step 5 (Supporting Document 12).
- Local Housing Strategy Guidance (2008): Paragraphs 1, 11, 17, 18, 19, 21, 43, 44, 55 (Supporting Document 8).
- Housing Need and Demand Assessment Guidance (2008): Chapter 1 'Housing Need and Demand Assessments', Introduction, paragraph 4, page 4 (Supporting Document 13).
- Housing Supply Targets are then to be used to allocate land for housing, in all tenures, in local development plans. There is a clear expectation in Scottish Planning Policy 2010 Paragraph 69, Planning Advice Note 2/2010, paragraphs 6, 12 and 13 and Box 1, and Local Housing Strategy Guidance, paragraphs 19, 21 and 33, that 'alignment' should occur between the processes of preparation of the Housing Need and Demand Assessment, the Local Housing Strategy and both Strategic and Local Development Plans.
- This is a challenging demand in a multi-authority strategic development planning area such as the Glasgow and Clyde Valley city-region where strategic housing requirements are to be set out in the Strategic Development Plan. Problems with alignment of strategies/plans were identified as another key issue by the Scottish Government in its Housing Need and Demand Assessment stock-taking exercise (Supporting Document 10).
- In preparing the Housing Need and Demand Assessment, a re-confirmed housing market framework was used in relation to private sector demand. Resultant private sector housing supply requirements therefore directly inform each Local Development Plan, in conjunction with the Housing Supply Targets in the corresponding Local Housing Strategy.
- A different methodology necessarily had to be adopted for the affordable housing sector, as specified in the Scottish Government's Housing Need and Demand Assessment Guidance, using a housing needs assessment approach. However, limitations have been identified in the affordable housing figures, and it was therefore considered inappropriate for these to be used in the Proposed Plan as affordable housing supply targets.
- The Proposed Plan therefore stipulates in paragraph 4.86, page 49 that local authorities, in conjunction with the Housing Market Partnership, should determine their respective Housing Supply Targets and associated housing land requirements. This is considered the most appropriate

approach for the affordable sector in particular, as it will allow important additional factors to be taken into account in forming judgements about future local housing need and supply issues, including: knowledge of differences between local authority sub-areas, policy and investment priorities, understanding of local economic and social considerations, and evidence from local stakeholders.

- The Glasgow and the Clyde Valley Strategic Development Planning Authority is satisfied that there is no inconsistency in this approach which has been ruled 'robust and credible' by the Scottish Government's own Centre for Housing Market Analysis. The Proposed Plan has assessed private sector requirements by housing market areas and concluded that there is a generous land supply to meet requirements.
- Paragraph 4.84, page 48, relates to the intermediate component, which, as noted above, is uncertain and assessed as a 'potential' sector only.
- Research into the Low Cost Initiative for First Time Buyers scheme, conducted for the Scottish Government and referred to in the Housing Need and Demand Assessment (Chapter 5, paragraphs 5.37-5.41) (Supporting Document 7), suggested that the scheme, roughly equivalent to the Proposed Plan's intermediate housing, delivered only 2,095 properties across the city-region between 2005-06 and 2009-10.
- The Glasgow and the Clyde Valley Strategic Development Planning Authority acknowledges that elements of this sector could be delivered by the private sector. It is therefore reasonable for the Proposed Plan to provide the flexibility supported through Strategy Support Measure 10 if required by local authorities so as to ensure that an effective 5 year supply is maintained at all times.
- Paragraph 4.86, page 49, is clear that it devolves to each constituent local authority the responsibility, within the principles of the Proposed Plan, to identify their Housing Supply Target for affordable housing within their Local Housing Strategy, and to translate this into any additional land requirement for affordable housing in the Local Development Plan.

4) Recognition of the contribution the private sector can make to meeting affordable housing

E8 Taylor Wimpey Ltd., E12 CEMEX UK, E24 Banks Group, E52/14 Mactaggart and Mickel (Homes) Ltd.

These representations argue that the Proposed Plan does not pay sufficient attention to the contribution that private housing developers make to addressing affordable housing requirements, and that this may become more significant in future as public funding is severely constrained.

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects this modification and is satisfied that it has already recognised in an appropriate manner in the Strategic Development Plan Proposed Plan the role which the private housing sector plays in contributing to affordable housing particularly through the following:

- Proposed Plan Paragraph 4.88, page 49, specifically recognises the role of the private sector in meeting affordable housing requirements, especially

low cost home ownership, through mechanisms such as quota-style policies, Supplementary Planning Guidance, or other more innovative public-private delivery mechanisms. This recognises Scottish Government initiatives such as the Scottish Housing Trust and the Homes Fit for the 21st Century: Strategy and Action Plan (2011).

- Proposed Plan paragraph 4.85, page 49 also notes the importance of availability of subsidy, which is uncertain, as well as development of financial products which are realistic and attainable by those in housing need.
- Scottish Planning Policy 2010, Paragraph 87 (Supporting Document 9) and Planning Advice Note 2/2010, Paragraph 17 (Supporting Document 12) are clear that provision of affordable housing may vary between local authority areas and that policies relating to developer contributions to such provision should take account of development viability, the vibrancy of the local housing market, and the availability of funding.

Response to specific modifications sought

E42/3, E42/4, E42/5 Lynch Homes, E45/3, E45/4, E45/5 CALA Homes (West),

The Glasgow and the Clyde Valley Strategic Development Planning Authority considers that its reasoning for devolving affordable sector figures to local authorities, through their Local Housing Strategies and Local Development Plans, to have been clearly set out.

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects the proposed modifications, including the alternative figures and revised Schedules.

- The Glasgow and the Clyde Valley Housing Need and Demand Assessment was declared 'robust and credible' in a letter from the Scottish Government's Centre for Housing Market Analysis in June 2011 (Supporting Document 1).
- An explanation to the approach adopted by the Glasgow and the Clyde Valley Strategic Development Planning Authority has been set out above.

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

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects the proposed modification.

- It is not clear how this modification would result in more satisfactory and robust housing delivery.
- The Housing Need and Demand Assessment, following the Scottish Government's Guidance, provided figures for private sector housing requirements and affordable sector requirements, using two different housing market frameworks and different methodologies. Agreement among the eight local authorities was achieved for the private sector supply and demand comparisons, and these figures are used in the Proposed Plan.
- However, the Proposed Plan recognises significant uncertainties relating to the figures for the affordable sector, and for that reason devolved to local authorities responsibility for setting affordable Housing Supply Targets and

identifying any resulting additional land requirements through the Local Housing Strategy and Local Development Plan processes.

- Local authorities are in a better position to assess local factors which might influence affordable housing requirements, including the impact of various investment priorities and policies, likely availability of public subsidy for provision of social rented or intermediate housing, alternatives to new build, and differences between local authority sub areas.

E52/14 Mactaggart and Mickel (Homes) Ltd.

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects the need for an additional Strategic Support Measure relating to affordable and intermediate housing.

The Proposed Plan is already clear in its requirement for each of the eight Glasgow and Clyde Valley local authorities to identify their affordable housing supply target, including social rented and other intermediate products, along with their private housing supply target, in their Local Housing Strategy, and to meet the necessary housing land requirements through their Local Development Plans (Proposed Plan, paragraph 4.86, page 49). Scottish Planning Policy requires that there should be at least a five year effective and generous land supply.

E55/4 Homes for Scotland

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects the proposed modification to Paragraph 4.84 as it is considered unnecessary as the points mentioned are already covered by the Proposed Plan.

The Glasgow and the Clyde Valley Strategic Development Planning Authority rejects the proposed modification to Paragraph 4.86 as it is considered the meaning is implicit in the first sentence, reflecting Local Housing Strategy Guidance and Scottish Planning Policy.

Reporter's conclusions:

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Reporter's recommendations:

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