

## Highland wide Local Development Plan - Main Issues Report Consultation Summary and Actions Sheet

|                          |                                     |
|--------------------------|-------------------------------------|
| Reference Number:        | <b>HWLDP-MIR-293</b>                |
| Organisation/Individual: | Homes for Scotland (David Horsfall) |

### Action:

|                                       |  |
|---------------------------------------|--|
| Immediate Response Required           |  |
| Meeting required with Respondent      |  |
| Issue for Area Local Development Plan |  |
| Further Information Required          |  |
| Other (Please Specify)                |  |

*If no box ticked - issues raised will be dealt with in preparation of the Proposed Plan.*

### Issues Raised in Response:

|                                      |   |
|--------------------------------------|---|
| Purpose of Main Issues Report        |   |
| NPF2 for Scotland                    |   |
| Vision for the Highlands             |   |
| Inverness and A96                    |   |
| The A96 Corridor                     |   |
| Phasing of Development               |   |
| Developer Contributions              | x |
| East Inverness                       |   |
| Nairn                                |   |
| Tornagrain                           |   |
| Smaller Settlements in A96           |   |
| Caithness and North Sutherland       |   |
| Easter Ross and Nigg                 |   |
| Development of Local Centres         |   |
| Wider Countryside and Fragile Areas  |   |
| Population and Housing               | x |
| Housing in the Countryside           |   |
| Affordable Housing                   |   |
| Planning for an Ageing Population    |   |
| Gypsies/Travellers                   |   |
| Retailing                            |   |
| Developer Contributions              | x |
| Natural, Built and Cultural Heritage |   |

|  |   |
|--|---|
| Previously used Land                   |   |
| Wild Land                              |   |
| Water Environment                      |   |
| Renewable Energy                       |   |
| Flooding                               |   |
| Waste Management                       |   |
| Air Quality                            |   |
| Sustainable Design                     | x |
| Business and Industrial Land           |   |
| Accessibility and Transport            |   |
| Agricultural Land                      |   |
| Subdivision of Existing Crofts         |   |
| Allocation of Inbye Land               |   |
| New Crofting Township                  |   |
| Small Scale New Crofts                 |   |
| Coastal Development                    |   |
| Forestry and Woodland                  |   |
| Minerals                               |   |
| Open Space and Physical Activity       |   |
| Access to the Outdoors                 |   |
| Comments on Consultation Process (+ve) |   |
| Comments on Consultation Process (-ve) |   |

### Key:

|            |                  |                |              |
|------------|------------------|----------------|--------------|
| Background | Spatial Strategy | Policy Options | Consultation |
|------------|------------------|----------------|--------------|

### Notes:

Delivery of infrastructure funding is biggest challenge  
 Proposed plan should continue to be ambitious  
 Strategic infrastructure need is recognised and tackled as a matter of urgency  
 Robust housing needs and demands assessment must be the basis for affordable housing  
 HWLDP should not be based on the assumption that developers will pay

|                            |          |
|----------------------------|----------|
| Action Sheet Completed by: | SH       |
| Date:                      | 14/12/09 |

**Dawn Sutherland**

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**From:** Malcolm MacLeod - Planning  
**Sent:** 23 November 2009 16:00  
**To:** Dawn Sutherland  
**Subject:** FW: Highland Wide Development Plan Main Issues Report

Pl ack

Malcolm

Malcolm Macleod  
Development Plans Manager  
The Highland Council  
Planning & Development Service  
Glenurquhart Road  
Inverness  
IV3 5NX

Keep up to date with the work on the Highland wide Local Development Plan by visiting our blog at [www.hwldp.blogspot.com](http://www.hwldp.blogspot.com)

-----Original Message-----

**From:** David Horsfall  
**Sent:** 23 November 2009 13:10  
**To:** Malcolm MacLeod - Planning  
**Subject:** FW: Highland Wide Development Plan Main Issues Report

Malcolm,

I would be grateful if you would you respond to this e-mail confirming whether or not you received the below submission. I received an e-mail that advised that it could not be delivered but assume that this related to the devplan address.

If you would like to discuss this or any of the points raised in the submission, please feel free to contact me directly.

Kind regards

David Horsfall MRICS  
Senior Planning Adviser  
**Homes for Scotland**

5 New Mart Place, Edinburgh EH14 1RW

Tel:  
Fax:  
Web: [www.homesforscotland.com](http://www.homesforscotland.com)

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**From:** David Horsfall  
**Sent:** 20 November 2009 14:24  
**To:**

30/11/2009

**Cc:** 1

**Subject:** Highland Wide Development Plan Main Issues Report

Malcolm

Further to our telephone conversation earlier this month I am writing to provide you with Homes for Scotland's comments on the Highland Wide Development Plan Main Issues Report.

I am grateful for the additional time you gave us to make this submission and please feel free to contact me directly if you would like to discuss any of the items raised within this submission.

Kind Regards

David Horsfall MRICS  
Senior Planning Adviser  
**Homes for Scotland**

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Web: [www.homesforscotland.com](http://www.homesforscotland.com)

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**Highland Wide Local Development Plan Main Issues Report**

**Response from Homes for Scotland**

**11 November 2009**

**Introduction**

Homes for Scotland is the representative body of the Scottish home building industry, with over 200 full and associate members. Its members build around 95% of all new homes for sale built each year, as well as a significant proportion of the affordable housing output annually. Homes for Scotland makes policy submissions on Central and Local Government planning and policy issues affecting the industry, and its views are endorsed by the relevant local committees of its members.

Homes for Scotland welcomes the opportunity to comment on this Main Issues Report. Homes for Scotland would be happy to discuss further any of the issues raised in this response. It also wishes to be kept advised of the process of taking the Highland Wide Local Development Plan forward.

The following response will now outline the issues raised by members of the Highland and Moray House Builders Committee.

- 1) Preferred Spatial Strategy Option - Comments on development sites and spatial strategy options will be addressed through individual representations sent directly from our members.

## 2) Preferred Options

Homes for Scotland believe that the biggest issue threatening the delivery of housing is infrastructure funding. The development industry has suffered the fastest slump in output in memory and there is a totally new attitude amongst financial institutions to lending and risk. At the time of writing this response developers are unable to borrow funds for anything other than core development.

Homes for Scotland agree that ongoing discussions with key agencies and the development industry must continue to review the deliverability of key infrastructure in areas like the A96 Corridor but consideration must also be given to bringing forward sites that have existing infrastructure that can be delivered in the short to medium term.

Homes for Scotland and our members believe that housing demand has not gone away and should not be restricted within the Proposed Plan. The proposed plan should remain ambitious and should look to increase housing output to support economic growth.

## 3) Developer Contributions in the A96 Corridor

Our members are supportive of the strategy behind the A96 Corridor but feel that infrastructure costs are likely to delay the delivery of new development in this location. If early phased development can be achieved before major infrastructure is complete this will help to kick-start new development.

Homes for Scotland, along with other sectors of the development industry, is clear that the whole issue of strategic infrastructure to enable development has to be tackled as a matter of urgency. With the changed economic strength of the development industry, the practice which has been evolving of looking to developers to fund strategic as well as development related infrastructure cannot continue

Homes for Scotland agree that the provision of physical and community infrastructure remains critically important to the success of housing projects. However, the A96 Corridor Development Contributions must not rely heavily on the development industry having access to high levels of development finance.

4) East Inverness Expansion - Comments on the East Inverness Expansion will be addressed through individual representations sent directly from our members.

5) Nairn - Comments on Nairn will be addressed through individual representations sent directly from our members.

6) Tornagrain - Comments on Tornagrain will be addressed through individual representations sent directly from our members.

7) Small Settlements in the A96 Corridor - Comments on small settlements in the A96 Corridor will be addressed through individual representations sent directly from our members.

8) Caithness and North Sutherland - Comments on Caithness and North Sutherland will be addressed through individual representations sent directly from our members.

9) Easter Ross and Nigg - Comments on Easter Ross and Nigg will be addressed through individual representations sent directly from our members.

10) Development of Local Centres - Comments on development of local centres will be addressed through individual representations sent directly from our members.

11) Wider Countryside and Fragile Areas - Comments on the wider countryside and fragile areas will be addressed through individual representations sent directly from our members.

## 12) Population and Housing

Homes for Scotland agrees with the guidance contained within the Scottish Governments discussion paper 'Firm Foundations'. This document states that an adequate supply of decent housing at prices people can afford is essential for the health and well-being of individuals and communities. It is also a key foundation for the sustainable economic growth necessary to deliver a wealthier, fairer society.

Further more, in July 2008 the Scottish Government published revised 'Scottish Planning Policy 3: Planning for Homes'. This requires local authorities to identify a generous supply of land for housing and introduced improvements in the process of identifying and releasing land. It also reinforced the messages that:

- housing and planning professionals are expected to work together in identifying housing requirements and
- the importance of the housing need and demand assessment as a shared evidence base.

SPP3 will shortly be subsumed within the single consolidated Scottish Planning Policy (SPP). The policy messages will remain unchanged, though they will be expressed more succinctly.

Homes for Scotland believe that housing need has not gone away however lack of liquidity has reduced market activity and resulted in a severe slump in output from the house building industry. Should economic conditions improve, the Scottish House Building Industry is highly committed to delivering new, sustainable developments to support community growth aspirations.

It is essential to move away from a culture and environment that seeks to regulate or control to the point where investment decisions are actively discouraged.

13) Housing in the Countryside - Comments on Housing in the Countryside will be addressed through individual representations sent directly from our members.

#### 14) Affordable Housing

Homes for Scotland believe that a robust Housing Needs and Demands Assessment must be the basis for this affordable housing policy.

Homes for Scotland believe that reducing the threshold for affordable housing may result in many small-scale developments becoming unviable and should only be considered in clearly defined areas where exceptional circumstances exist. For example, where stocks of social rented, privately rented and cheaper owner occupied houses are relatively scarce, or where there is a pressure from second home and holiday let purchases.

Homes for Scotland do not believe that the percentage of affordable housing should be increased. Guidance on this matter states that it is the Scottish Governments aim to create a climate of certainty and confidence in the requirement for affordable housing and refers to a benchmark figure of 25%.

A greater emphasis must be placed on providing an integrated mix of housing solutions rather than a silo approach to social housing only for rent would allow the private sector to develop new affordable homes without public subsidy and maximise the market value of its investment. Provision must also be made for complicated sites with high abnormal costs. In the current recession the capacity of developers to fund the high overhead costs can be significantly reduced. The restraints on developer funding from Banks and Institutions are likely to remain in place for some years. In that context, and in

accordance with PAN 74 (paragraph 46) it is essential that provision is made within the Development Plan to enable the requirement for affordable to be reduced to ensure the cumulative burden on the overall development does not make site development unviable.

Homes for Scotland believe that this Plans should make provision for mixed tenure developments including social rented housing, shared equity housing and low cost housing for sale. The private sector should be allowed to develop new affordable homes without public subsidy to meet a range of housing need including intermediate housing.

15) Planning for an Ageing Population – No comment.

16) Gypsies / Travellers – No comment

17) Retailing - No comment

18) Developer Contributions

Our members recognise that planning requirements are imposed in pursuit of the established planning principle that a developer, in execution of a project, should mitigate the detrimental impact of the development. However the approach that has been taken in recent years has been based on the idea that high land values are created by the action of the State in granting planning consent and that it is appropriate to see part of the uplift in land values used to fund the provision of infrastructure while leaving sufficient value to still encourage the land owner to continue to bring the land to the market.

This approach to the funding of new infrastructure relies on land values continuing to rise and the willingness of the land owner to forgo part of the increased value. Where the land owner is only prepared to fund part of the capital requirement the balance of the burden falls on the development, acting, in affect, as a tax which must be recovered by the selling price.

Falling land prices, coupled with a major market correction in house prices, have destroyed the private sector's ability to sustain this business model. There is a totally new attitude amongst financial institutions to lending and risk which will prevent developers in the future borrowing the funds for anything other than core development costs.

Homes for Scotland is of the view that the burden of developer obligations falls unequally on the house building sector. Other forms of development appear to carry less than their fair share of costs of public infrastructure. Development Plans and Supplementary Planning Guidance must not be based on the assumption that developers can, and will, pay for most public infrastructure.

Homes for Scotland and our members would welcome the introduction of a consistent, transparent method of collecting and recording contributions across the Highlands.

19) Safeguarding Our Natural Environment - No comments

20) Previously Used Land - No comments

21) Wild Land - No comments

22) Water Environment - No comments

23) Sustainable Development and Climate Change - No comment

24) Flooding - No comments

25) Waste Management - No comments

26) Air Quality - No comments

27) Sustainable Design

Homes for Scotland appreciate that the policy must reflect legislation. However, many of the technologies referred to are untested, unproven for their long-term cost/benefit performance, and simply not available in the UK on a commercial basis. It would therefore be inappropriate for Development Plan policy to insist on the use of such technologies. In addition, the term

“zero carbon” is not clearly defined at present, and in any event there are no technologies which are truly “zero carbon”.

Recent research and practice has established that design and construction methods are the best way to achieve energy efficiencies and carbon reduction. Undue emphasis must not be placed on micro-generation and renewable energy generation.

- 28A) Business and Industrial Land - No comment
- 28B) Accessibility and Transport - No comment
- 29) Crofting and Agriculture - No comment
- 30) Subdivision of Existing Crofts - No comment
- 31) Allocation of Inbye Land - No comment
- 32) New Crofting Township - No comment
- 33) Small Scale New Crofts - No comment
- 34) Coastal Development- No comment
- 35) Forestry and Woodland - No comment
- 36) Minerals - No comment
- 37) Open Space and Physical Activity - No comment
- 38) Access to the Outdoors - No comment