

HOUSING LAND AUDIT

2007

SUMMARY

- The finalised Housing Land Audit shows that there is an effective land supply of 17,575 housing units in Highland for the five years between 2008 and 2012.
- There was an increase of 7% in the number of new dwellings completed in 2007 (1,806) compared with 2006 (1,688).
- The Council will continue to engage with Scottish Water and others to ensure that lack of infrastructure does not hold up housing and other developments.

HOUSING LAND AUDIT

Scottish Planning Policy 3 (Planning for Homes) recently issued by the Scottish Government states that "Planning authorities should carry out regular monitoring of housing completions and the progress of sites through the planning process in order to demonstrate the availability of land to provide an ongoing effective supply to meet the identified housing land requirements. This can be achieved through the preparation of an audit of housing land, carried out annually by the planning authority in conjunction with housing and infrastructure providers". The Highland Council has produced its annual Housing Land Audit with a base date of 31 December 2007.

The Audit sets out the context to the supply of housing in the area and details all sites identified for housing in Local Plans throughout the area, as well as windfall sites which have received planning permission for housing and which have not yet been built out. For each of these sites, a number of key pieces of information has been collected and brought together. Of critical importance are the likely build rate (programming) of development on each site and the identification of any constraints holding up development.

CONSULTATION

During April and May 2008, the Planning & Development Service undertook a consultation exercise on its Draft Housing Land Audit. All known owners and developers of housing sites allocated within local plans were contacted and asked to provide updated information on the status of the site.

There were approximately 200 respondents providing information on 320 individual sites. This is an increased response rate compared with last year's consultation exercise and reflects a better knowledge of landowners and developers in the Highlands and their understanding of the Housing Land Audit process.

Since the last Housing Land Audit, the Council has participated in a tri-partite meeting with Scottish Water and SEPA where likely development, water and waste water assets, capacities and issues were discussed.



RECENT HOUSING DEVELOPMENT

Housing completions are calculated quarterly and are based on completion certificates issued through The Council's Area Planning and Building Standards Offices.

The number of housing completions by Highland Council Ward between 2003 and 2007 is set out in Table 2. In 2007 1,806 new houses were completed in the Highland Council area – representing an increase of 7% compared with the 2006 figure of 1,686 new homes and a new high for Highland. Overall between 2003 and 2007 the rise in the number of new houses completed is 40%.

In the first six months of 2008, 845 houses have been completed. This is a 5% increase on the number of houses completed in the same time period in 2007. 2,275 of the Administration's target of 6,000 new homes have been built.

Table 2: Housing Completions by Ward 2003 - 2007

Ward No	Ward Name	2003	2004	2005	2006	2007	Total	2008*
1	North, West and Central Sutherland	21	27	20	42	27	137	11
2	Thurso	24	41	31	27	55	178	8
3	Wick	20	26	15	43	39	143	15
4	Landward Caithness	40	41	57	68	80	286	33
5	East Sutherland and Edderton	16	18	39	25	30	128	19
6	Wester Ross, Strathpeffer and Lochalsh	48	63	58	66	62	297	33
7	Cromarty Firth	37	42	53	52	89	273	36
8	Tain and Easter Ross	38	10	29	42	39	158	14
9	Dingwall and Seaforth	69	93	48	31	75	316	29
10	Black Isle	69	97	48	48	23	285	18
11	Eilean a' Cheò	72	86	82	88	92	420	62
12	Caol and Mallaig	46	48	37	36	32	199	48
13	Aird and Loch Ness	88	40	98	86	135	447	75
14	Inverness West	62	89	62	30	37	280	31
15	Inverness Central	50	23	44	87	128	332	22
16	Inverness Ness-Side	78	76	81	78	43	356	28
17	Inverness Millburn	9	2	40	5	1	57	1
18	Culloden and Ardersier	63	31	28	47	97	266	31
19	Nairn	121	95	106	83	61	466	27
20	Inverness South	197	167	225	438	489	1516	201
21	Badenoch and Strathspey	81	135	105	206	137	664	69
22	Fort William and Ardnamurchan	40	37	36	58	35	206	34
Total		1289	1287	1342	1686	1806	7410	845

Please note that figures given are the number of housing units.

* January to June 2008

THE IMPACT OF THE CURRENT ECONOMIC CLIMATE ON THE HOUSING MARKET

In a recent interim report for the Government on the mortgage crisis Sir James Crosby states that “a shortage of mortgage finance will persist throughout 2008, 2009 and 2010” and that the crisis will “take its toll” on the housing market. The number of approvals for new home loans continues to fall, along with house sales and house prices. Anecdotal and survey evidence suggests that demand for new mortgages is also depressed, primarily as buyers bide their time in the expectation that property prices will fall further.

Within Highland, as elsewhere in the UK, it is anticipated that there will be a decline in the number of new homes being built. Although the first six months of 2008 show a 5% increase on last year, figures for the next quarter (July – September) will provide a better understanding of the situation. It is believed that developers are concentrating their efforts on building out existing sites where there has been a significant infrastructure investment and construction has already commenced.

In light of the current financial climate the Housing Land Audit figures presented in the next section appear high – certainly in the short term. However, what this audit shows is that when market conditions improve there will be an adequate supply of land available for housing development across Highland.

HOUSING LAND AUDIT RESULTS

The aspirational responses received during the consultation period along with planning officials' best estimate of programming on other sites have been incorporated into the finalised Audit. This provides an updated position statement on the availability of housing land within Highland. A summary of this information by Council Ward is set out in Table 1.

For the five years between 2008 and 2012 the conclusion is that there is an effective land supply of 17,575 housing units in Highland. This comprises programmed development of 10,437 units on Local Plan housing sites and a further 7,138 units from extant planning permissions on "windfall" sites (those that have not been specifically allocated for housing within Local Plans). There has been a significant increase in the number of houses on large "windfall" sites (5 or more housing units) in this Housing Land Audit. It has risen to 3,652 compared with 1,523 in the 2006 audit. This is mainly due to the approval of planning permission for 1,950 new homes at Whiteness Head, near Ardersier.

For the period from 2013 and beyond, Table 1 shows that, on land allocated for housing within the Local Plans, there are 9,980 housing units programmed for development that are considered to be effective. 8,133 of these relate to the completion of site development where initial construction will have commenced before 2013. The remaining 1,847 units are subject to phasing (land programmed for longer term supply) or ownership (land not currently available) issues. There are, however, no physical constraints preventing development on these sites.

It can be seen from Table 1 that a further 1,962 housing units on land allocated for housing with the Local Plans are considered to be constrained and not deliverable before 2013. These sites are constrained by physical factors such as poor ground conditions, contamination, infrastructure (other than water and waste water provision) and land use. At the end of the 2008-2012 period there will be increasing housing pressure in the Inverness area as 1,160 houses at Charleston and Ness-side are constrained because housing development cannot commence prior to the completion of the River Ness and Caledonian Canal crossing. These land supply issues are being addressed through ongoing work on the A96 Corridor Framework and the Highland Wide Local Development Plan.

Table 1: Land Supply for Housing by Ward

Ward No	Ward Name	2008-2012					2013+	
		Local Plan Effective Land Supply (1)	Windfall on Large Site (2)	Windfall on Small Site (3)	Windfall Total (2 + 3)	Total Effective Supply (Local Plan + Windfall)	Local Plan Effective Land Supply (4)	Local Plan Constrained Land Supply (5)
1	North, West and Central Sutherland	252	17	271	288	540	179	35
2	Thurso	197	24	16	40	237	364	25
3	Wick	200	24	34	58	258	245	65
4	Landward Caithness	223	71	445	516	739	318	59
5	East Sutherland and Edderton	360	40	102	142	502	597	0
6	Wester Ross, Strathpeffer and Lochalsh	782	10	447	457	1239	191	22
7	Cromarty Firth	339	77	72	149	488	1188	126
8	Tain and Easter Ross	334	26	105	131	465	672	91
9	Dingwall and Seaforth	559	55	48	103	662	926	203
10	Black Isle	518	9	112	121	639	258	34
11	Eilean a' Chèo	986	5	521	526	1512	113	50
12	Caol and Mallaig	549	7	239	246	795	856	68
13	Aird and Loch Ness	541	178	391	569	1110	204	6
14	Inverness West	200	418	13	431	631	0	560
15	Inverness Central	90	235	27	262	352	0	0
16	Inverness Ness-Side	256	25	11	36	292	1150	600
17	Inverness Millburn	9	8	11	19	28	0	0
18	Culloden and Ardersier	283	2094	75	2169	2452	38	0
19	Nairn	431	57	63	120	551	142	0
20	Inverness South	1584	143	79	222	1806	699	0
21	Badenoch and Strathspey	909	54	161	215	1124	866	16
22	Fort William and Ardnamurchan	835	75	243	318	1153	974	2
Total		10437	3652	3486	7138	17575	9980	1962

Please note that figures given are the number of housing units. The delivery of some of the units in (1), (2) and (3) may be affected by the lack of adequate water and drainage systems.

1 Number of housing units on Local Plan housing sites programmed between 2008 and 2012.

2 Number of housing units with planning permission on large windfall sites (sites not specifically identified for housing within Local Plans) as at December 2007. Large sites are for 5 or more housing units.

3 Number of housing units with planning permission on small windfall sites (sites not specifically identified for housing within Local Plans) as at December 2007. Small sites are for 4 or fewer housing units.

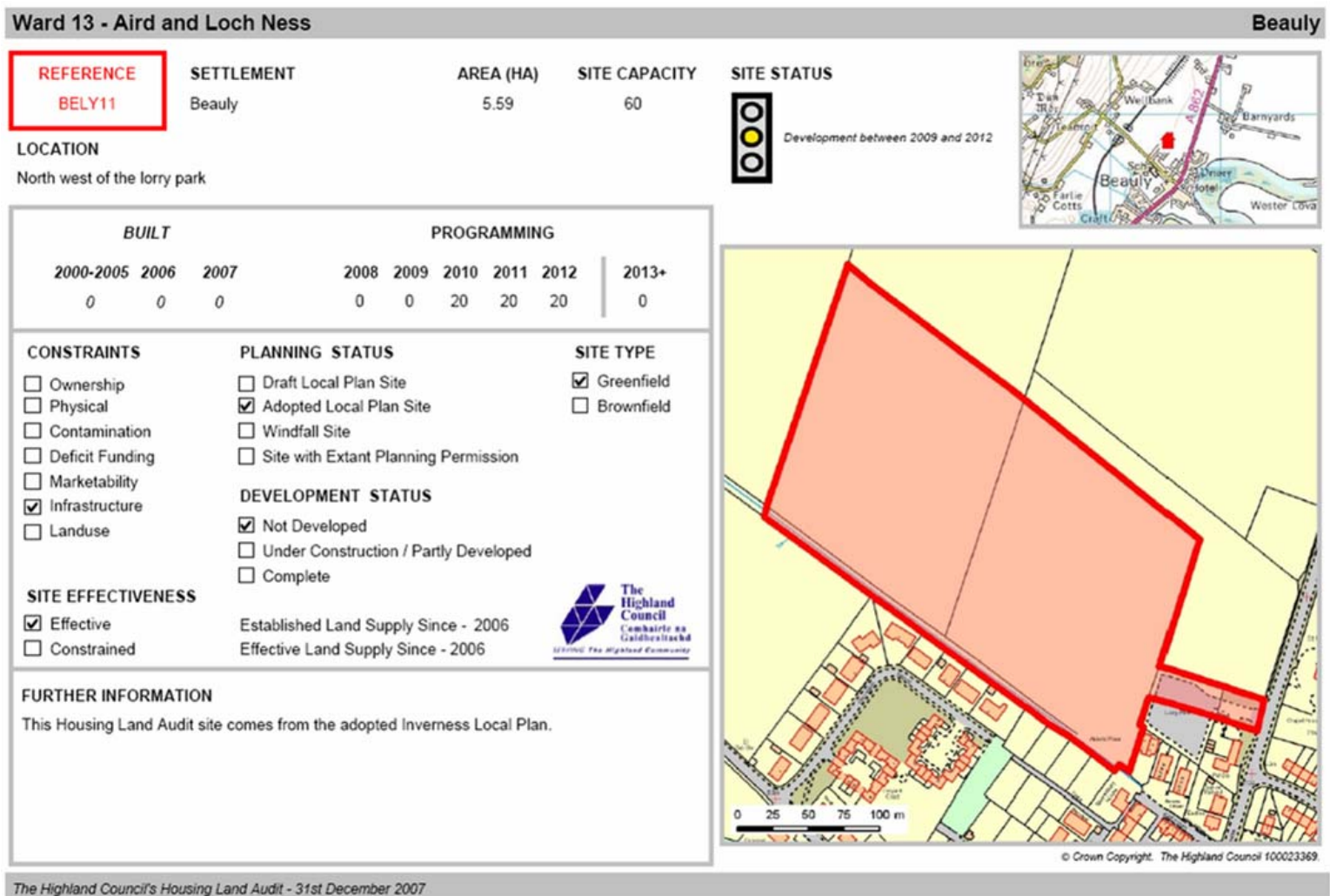
4 Number of housing units on Local Plan housing sites programmed for delivery in 2013 and beyond. These units are still considered to be effective but are subject to phasing or ownership issues.

5 Number of housing units on Local Plan housing sites that are subject to physical or infrastructure (other than water or waste water treatment provision) constraints. These are not considered to be part of the effective land supply.

NEXT STEPS

- The completed Housing Land Audit will be made available on [The Council's website](#) on a site by site basis. Figure 1 (below) gives an example of the information that will be presented.
- Having identified the key constraints affecting housing development in Highland, the Planning & Development Service will seek to resolve these by informing the investment programmes of its partners and taking this latest information into account as part of the ongoing review of Local Plans.
- In 2009 the Highland Council will be preparing a main issues report for its Highland Wide Development Plan. As part of this research is being undertaken to update housing need and requirement figures. This will set the benchmark against which future Housing Land Audits will be measured.
- The Housing Land Audit is an annual position statement on the supply of housing land. The next audit will be prepared with a base date of 31 March 2009.
- The Planning & Development Service intends to incorporate more information on affordable housing requirements and developer contributions into the next Housing Land Audit.

Figure 1: Housing Land Audit Site Information - Example



The Highland Council's Housing Land Audit - 31st December 2007