HIGHLAND-WIDE LOCAL DEVELOPMENT PLAN

MONITORING STATEMENT

August 2009

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CONTENTS

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1 INTRODUCTION

The Highland Structure Plan was approved in March 2001. It was based on a wide range of information collected during the mid 1990s and set out the broad principles for land use planning for the period 1998 to 2007 together with a framework for working towards the Council's vision of Highland as *the place to be*.

This monitoring statement provides part of the analysis of the performance of the Structure Plan and conforms to Planning Circular 1 2009: Development Planning. It does not attempt to cover every single aspect of the Plan as a wide range of detailed reports, plans and strategies are available as listed in the bibliography at the end of this statement. It looks mainly at the period from 1998 to 2007 and concentrates on the most important outcomes of the Structure Plan – population, housing and the economy – together with important issues such as sustainable energy and Dounreay decommissioning. It is arranged around the five local outcomes from Highland's Single Outcome Agreement (SOA) and the topics follow the same order as in the Main Issues Report to the Highland wide Local Development Plan. The SOA identifies areas for improvement and aims to deliver better outcomes for the people of the Highlands and Scotland through specific commitments made by the Council, its community planning partners and the Scottish Government. These outcomes are:

- Sustainable Highland Communities
- Safeguarding our Environment
- A Competitive, Sustainable and Adaptable Highland Economy
- A Healthier Highlands
- Reduce Inequality/Better Opportunities for All / A Fairer Highlands

http://www.highland.gov.uk/yourcouncil/soa/

Other key documents include:

a) Highland's Housing Land Audit 2007:
http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/housinglandaudit/

b) Profiles of our 22 Wards:
http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/ward-statistics.htm

c) Unemployment and Benefits web pages:

http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/benefitsandunemployment/

d) 2008 based School Roll Forecasts for Highland:
http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/schoolrollforecasts.htm

e) Various Briefing Notes on the economy, education, Gaelic, housing, migration, population, retail and tourism:
http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/publications/papersandbriefingnotes.htm

f) Council Area Population Projections 2006 to 2031:
http://www.highland.gov.uk/NR/rdonlyres/F3CFA4CC-6B68-4BC0-8CE3-425341B3A7C1/0/Note28CouncilAreaPopulationProjections2006.pdf

g) Highland Housing Need and Demand Assessment August 2009:

http://www.highland.gov.uk/NR/rdonlyres/0BD3329A-4761-48C2-9F4B-C90FEF8B843A/0/hnda.doc

The Highland Council is no longer the development plan authority for the majority of Badenoch & Strathspey[1], which is now the responsibility of the Cairngorm National Park which took on statutory powers on 1 September 2003. Figures given below include Badenoch & Strathspey where the context is important but exclude the area where they relate directly to land use planning.

In the population and housing sections that follow, information is shown wherever possible for each of the 10 Housing Market Areas to be used in the Highland Wide Local Plan. Where the availability of historic information does not allow this level of detail the information is presented for our 8 former operating areas.

If you have any queries on this document please contact Cameron Thomas, Research Officer, on 01463 702507 cameron.thomas@highland.gov.uk

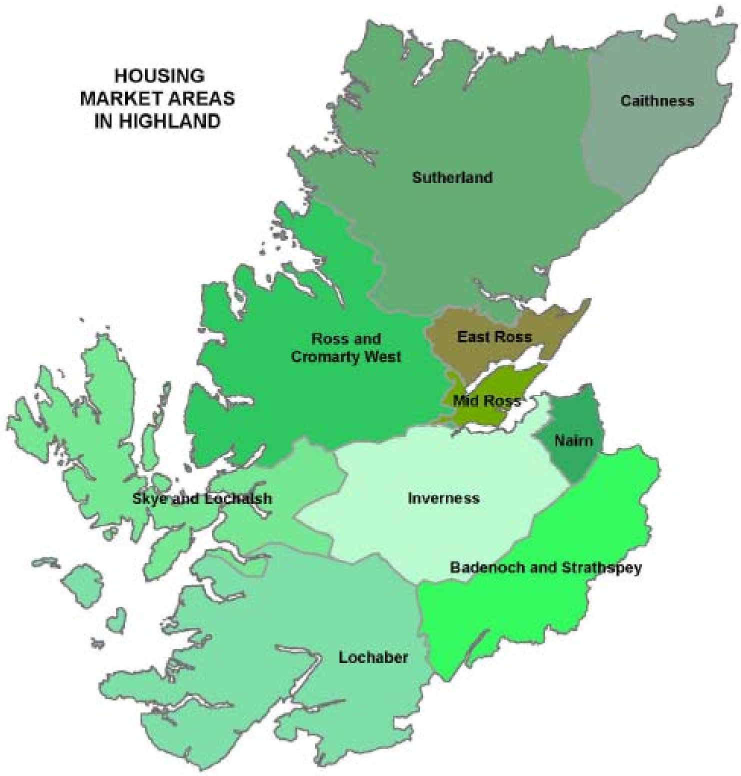
[1] The Highland Council is still the development plan authority for three parts of the former Badenoch & Strathspey area which are not within CNP:

- Advie, 151 sq kms, estimated population 143
- Laggan, 419 sq kms, estimated population 82
- Part of Monadhliath, 129 sq kms, no resident population

2 SUSTAINABLE HIGHLAND COMMUNITIES

2.1 Housing Market Areas in Highland

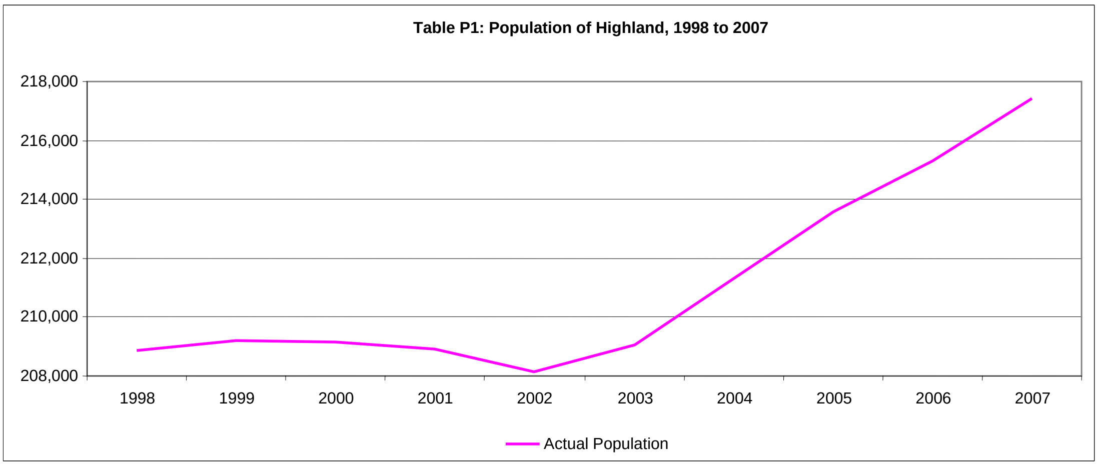
As part of our Housing Need and Demand Assessment we have reviewed the housing market areas in Highland - full details are given in the report referenced above. Many of the population, households and housing figures given below are for these modern housing market areas, and they are shown on the map below:



2.2 Population

2.2.1 Population change 1998 to 2007

Figure P1 below shows that the population of Highland fell slightly between 1998 and 2002, followed by five years of steady growth. The population growth over the period as a whole was 8,590 (from 208,850 in 1998 to 217,440 in 2007).



Source: GROS mid Year Population Estimates

Table P2 below shows how the population has changed in our ten HMAs. Growth has been unevenly distributed across Highland with the greatest percentage increases in Mid Ross (8.5%), Inverness (8.3%) and Nairn (7.6%). Despite strong overall growth East Ross was static, with modest declines in Lochaber (-0.2%) and Sutherland (-0.7%) and significant decline in Caithness (-3.1%).

Table P2: Population Change by Housing Market Area, 1998 to 2007

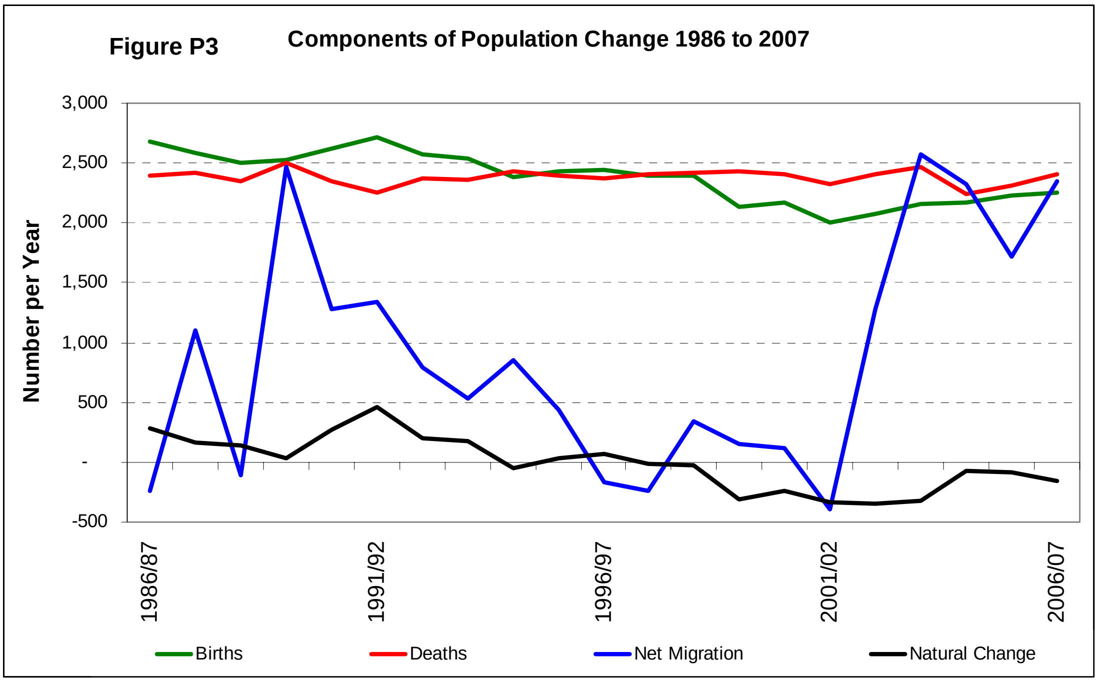
Housing Market Area	1998 Population	2007 Population	Population Change 1998 to 2007	% Change 1998 - 2007
Badenoch & Strathspey	11,827	12,443	616	5.2
Caithness	25,899	25,101	-798	-3.1
Inverness	66,112	71,579	5,467	8.3
Lochaber	19,135	19,098	-37	-0.2
Nairn	11,227	12,083	856	7.6
East Ross	20,421	20,417	-4	0.0
Mid Ross	20,149	21,867	1,718	8.5
West Ross	8,508	8,845	337	4.0
Skye & Lochalsh	11,994	12,522	528	4.4
Sutherland	13,578	13,485	-93	-0.7
Highland	208,850	217,440	8,590	4.1

Source: GROS Small Area Population Estimates

Maintaining recent levels of population growth is a key target for the Highland Council and an important aim of the Highland Wide Local Development Plan will be to ensure that there is an adequate supply of housing and business land to enable the economy and population to grow in tandem.

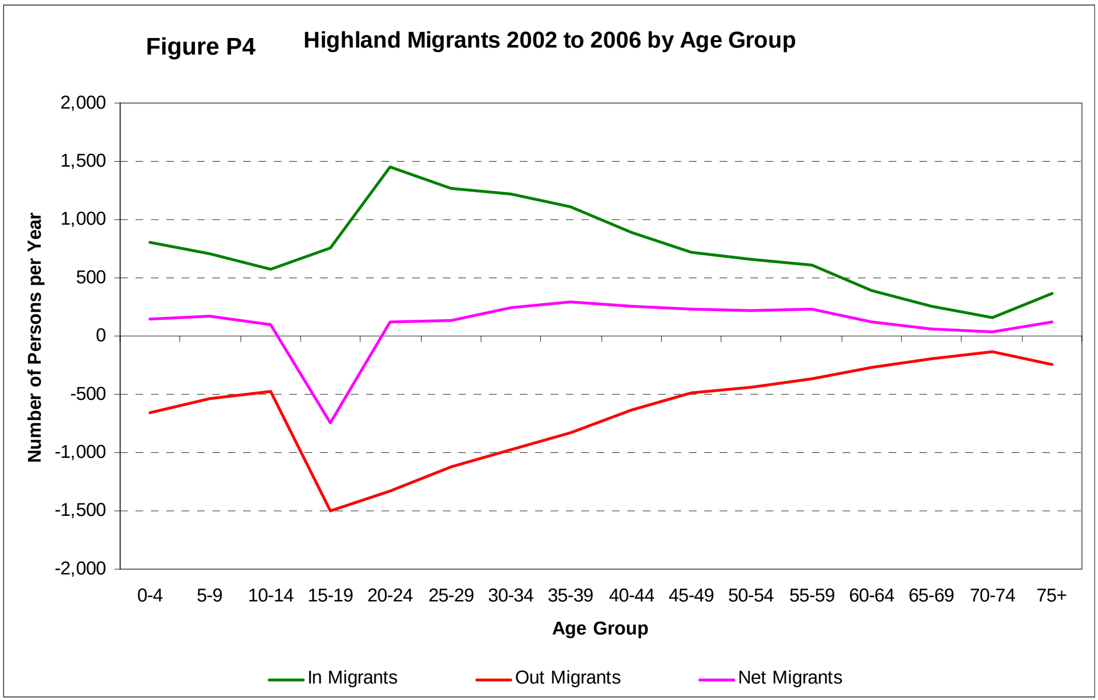
2.2.2 Components of Change

Figure P3 below shows the components of population change from 1986 to 2007. The number of births per year in Highland fell during the latter part of the 20th century and deaths exceeded births in each year between 1997 and 2007 despite an increase in the birth rate from 2002 onwards. Our population is projected to "age" and the gap between deaths and births is expected to widen with time. Highland became entirely dependent on inward migration to maintain and grow the population from 1998 onwards, and the population growth noted above is exclusively the result of high levels of net inward migration.



Source: GROS mid Year Estimates and Vital Events Tables

We have snapshot information on migrants during the life of the Structure Plan but the most consistent information is available for the four year period from mid 2002 to mid 2006 which this is the migration data used to build up the migration profile used in the principal population projections. Figure P4 below shows the average number of people per year moving to and from Highland. The most striking feature is the loss of some 1,500 young people in the 15 to 19 age group each year as they leave Highland to take up higher and further education, or to find work. The positive rates of net inward migration from age 20 onwards suggest that many choose to return to Highland once they have completed their studies, or gained experience in the workplace.



Source: Source: GROS based on National Health Service Central Register (NHSCR) patient movements.

2002 to 2006 was a period of high net inward migration. Flows between Highland and the rest of Scotland were fairly consistent with around 4,500 people per year moving in each direction and growth was the result of people moving into Highland from the rest of the UK and overseas: the numbers of migrants from these origins are summarised in Table P5. The net gain of people from the rest of the UK averaged just over 2,000 people each year. The number of migrants moving into Highland from overseas grew significantly from 2003/04 onwards and it is likely that this is due to the influx of migrant workers from the Accession States, starting in May 2004. The figures on overseas migrants in the table rely on information from the International Passenger Survey which is acknowledged to have a number of weaknesses. It is likely that workers from the Accession States are under-recorded as people are registered as long term inward migrants only if they indicate that they intend to stay for 12 months or more, and their intentions may not be clear when they first arrive.

Table P5: Movements of Migrants Between Highland and the Rest of the UK				
	2002/03	**2003/04**	**2004/05**	**2005/06**
In Migrants	3,797	4,761	4,197	3,609
Out Migrants	1,985	1,940	2,047	2,145
Net Migrants	1,812	2,821	2,150	1,464
Movements Between Highland and Overseas				
	2002/03	**2003/04**	**2004/05**	**2005/06**
In Migrants	580	959	1,254	1,565
Out Migrants	942	942	1,164	1,402
Net Migrants	-362	17	90	163
Source: Source: GROS based on National Health Service Central Register (NHSCR) patient movements and International Passenger Survey.				

Workers from overseas must register for a national insurance number before they find work and the number of registrations is given in Table P6 below. This shows that 4,770 people from the Accessions States registered for a National Insurance Number between 2001 and 2007, almost all from May 2004 onwards. No record is kept when a worker returns home, and dependants are not counted, but the Institute for Public Policy Research[2] has attempted to quantify the number remaining in the UK. Our own research[3] suggests that we might disagree with some of the assumptions made by the Institute but agree that 3,500 is probably a realistic figure for the number of workers and their dependants remaining in Highland in early 2008. The evidence is that this has become a stable pool of workers with many remaining for a long period of time, and those returning home being replaced by new workers in equal numbers. We can only speculate about the proportion who have been included in formal population estimates, but it is likely that many have not been counted and our resident population is probably higher than the estimate of 217,440 in mid 2007.

Table P6: National Insurance Number Registrations to Overseas Workers April 2001 to March 2007

Africa	Asia and Middle East	Accession States	Australasia and Oceania	European Union (Excluding Accession States)	Other European (1)	The Americas	All Regions
285	490	4,770	520	1,275	235	395	8,125

(1) Other European includes 20 registrations from Bulgaria and Romania in 2006/07, now part of enlarged EU

Source: DWP Tab Tool, National Insurance Number Registrations

Briefing Note 15 shows that, although migrant workers are concentrated to some extent in the Inner Moray Firth they are also distributed throughout Highland. Some are housed in Houses in Multiple Occupation associated with the hotels they work in, but there are few HMOs provided by other employers. The majority of migrants live in private rented accommodation – which often has high occupation rates by choice to minimise costs – with some workers in the agricultural and building trades seeking to remain mobile through the use of caravans and short term rented accommodation.

Although the gap between deaths and births has narrowed in recent years (and births exceeded deaths in 2008 for the first time in a decade) long term trends mean that maintaining a high rate of net inward migration is essential if our population is to continue to grow.

2.2.3 Population Change 1998 to 2007 by Age Group

[2] Floodgates or Turnstiles http://www.ippr.org/publicationsandreports/publication.asp?id=603
[3] Highland Council Briefing Note http://www.highland.gov.uk/NR/rdonlyres/CC6020DD-6233-4A90-9373-E95058E6F023/0/BriefingNote15.pdf

Table P3 above shows that the population of Highland grew by 4.1% between 1998 and 2007 and this was accompanied by a change in the age structure. Table P8 below shows that the population profile aged: the number of people aged 44 and under fell with those aged 45 and over rising. Population projections suggest that the ageing trend is expected to continue through the next 25 years.

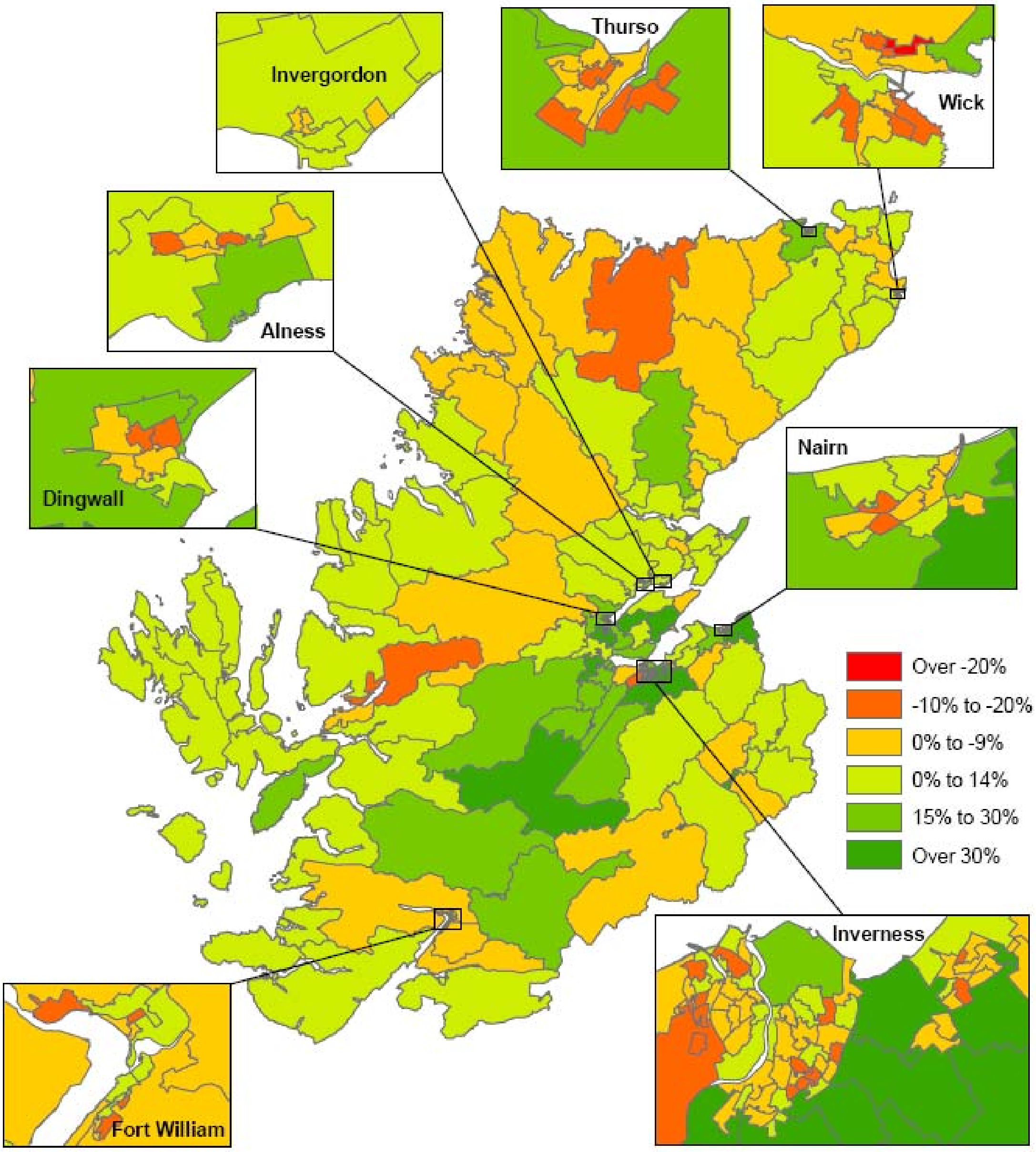
Table P8: Percentage Population Change 1998 to 2007 by Age Group

Housing Market Area	0 to 14	15 to 44	45 to 64	65 to 74	Over 75	All Ages
Badenoch & Strathspey	-4.2	-5.3	19.4	5.3	27.0	5.2
Caithness	-15.3	-11.2	6.3	13.6	22.1	-3.1
Inverness	-1.5	1.6	22.5	7.3	28.8	8.3
Lochaber	-11.2	-9.7	13.6	11.0	19.2	-0.2
Nairn	-7.1	-2.2	24.0	22.0	18.9	7.6
East Ross	-14.1	-10.0	14.7	26.3	19.5	0.0
Mid Ross	-4.2	-2.3	27.1	13.8	24.4	8.5
West Ross	-15.9	-6.0	22.2	3.0	30.9	4.0
Skye & Lochalsh	-12.0	-7.6	32.0	12.0	0.3	4.4
Sutherland	-18.2	-14.3	17.9	4.3	17.6	-0.7
Highland	-8.4	-4.7	19.5	11.1	22.4	4.1

Source: GROS Small Area Population Estimates

2.2.4 Population change 1998 to 2007 by Data Zone

Data Zones are our main geography for presenting small area statistics. The map below gives the pattern of population change across Highland and shows visually that decline has tended to be centred on our small towns and some remote rural areas, whereas the main growth has been in the Inner Moray Firth and around Inverness in particular. Population stagnation and / or decline in our urban areas and small towns is not unexpected. It follows a recognised demographic trend in which the resident population in new developments grows old and children leave home, and low turnover means that they are not replaced by younger families. The Housing Land Audit (see later) shows that we have relatively few infill or redevelopment sites in established urban areas, and growth in towns will tend to come from expansion into new areas.



Percentage Population Change in each Data Zone in Highland, 1998 to 2007
(Source: GROS Small Area Population Estimates)

2.3 Housing

2.3.1 Housing Stock and Tenure

There is no single definitive source of information on our housing stock or the tenure in which it is occupied:

- The Highland Council's Council Tax billing system provides a good source information. It is the basis for the GROS calculation of household numbers and gives an accurate record of the current stock. Discounts give a basis for calculating the number of second / holiday homes and long / short term vacancies, but they have changed through time and there are definition problems at the margins.
- Returns to the Scottish Government on Highland Council and Housing Association stock are definitive.
- Private Landlords must now register their properties but the process is not complete, and there is some evidence that individuals who have invested recently in buy-to-let may not fully understand their obligations.
- There is no information on the wider rental market and, although the 2001 Census gives good information, there is potential under-recording across all rental sectors by form-fillers receiving Housing Benefit.
- Owner occupation is inferred by subtracting other tenures from the total stock.
- Different data sources record information at different times of the year and adjustments are not always possible. In the analysis that follows, information is given for mid year whenever comparison with population and household estimates and projections are helpful. Other figures are for a mixture of calendar and financial years depending on the availability of consistent long term records.
- House completions are now collated by quarter but are only available by calendar year up to 2000.

The total housing stock in Highland is estimated to have risen from 78,250 in 1981 to 89,923 in 1991. Table H1 below gives best estimates of stock and tenure in 1998 and 2007, and shows that the total stock in 1998 was 97,250. Figures from the 2001 census give a best estimate that, in 1998, 6.2% of the stock would have been second or holiday homes, and 4.0% would have been vacant, giving an effective stock of 87,300 in mid 1998. The total stock had risen to 108,600 in mid 2007 when the effective stock was 99,360. The effective stock figures compare with GROS household estimates of 87,900 in mid 1998 and 98,050 in mid 2007. The number of demolitions has been small throughout the period, with most being accompanied by the construction of one or more new houses on the same site.

Table H1: Estimates of Housing Stock and tenure, 1998 and 2007			
	Mid 1998	**Mid 2007**	**Source**
Total Stock (1)	97,250	108,600	1998: back calculation from the average of Census household spaces and Council Tax records, subtracting the number of house completions. 2007: GROS Household Estimates 2007 based on Council Tax billing information
Second / Holiday Homes (2)	6,060	4,750	1998: 2001 Census proportion of total stock 2007: Dec 2007 Council Tax billing information
Vacant (3)	3,900	4,490	1998: 2001 Census proportion of total stock 2007: Dec 2007 Council Tax billing information
Effective Stock	87,300	99,360	1-(2+3)
Rented from Highland Council (4)	19,445	14,330	SG based on Highland Council returns (end March figures)
Rented from Housing Association (5)	3,749	5,109	1998: back calculation using SG Housing Statistics for Scotland quarterly completions. 2007: Scottish Housing Regulator - Scottish Registered Social Landlord Statistics 2006/07
Rented from Registered Private Landlord or Lettings Agency (6)	6,390	7,495	1998: 2001 Census proportion of total stock (adjusted for "living rent free" discrepancy) 2007: Highland Council RPL registrations (accepted plus pending, April 2009)
Rented from Friend, Relative or Employer (7)	3,250	3,630	1998 and 2007: 2001 Census proportion of total stock (adjusted for "living rent free" discrepancy) and includes households who are living rent free
Registered Houses in Multiple Occupancy (8)	n/a	80	SG Housing Statistics for Scotland
Owner Occupied	64,250 (66.1%)	77,165 (71.1%)	= 1-(4+5+6+7+8)

Affordable Housing Stock. Only 13 houses were built by the Highland Council between 1998 and 2007. The Number of Highland Council owned houses fell by over 5,000 during the period as a result of Right-to-Buy sales. Table H2 shows that the number of sales per year has declined recently as a Right-to-Buy suspension was introduced in most areas on 15th November 2005 (Caithness, Sutherland and some estates in Inverness and Fort William are excluded from the suspension), and valuations have increased significantly in line with open market house prices in Highland.

Table H2: Sales of Highland Council Owned Houses, 1998 to 2007									
1998	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**
484	614	677	554	642	646	592	524	313	267
Source: SG based on Sales1 Return by calendar year (1998 is Q2 to Q4 only)									

Table H3 below shows the number of affordable units completed each year from 2001/02 onwards, and the number of Housing Association completions per year from 1998/99 onwards. It shows that the number of new units built by

Housing Associations has increased steadily through time, as has the number of units made available through tenures other than conventional rental.

Table H3: Affordable Housing Completions, 1998 to 2007									
	1998/ 99	**1999/ 00**	**2000/ 01**	**2001/ 02**	**2002/ 03**	**2003/ 04**	**2004/ 05**	**2005/ 06**	**2006/ 07**
All Affordable Housing Completions (1)	-	-	-	167	210	176	208	271	477
Housing Association Completions (2)	44	106	133	127	132	139	131	145	265
Source: (1) 1998/89 to 2000/01 not available in consistent format; 2001/02 onwards SG / Communities Scotland. Includes LCHO/SNCG/GRO/RHOGS. (2) SG Housing Statistics for Scotland									

House Type and Size. Scottish Neighbourhood Statistics presents detailed information on house size and type in 2007 (and 2006) which has been collected through the Assessor's Portal. Unfortunately equivalent historic information is not available, and although it is collected through the 2001 Census, examination of the results has shown that methodological and definitional differences mean that it cannot be compared directly with the 2007 information. The information given below is therefore a snapshot for 2007 only, which adds to the understanding of our housing stock and provides a baseline for future work.

House Type. Table H4 below shows that most dwellings are detached in all areas with the highest percentages in our rural areas West Ross (64%), Skye & Lochalsh (61%) and Sutherland (55%) and the lowest in Inverness (33%). Flats are found mainly in our urban areas with the highest percentage in Inverness (22%).

Table H4: House Types in Highland, by Area, 2007 (percentages)						
2007		**Percentage of Dwellings which are:**				
	All Types	**Flats**	**Terraced Dwellings**	**Semi-detached Dwellings**	**Detached Dwellings**	**Unknown Type**
Badenoch and Strathspey	6,900	10.8	13.9	22.7	49.4	3.2
Caithness	12,800	11.8	22.4	28.5	35.8	1.5
Inverness	34,300	21.8	19.3	23.8	33	2.2
Lochaber	9,600	12.2	23.6	22	35.6	6.6
Nairn	5,700	9.1	14.2	27.9	40.1	8.7
East Ross	9,500	6.7	34.0	24.3	33.1	1.9
Mid Ross	9,800	7.4	18.1	22.5	48.7	3.4
West Ross	4,800	3.4	7.1	21.2	63.8	4.4
Skye and Lochalsh	6,700	3.5	7.9	14.2	61	13.4
Sutherland	7,600	2.6	10.7	28.3	55	3.4
Highland	107,600	12.4	18.8	23.9	41.1	3.9
Source: Scottish Neighbourhood Statistics						

House Size. Table H5 below gives dwelling sizes in terms of habitable rooms (usually bedrooms and living rooms). It shows that the commonest dwelling size is four habitable rooms (31%) then three habitable rooms (23%) and that this is the case in all areas apart from West Ross. The largest percentage of two bedroom dwellings is in Inverness (11%) and this perhaps reflects the economic and demographic profile of the area, as migration profiles show that Inverness receives a large number of inward migrants in the 20 to 30 age group.

Table H5: Dwelling Sizes in Highland, by Area, 2007 (percentages)

		Number of Habitable Rooms										
	All Dwellings	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10+**	**Unknown Number**
Badenoch and Strathspey	6,900	0.4	10	23	26.1	16.3	9.2	5.5	2.3	1.2	1.9	4.2
Caithness	12,800	0.4	9.5	27.7	33.1	14	6.2	2.8	1	0.4	0.3	4.5
Inverness	34,300	1.4	10.7	26.3	26.3	17	8	4.6	1.8	0.6	0.7	2.6
Lochaber	9,600	0.3	6.2	24.4	34.9	13.4	6.6	3.6	1.5	0.5	1.1	7.6
Nairn	5,700	0.3	7.5	19.5	24.7	16.7	7.5	4	2.4	1	1.5	14.9
East Ross	9,500	0.7	7.3	23.1	40.3	14.8	6.4	2.6	1.1	0.6	0.4	2.8
Mid Ross	9,800	0.6	6.7	20.7	30.8	17.1	10.5	5.5	2.6	0.9	0.7	3.9
West Ross	4,800	1.1	5.2	16.5	33.8	19.5	9.4	4.5	2.3	1.1	0.9	5.8
Skye and Lochalsh	6,700	0.6	5.8	16.5	29.5	15.4	7.6	4.3	1.7	0.7	0.6	17.3
Sutherland	7,600	1.1	7.4	16	35.8	18.8	9.1	3.7	2.1	0.9	1.2	3.9

This information is derived from the Assessors Portal and is based on the number of "apartments", defined as the number of habitable rooms (usually bedrooms and living rooms).

Source: Scottish Neighbourhood Statistics

2.3.2 Historic Household Projections 1998 to 2007

The population projections made at the time of the Structure Plan were based on the 1996 GROS population projections for the eight former District Councils. This was a time of relatively low growth which is reflected in the projections as they assumed that the population would grow by 4,662, from 209,751 in 1998 to 214,413 in 2007. This compares with actual population growth of 8,590 during the period.

The household projections used the most recent headship rates available at the time (the GROS 1994 series) which suggested that the number of households in Highland would increase by 10,336 between 1998 and 2007. Table H6 below compares the projected increase in population and households with the actual increase in population and new house completions. The table shows that:

o The number of new houses completed was around 500 more that the anticipated increase in households. However, if we include an allowance for vacant properties and second homes (10% total in the 2001 Census) this is a shortfall of around 500 new houses against the projected figure.

- More houses were built than projected in Badenoch & Strathspey, Inverness, Nairn and Skye & Lochalsh; less than projected in Caithness, Lochaber and Ross & Cromarty; and completions in Sutherland were much as projected.
- The population of Highland overall grew at almost twice the projected rate during the period (4,662 projected, 8,590 actual).
- The population of Inverness, Nairn and Ross & Cromarty grew more than projected and the decline in Caithness and Sutherland was less than projected. Despite the overall growth there was a modest decline in Lochaber, and Skye & Lochalsh grew more slowly than projected while the population in Badenoch & Strathspey was stable.

The headship rate (broadly, the number of people per household) is projected to decrease as our population ages and the divorce rate increases. This trend has been evident during the life of the Plan but the change has not been as rapid as originally projected. The Plan projections assumed that 28% of people lived in single persons households in 1998 and that this figure would rise to 35% in 2007, whereas the current GROS estimate for 2007 is 33%.

Table H6: Comparison of Projected and Actual Population Change, Projected Households and New House Completions 1998 to 2007

Former Area	Households 1998	Projected Households 2007	Projected Household Growth 1998 to 2007	Actual House Completions 1998 to 2007	Projected Population Growth 1998 to 2007	Actual Population Growth 1998 to 2007
Badenoch & Strathspey	4,945	5,497	552	856	639	616
Caithness	11,044	12,026	982	813	-1,491	-798
Inverness	27,313	31,129	3,816	4,533	3,004	5,467
Lochaber	7,916	8,702	786	674	108	-37
Nairn	4,616	5,067	451	759	601	856
Ross & Cromarty	20,660	23,380	2,720	2,061	1,601	2,051
Skye & Lochalsh	5,174	5,786	611	715	817	528
Sutherland	6,047	6,465	418	408	-617	-93
Highland	87,715	98,051	10,336	10,817	4,662	8,590

2.3.3 Sales and Affordability

Figure H7 below shows that the number of open market houses sales per year grew steadily during the life of the Structure Plan, almost doubling from 3,121 in 1998 to 5,819 in 2007 (Source: LVIU and Communities Scotland / LVIU).

Figure H7: Number of Open Market House Sales in Highland 1998 - 2007 by Year

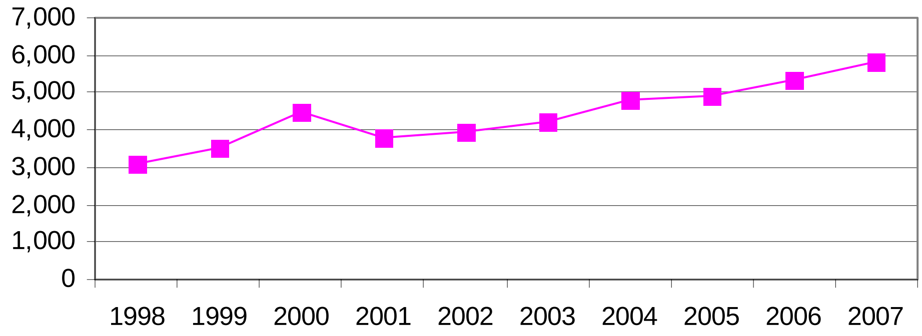
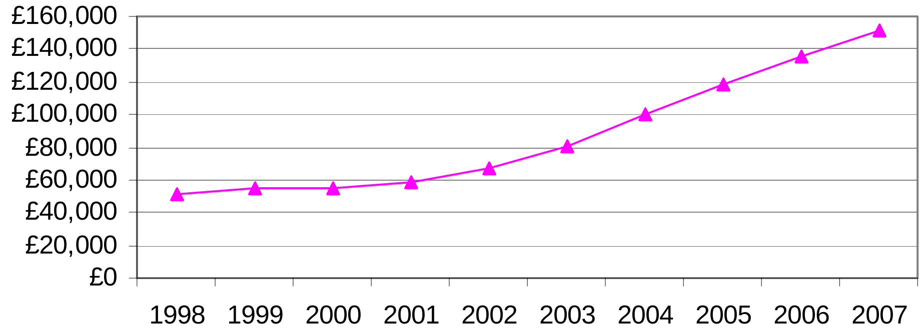


Figure H8 shows that the median house price rose steadily at a rate slightly above inflation between 1998 and 2001 before beginning to increase dramatically in line with prices elsewhere in the UK. The median house price rose from £51,000 in 1998 to £59,000 in 2001, and £151,000 in 2007 - an increase of 196% during the period.

Figure H8: Median Price of All Open Market House Sales in Highland 1998 - 2007, by Year



Consistent information on household incomes in Highland, which would allow a true comparison of affordability to be made, is not available for the full period but the Annual Survey of Hours and Earnings shows that the median income for all jobs (both full and part time) increased by only 30% during the period (from £12,400 in 1998 to £16,100 in 2007) indicating that a typical house became significantly less affordable. Applying this factor to 2007 household incomes for our eight former areas allows a simple comparison to be made of indicative levels of affordability. The results are given in Table H9 below, which compares median household incomes with median house prices.

This analysis shows that in 1998 the median priced house was generally affordable across Highland, although marginal in Lochaber (which had the highest price / income ratio), Skye & Lochalsh and Nairn. The most affordable houses were in Caithness and Inverness. A more detailed analysis for 2007 is given below but Table H9 shows that Caithness continues to be the most affordable area and Lochaber has now become the second most affordable. The least affordable are Skye & Lochalsh, Badenoch & Strathspey and Ross & Cromarty.

Table H9: Indicative Affordability by Former Area, 1998 and 2007

	Median Price 2007 (1)	Median Household Income 2007 (2)	Price / Income ratio 2007	Median Price 1998 (3)	Median Household Income 1998 (4)	Price / Income ratio 1998
Badenoch and Strathspey	£165,000	£25,951	6.4	£50,500	£19,977	2.5
Caithness	£90,000	£25,478	3.5	£40,000	£19,613	2.0
Inverness	£155,000	£27,797	5.6	£50,000	£21,398	2.3
Lochaber	£132,375	£24,337	5.4	£57,000	£18,735	3.0
Nairn	£165,000	£27,119	6.1	£59,950	£20,876	2.9
Ross and Cromarty	£157,000	£25,400	6.2	£51,800	£19,553	2.6
Skye and Lochalsh	£175,000	£24,854	7.0	£55,000	£19,132	2.9
Sutherland	£141,500	£23,353	6.1	£50,000	£17,977	2.8

Source: (1) Communities Scotland / LVIU (2) CACI Paycheck (3) LVIU (4) CACI Paycheck / ASHE

Briefing Note 25[4] examines the origin of house buyers in Highland for the two years 2005 and 2006: other studies looking at historic sales over a longer period show that the findings are reasonably representative of the last decade. The results give a useful insight into both external pressures on local housing markets and the destinations of inward migrants to Highland. The results by ward are shown in the table below. They show that our small towns (such as Wick, Thurso and Dingwall) and most of Inverness tend to attract buyers from within Highland and that our rural areas – the west coast in particular – attract buyers from outwith Highland.

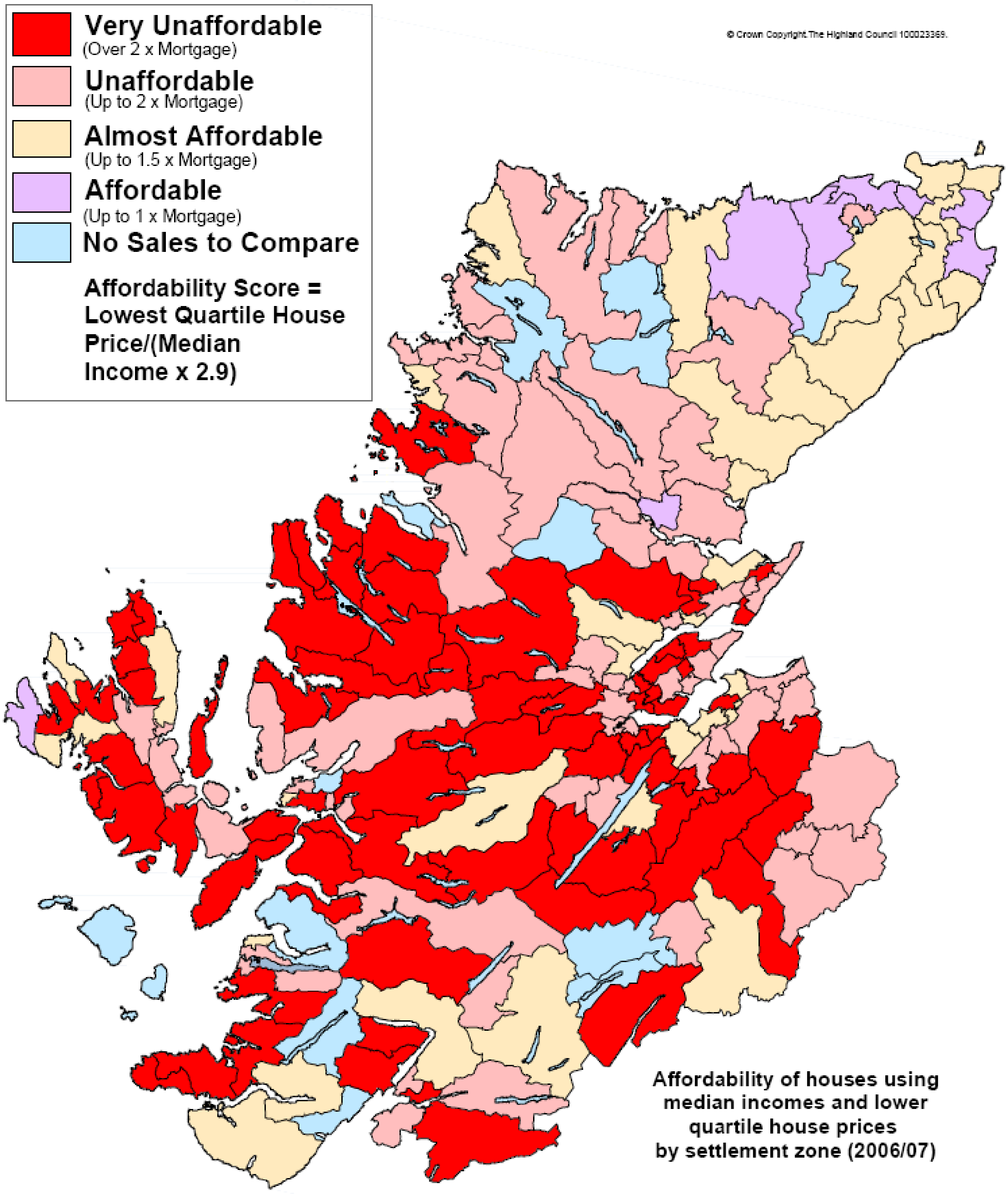
[4] http://www.highland.gov.uk/NR/rdonlyres/DAFA1B74-E5AB-4F96-8193-31D8AC9CD031/0/briefingnote25.pdf

Table 2: Origin of House Buyers by Ward, 2005 and 2006

Ward Name	Number of Sales in Ward*	% of Sales Moved from Highland	Rest of Scotland	Rest of UK	Rest of World	Unknown
North, West and Central Sutherland	**190**	42%	17%	39%	2%	0%
Thurso	**254**	92%	4%	4%	0%	0%
Wick	**217**	90%	6%	4%	0%	0%
Landward Caithness	**321**	60%	12%	26%	1%	1%
East Sutherland and Edderton	**234**	53%	19%	24%	3%	0%
Wester Ross, Strathpeffer and Lochalsh	**342**	45%	26%	27%	2%	0%
Cromarty Firth	**319**	84%	7%	7%	2%	0%
Tain and Easter Ross	**247**	67%	16%	16%	0%	0%
Dingwall and Seaforth	**336**	83%	10%	6%	0%	0%
Black Isle	**379**	71%	14%	13%	2%	0%
Eilean a' Chèo	**331**	40%	20%	38%	2%	1%
Caol and Mallaig	**206**	67%	17%	17%	0%	0%
Aird and Loch Ness	**380**	64%	15%	19%	2%	0%
Inverness West	**507**	84%	11%	5%	0%	0%
Inverness Central	**492**	80%	13%	6%	0%	0%
Inverness Ness-Side	**736**	82%	13%	4%	0%	0%
Inverness Millburn	**343**	84%	10%	6%	1%	0%
Culloden and Ardersier	**564**	75%	19%	5%	2%	0%
Nairn	**635**	65%	21%	11%	1%	2%
Inverness South	**897**	73%	20%	6%	1%	0%
Badenoch and Strathspey	**584**	52%	31%	16%	1%	0%
Fort William and Ardnamurchan	**325**	65%	17%	17%	1%	1%
Total	**8839**	**70%**	**16%**	**12%**	**1%**	**0%**

** Based on number of second hand and new build sales*

For 2007, household incomes are available for small areas from the CACI Paycheck dataset, which allows affordability to be assessed using the recognised measures of comparing median household incomes with lower quartile house prices, and a responsible mortgage of up to 2.9 times household income. The map shows that houses in only eight settlement zones in Highland are affordable by this measure: six in Caithness, one in Sutherland and one on Skye.



Affordability of houses using median incomes and lower quartile house prices by settlement zone (2006/07)

2.4 New House Completions

2.4.1 House Completions

Table H11 shows that the number of houses of all tenures completed in Highland rose steadily from 687 in 1998 to 1,806 in 2007.

Table H11: House Completions (All Tenures) by Housing Market Area and Calendar Year, 1998 to 2007

Housing Market Area	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
Badenoch & Strathspey	76	48	46	39	89	81	135	105	206	137	962
Caithness	22	56	61	79	94	82	107	101	136	171	909
Inverness	309	328	416	425	437	544	427	575	766	921	5,148
Lochaber	47	56	61	70	92	86	85	73	94	67	731
Nairn	39	53	106	66	66	124	96	108	87	67	812
Ross & Cromarty	149	154									303
East Ross			39	66	84	75	52	82	94	128	620
Mid Ross			123	106	121	138	190	96	79	98	951
West Ross			66	47	41	41	53	40	57	58	403
Skye & Lochalsh	24	58	94	67	60	79	96	101	98	99	776
Sutherland	21	29	35	38	50	39	46	61	69	60	448
Highland	687	782	1,047	1,003	1,134	1,289	1,287	1,342	1,686	1,806	12,063

Source: Highland Council completions records. Summary information only is available for 1998 and 1999 and a breakdown to the component HMAs within Ross & Cromarty is not possible for these two years.

Table H12 gives the number of houses that were built within current (2008) Local Plan settlement development areas (SDAs) between 2000 and 2007 (excluding Badenoch & Strathspey). It shows that 82% of completions in Highland overall were within SDAs, with the highest percentage in Inverness (90%) and the lowest in Sutherland (32%).

Table H12: House Completions (All Tenures) Within Local Plan Settlement Development Areas, by Housing Market Area, 2000 to 2007

Housing Market Area	All Completions	Completions Within SDA	% within SDA
Badenoch and Strathspey	*838*	-	-
Caithness	831	604	72.7
Inverness	4,511	4,068	90.2
Lochaber	627	456	72.7
Nairn	720	575	79.9
East Ross	620	520	83.9
Mid Ross	965	841	87.2
West Ross	389	288	74.0
Skye and Lochalsh	694	542	78.1
Sutherland	398	129	32.4
Highland (excl. B&S)	9,755	8,023	82.2

Source: Highland Council completions records

2.5 Housing Land Audit

2.5.1 Land Supply

Table H13 below shows the supply of land for housing with a base date of 31st December 2007, taken from the Highland Council's 2007 Housing Land Audit published in 2008. The Audit sets out the context to the supply of housing in the Highland 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 of development on each site and the identification of any constraints holding up development. The figures include draft local plan housing sites (excluding long term sites) from:

- the Sutherland and West Highland and Islands Local Plans which at the base date of the audit were at deposit draft stage; and
- The Cairngorm National Park draft Local Plan which covers almost all of the populated part of the former Badenoch & Strathspey area. The Highland Council is not the statutory planning authority for this area but the figures are included to complete the picture and give context to the provision of affordable housing in the area.

Some of these sites in draft Plans may be subject to modification or removal following the consultation period and subsequent public local inquiry. So, whilst the audit sets out programming rates for these sites, this does not necessarily guarantee their inclusion in the final adopted versions of the Plans.

Table H13 also gives separate summary details of three large windfall sites, including the two largest potential developments in Highland[5]:

- The Whiteness Head development on the former Ardersier Fabrication Yard site which has provision for 1,950 new homes (some of which will be available as tourist accommodation), a marina, hotel, local retail provision, education and leisure facilities. The windfall of 720 in 2008-12 also includes 120 units on a new golf course at Castle Stuart, some also available as tourist accommodation. Both are windfall sites as they were not included in the Inverness Local Plan.
- The A96 corridor which will provide up to 14,000 new homes at a rate of around 2,500 homes every 5 years together with 20,000 new jobs and comprehensive supporting infrastructure. This is not included in the Housing Land Audit as the sites were not allocated in the Nairn and Inverness Local Plans.

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[5] Source: Highland Council A96 Corridor Masterplan
http://www.highland.gov.uk/businessinformation/economicdevelopment/regeneration/a96-corridor-masterplan.htm

Table H13: The Supply of Housing Land (2007 Housing Land Audit)							
Area	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)
Caithness	620	119	493	612	1,232	927	149
Inverness	3,321	632	598	1,230	4,551	1,485	1,166
Lochaber	1,384	82	475	557	1,941	1,830	70
Nairn	452	57	77	134	586	148	0
East Ross	673	103	177	280	953	1,860	217
Mid Ross	1,077	64	160	224	1,301	1,184	237
West Ross	389	10	362	372	761	158	20
Skye & Lochalsh	1,379	5	611	616	1,995	146	52
Sutherland	612	57	372	429	1,041	776	35
Total	9,907	1,129	3,325	4,454	14,361	8,514	1,946
Whiteness + golf course		*720*				*1,350*	
A 96 Corridor	*943*					*13,472*	

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.

Examination of completion records for 2006, 07 and 08 shows that 45% of all completions in Highland are on windfall sites and it is anticipated that current Government and Highland Council policies will result in windfall continuing to make a significant contribution to the land available for housing.

2.5.2 Future Land Requirement and Comparison with Current Land Availability

Highland's Housing Need and Demand Assessment[6] is a detailed technical document that assesses the current and future demand for both affordable and open market housing. Figures are given for three population and household projections scenarios and include provision for the houses required to eliminate the current backlog of need for affordable housing. The housing demand is converted to the land required after making an allowance for ineffective stock (vacant properties and second / holiday homes) and adding a 25% margin to allow for uncertainty and give market choice. Tables H14 and H15 below compare the overall requirement with the available land as given in the Housing Land Audit (Table H13 above). They are given for two planning periods (2010 to 2014 and 2015 to 2019) which will be used for the Highland

[6] http://www.highland.gov.uk/NR/rdonlyres/0BD3329A-4761-48C2-9F4B-C90FEF8B843A/0/hnda.doc

wide Local Development Plan (meeting the requirements of both SPP3 and the Local Housing Strategy). The tables below assume that the windfall for 2008 to 2012 will continue at the same rate between 2013 and 2017, although the rate in Inverness has been adjusted downwards to allow for three large developments which were the result of the long gestation period for the Inverness Local Plan and which will not be repeated.

2010 to 2014

The table shows that our current Local Plans allocate more effective land that will be required in eight Areas, but there is inadequate land to meet the requirement under all three scenarios in Inverness and Nairn (although Inverness is marginal for the low migration scenario).

Housing Market Area	Table H14: Comparison of the Requirement for Housing Land with the Availability as Given by the Housing Land Audit, 2010 to 2014: Land Surplus or Deficit (negative)		
	Principal Projection	**High Migration Scenario**	**Low Migration Scenario**
Caithness	1,059	984	1,113
Inverness	-596	-1,093	-2
Lochaber	1,347	1,280	1,486
Nairn	-288	-380	-173
East Ross	513	429	644
Mid Ross	312	222	455
West Ross	211	168	272
Skye & Lochalsh	767	680	891
Sutherland	719	616	815
Total	4,044	2,906	5,501

2015 to 2019

The 2008 Housing Land Audit looks at land allocated to 2017 but not beyond. Table H15 below shows whether the land allocated in the Audit is sufficient to meet the requirement beyond then. The result of the exercise is an indication of the extra land that must be allocated in the three forthcoming Local Plans to meet the requirement to 2019 at least. This calculation assumes that:

- The surplus or deficit from 2010 to 2014 is carried forward to this period; and
- Windfall continues at the historic rate, as described above.

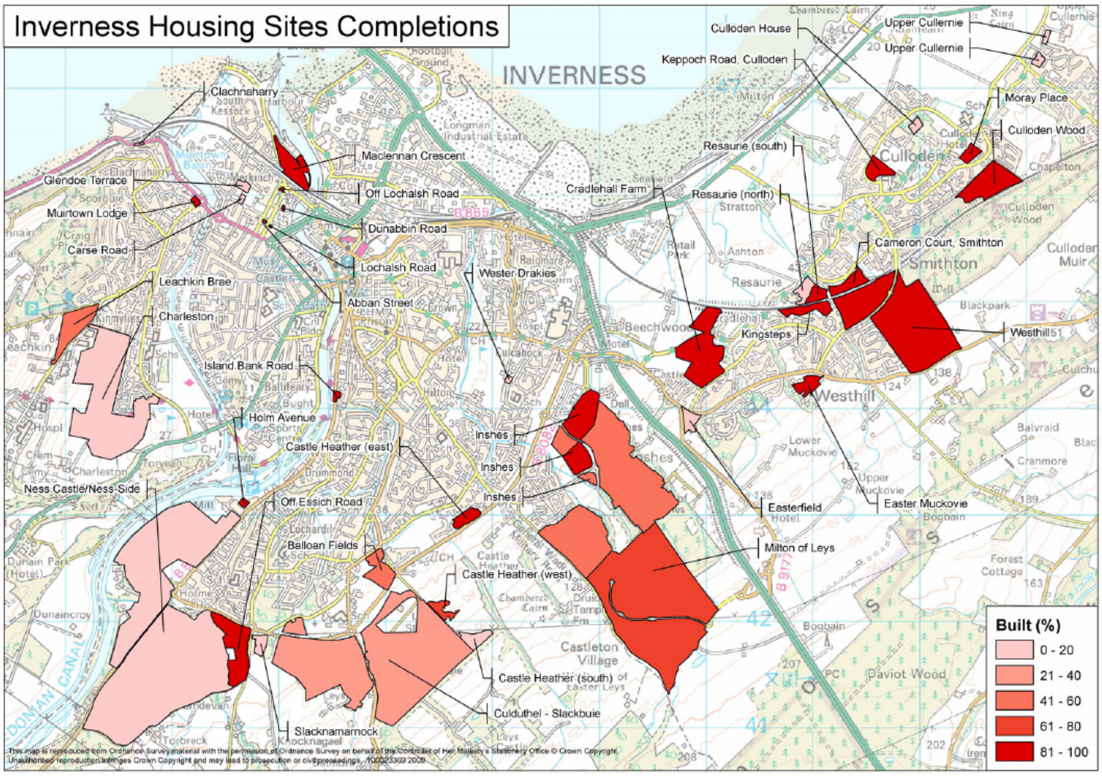
The pattern of the previous five years continues and the land allocated is sufficient to meet the requirement in seven areas, with Mid Ross falling into deficit under the high migration scenario. There are substantial deficits in Inverness and Nairn under all three scenarios. In practice the deficit in Inverness and Nairn will be met by the A96 corridor, which will be consolidated into the Local Plan for the Inner Moray Firth area.

Housing Market Area	Table H15: Comparison of the Requirement for Housing Land for 2015 to 2019 with the Availability as Given by the Housing Land Audit for 2015 to 2016: Land Surplus or Deficit (negative), assuming Windfall Continues at the Current Rate.		
	Principal Projection	High Migration Scenario	Low Migration Scenario
Caithness	1,637	1,478	1,743
Inverness	-2,584	-3,643	-1,336
Lochaber	1,962	1,812	2,259
Nairn	-729	-937	-479
East Ross	470	294	748
Mid Ross	141	-45	447
West Ross	175	88	303
Skye & Lochalsh	1,008	821	1,268
Sutherland	1,028	816	1,241
Total	3,108	684	6,194

2.6 Housing Sites in Inverness

The past decade has seen significant expansion in parts of Inverness, particularly in Westhill / Culloden, Inshes / Milton of Leys and around the southern distributor road. This has had a significant impact on infrastructure, particularly schools, and a number of studies have been carried out looking at the impact on school rolls and the need for extensions or new schools. The map below shows the percentage of capacity completed at each major site in Inverness and gives the background to the significant deficits shown for Inverness in Table H15 above. The key features are:

- The two main undeveloped sites at Charleston and Ness-Side cannot be developed until a new river and canal crossing has been built, and Government has announced that it will not be making the funding available for this work.
- Further development at Milton of Leys (beyond a total of 600 houses) is constrained until the link road between Inshes and Milton of Leys is complete. At the time of preparing this statement (August 2009) the work is scheduled for completion in the autumn of 2009 and should not constrain further construction.
- The net result is that the unconstrained sites are becoming built out and the remaining capacity is insufficient to meet the future needs of the City.



2.7 Housing in the Countryside

Structure Plan Policy H3 directs housing development to existing and planned new settlements, existing at the time or subsequently defined in Local Plans, with certain exceptions. Revised guidance was issued in March 2006. Two subsequent Local Plans – Inverness and Ross & Cromarty East – allowed for some additional residential development to round-off or consolidate housing groups within existing settlement patterns. Detailed analysis in 2008[7] showed that, for many of these housing groups, the number of houses approved exceeded the allocated capacity and a subsequent meeting of the Planning Environment and Development Committee recommended that revised Supplementary Guidance should be prepared. At the time of writing this Monitoring Report, consultation on the proposed revision has just been completed and the feedback is being considered.

The figures given in Table H16 below are intended to complement the detailed analysis referenced above, and give wider information on the extent of development in the countryside around our major towns between 2000 and mid 2009. The policy describes four hinterland areas: Thurso, Wick, Fort William and a wider Inner Moray Firth area covered by four subsequent Local Plans. Table H16 shows that 1,081 houses, 12% of the hinterland total, were completed after permission was granted following consideration under the

[7] http://www.highland.gov.uk/NR/rdonlyres/1D59A6B4-53C0-4726-AE74-09E67E5D557A/0/Housinginthecountrysidereport.pdf
Committee Paper: http://www.highland.gov.uk/NR/rdonlyres/BBA31301-0CE9-485C-B65E-CB723E3E5639/0/ped73.pdf

Housing in the Countryside Policy. Numerically, most were in Inverness, Mid Ross and Nairn but the highest percentages were around Dornoch in Sutherland (42%) and Dingwall in West Ross (31%).

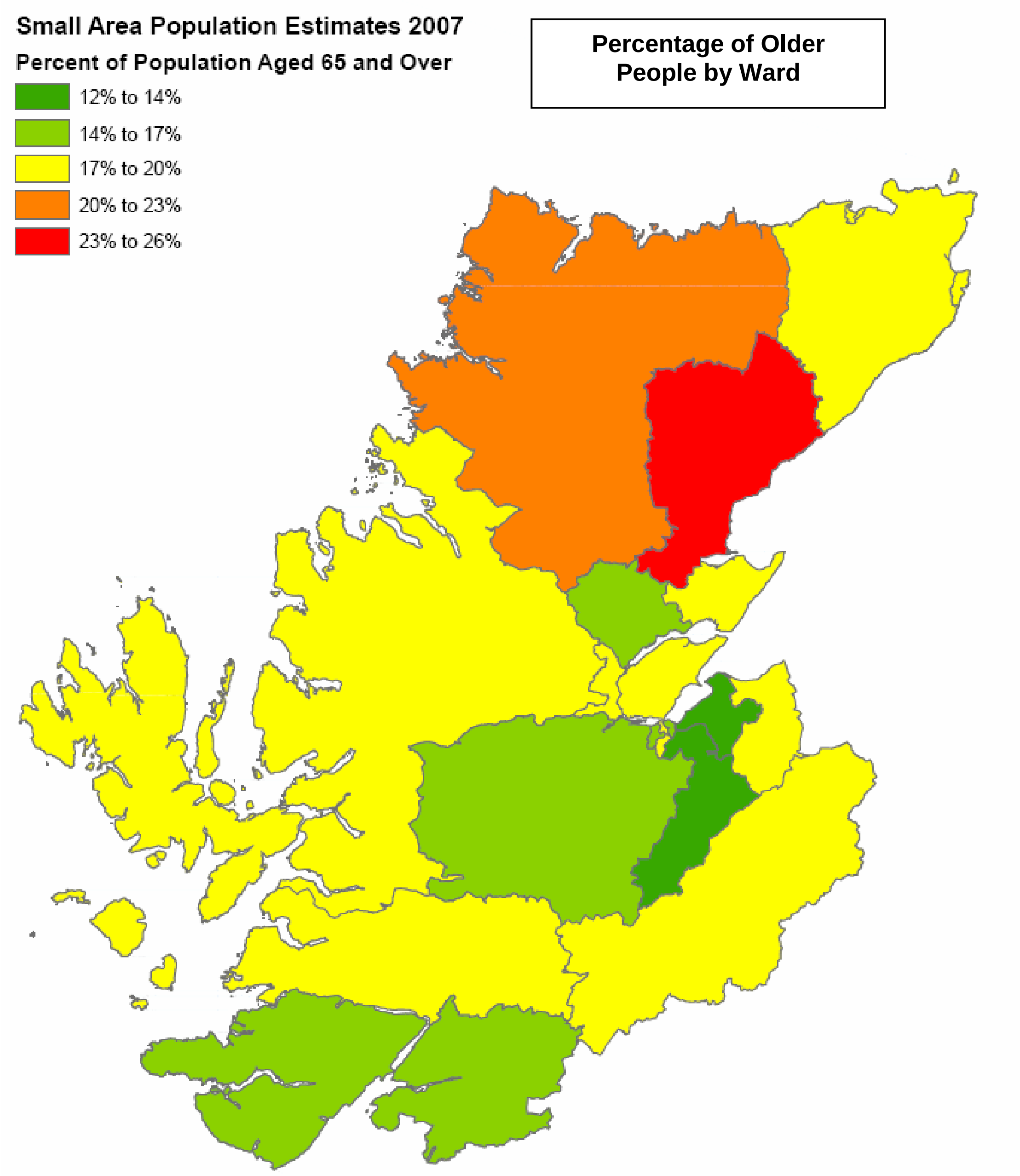
Table H16: Housing Completions in Hinterland Areas 2000 to mid 2009

Hinterland	Housing Market Area	All completions	Completions Outwith Settlement Development Areas	Completions Outwith SDAs as a percentage of All Completions
Wick	Caithness	218	24	11.0
Thurso	Caithness	478	82	17.2
Inner Moray Firth	East Ross	716	96	13.4
Inner Moray Firth	Inverness	5,024	398	7.9
Inner Moray Firth	Mid Ross	1,199	202	16.8
Inner Moray Firth	West Ross	123	38	30.9
Inner Moray Firth	Sutherland	149	62	41.6
Inner Moray Firth	Nairn	793	158	19.9
Fort William	Lochaber	286	21	7.3
All Hinterlands		8,986	1,081	12.0

Source: Highland Council completion records, Hinterland boundaries as defined in relevant Local Plan

2.8 Housing for Older people and Those with Disabilities

There is currently a significant variation in the age profile across Highland with East Sutherland and Edderton Ward having twice the percentage of people aged 65 and over as Inverness South ward (25% and 12% respectively – see map below). Ongoing demographic change in the Highland population is expected to result in an increasingly elderly population. By 2026 there is expected to be 30,800 more people of retirement age in Highland, 6,700 less people of working age and 3,100 fewer children than in 2006. The percentage increase of our oldest citizens (75+) is even more pronounced (increasing by around 96% from 2006 to 2026) – and it is this oldest section of our population which has the greatest call upon community care services.



Community Care. Community Care in Highland is primarily focussed on meeting the special needs of people which arise from some form of disability, either physical or mental, from mental health problems, or as a result of advancing age. Its broad objectives are:

- A focus upon the individual user and carer – meeting need, improving choice, promoting self-determination. This is increasingly being understood as requiring the greater personalisation of the services we deliver to those in need.
- Promotion of non-institutional support services – to be delivered in the domestic environment and community settings to allow people to remain in their own homes.
- A more effective targeting of resources – to ensure those most in need receive services and that we avoid duplication and inefficiency.

Promoting non-institutional care and support. The Joint Leadership and Performance Board seeks to promote non-institutional care and support for all adults in need in Highland whenever feasible and sensible. In this aim it has identified a set of high level measures which it believes will demonstrate a shift in the balance of care from institution to community over time. Work has been ongoing, amongst other things, to: increase the total number and percentage older people receiving intensive care at home (10+ hours per week); and to increase the number and percentage of people with an enhanced Telecare Service. Measurable decreases in hospital admissions for over-65s because of long-term conditions; and in the rate of occupied emergency bed days, in acute specialities, for older people (aged 65+) are sought.

Table P8 above showed that between 1998 and 2007 the number of people aged 65 to 74 rose by 11.1% and those aged 75 and over (the age group most likely to have particular specific care needs) by 22.4% from 14,365 to 17,578 (an increase of 3,213). Table H7 shows that, during the period, the total number of houses of all types for the elderly rose by only 13.5% from 1,543 to 1,751. In addition:

- The number of registered places in care homes for the elderly fell slightly from 2,088 in March 2000 to 1,956 in September 2005; and
- The number of people aged 65 and over receiving home care fell slightly from 2,604 in 1999 to 2,246 in 2006 (source: SG health and community care datasets, best available time periods).

The number of houses adapted for people with physical disabilities rose significantly from 157 to 1,174 during the period.

Special Needs Housing**.** Table H17 looks at housing for people with special needs, which includes housing for the elderly. It shows that Badenoch & Strathspey has the greatest proportion of housing for people with special needs – almost a fifth of its social rented stock. Nairn is next highest with 12%. It comprises around a tenth of the social stock in Inverness, Mid Ross, Sutherland and West Ross. Skye & Lochalsh has the least. This data does not include extensively adapted / wheelchair housing in The Highland Council’s stock.

Table H17: Special Needs Housing: Registered Social Landlords & Highland Council									
	Registered Social Landlords								
	Amenity	Shel-tered	Support Special Needs	Very Sheltered	Wheel chair	Total RSL	Highland Council Sheltered	Total Special Needs	%age Soc. Rent
Badenoch & Strathspey	6	143	4		2	**155**	16	**171**	**18**
Caithness	15	72	9		5	**101**	60	**161**	**5**
East Ross	32	32	35		6	**105**	39	**144**	**5**
Inverness	59	149	97	12	34	**351**	201	**552**	**10**
Lochaber	9	113	12		8	**142**	10	**152**	**7**
Mid Ross	21	7			14	**42**	93	**135**	**10**
Nairn	18	38			7	**63**	42	**105**	**12**
Sutherland	6	37	2		2	**47**	48	**95**	**9**
Skye & Lochalsh	14	26			6	**46**		**46**	**4**
West Ross	2		6		1	**9**	39	**48**	**9**
Highland	182	617	165	12	85	**1061**	548	**1609**	**8**

Table P8 above showed that between 1998 and 2007 the number of people aged 65 to 74 rose by 11.1% and those aged 75 and over (the age group most likely to have particular specific care needs) by 22.4% from 14,365 to 17,578 (an increase of 3,213). Scottish Government health and community care datasets suggest that the number of adapted houses may not have kept pace with this (rising by only 13.5%) but the definitions used through time may not have been consistent.

2.9 Housing Need

The Structure Plan quotes from the Council's Housing Strategy that almost 5,000 affordable houses would be required in the period 1998 to 2003: this compares with actual completions of around 700 during the same five year period (table H3 above). Table H18 below shows the results of three subsequent housing need studies, each based on slightly different housing market areas for Ross & Cromarty but aggregated up to the former district council area for ease of comparison. The 2003 DTZ study was survey based and showed that the 1998 need had persisted virtually unchanged with 998 new affordable houses needed each year between 2003 and 2008 to meet new demand and remove the backlog. Two subsequent studies by Heriot Watt University use an analytical approach based on secondary data as recommended by the SG Housing Need and Demand Assessment Guidance 2008. They assume that any backlog will be removed in 10 years rather than the 5 years assumed by DTZ Pieda, and taking this into account the results are consistent with those of the earlier study. The 2007 figures take into account the best available information in early 2009 on the likely impact of the current (2008/09) economic recession and the likely future rate of affordable house completion. The two Heriot Watt studies show that the need for affordable housing has increased as house prices have increased at a rate well above incomes, and taken together the three studies show consistent trends:

- There is a surplus of affordable housing in Caithness and a low level of need in Sutherland.
- In numeric terms, the greatest need for new affordable housing is in Inverness and Ross & Cromarty.
- As a percentage of current stock, the greatest need is in Skye & Lochalsh and Nairn, and the smallest in Badenoch & Strathspey and Sutherland.

The 2007 based Heriot Watt study also suggests that the need for new affordable housing will continue until 2021 at least, confirming the 2005 based results which also showed that Highland is likely to have one of the highest level of sustained need in Scotland. Full details of current and future housing need are given in the Highland Housing Need and Demand Assessment[8].

Table H18: Affordable Housing Need, by Area, 2003, 2005 and 2007

	DTZ Pieda 2003 Additional Affordable Rented Houses per year 2003 to 2008 (1)	Heriot Watt (2005 based) Positive Need for Additional Affordable Housing (2)	Heriot Watt (2007 based) Positive Need for Additional Affordable Housing (3)
Badenoch & Strathspey	65	30	57
Caithness	0 (surplus of 190 - lower estimate)	0 (surplus of 20)	0 (surplus of 91)
Inverness	415	265	411
Lochaber	177	25	90
Nairn	79	55	82
Ross & Cromarty	314	80	241
Skye & Lochalsh	130	40	82
Sutherland	0	5	18
Highland	998	510	981

(1) Highland Housing Needs Study - DTZ Pieda for The Highland Council, 2003

(2) Local Housing Need & Affordability Model for Scotland Update (2005 base); Bramley et al.; Communities Scotland 2006.

(3) Highland Housing Need and Affordability Model (2007 base), Bramley & Watkins for the Highland Council 2009

2.9.1 Homelessness

Table H19 below presents the best available consistent information on homelessness, assessment results and the number of homeless households provided with housing through a Scottish Secure Tenancy. It shows that the number of homeless applications has almost tripled during the life of the Structure Plan, and that since 2002/03 three quarters of applicants have been assessed as being homeless with just under half in priority need. Of those who have been assessed as homeless, around 40% have been housed through a Scottish Secure Tenancy.

8 http://www.highland.gov.uk/NR/rdonlyres/0BD3329A-4761-48C2-9F4B-C90FEF8B843A/0/hnda.doc

Table H19: Homeless Applications by Area (number)									
	1999/00	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Badenoch and Strathspey	63	68	55	71	109	77	55	69	83
Caithness	21	28	35	46	44	77	76	91	91
Inverness	296	224	281	509	871	1090	1225	1062	1036
Lochaber	192	251	195	277	284	281	259	300	284
Nairn	27	28	33	65	118	103	107	121	130
Ross and Cromarty	162	266	310	309	481	500	533	372	467
Skye and Lochalsh	50	78	76	99	131	140	157	150	134
Sutherland	5	8	3	9	12	25	22	24	29
Highland	**816**	**951**	**988**	**1385**	**2050**	**2293**	**2434**	**2189**	**2254**
Assessment									
Households assessed as homeless	-	-	-	1,015	1,633	1,717	1,866	1,620	1,550
Of These Homeless & Priority Need	-	-	-	*673*	*928*	*896*	*1,050*	*1,146*	*1,215*
Homeless Households provided with Scottish Secure Tenancies									
Highland Council	-	-	-	325	455	427	484	540	500
RSLs	-	-	-	78	113	124	161	215	249
Total Lets	-	-	-	403	568	551	645	755	749

2.10 Gypsies / Travellers

The main source of information regarding gypsies / travellers in Scotland comes from the twice yearly count undertaken by the Scottish Government. This provides information on the number of households on sites across Scotland as well as the number on unauthorised encampments.

It has been suggested that this information provides only a partial picture of the gypsy / traveller communities across Scotland. It does not attempt to quantify the numbers who have settled in housing who still include themselves as part of this community. Many of these individuals still travel for short periods throughout the year and therefore may be picked up in the SG figures.

There are four Council owned sites in Highland:

- Inverness
- Spean Bridge
- Kentallen
- Newtonmore (seasonal only)

Until recently, there were two private sites used by Gypsies / Travellers in Highland but one has been developed for residential caravans.

The picture at January 2007 showed:

- There are 46 pitches covered by the three year-round Council owned sites
- 34 of these pitches were occupied in January 2007
- 87 people were living on these sites in January 2007
- There were 16 households identified living on unauthorised sites in January 2007

Table H20: Number of Gypsies / Travellers in Highland		
	Number of Households	
	Winter (3 year average)	Summer (4 year average)
Authorised Sites	22	34
Unauthorised Sites	7	24
Total	29	51
Source: SG biannual survey		

The Highland Council area has one of the highest populations of gypsies / travellers across Scotland and their needs will be the subject of a separate report available from The Highland Council which is informing both the Highland wide Development Plan and Housing Strategy.

2.11 Retail

Table R1 below explains the size and location of major retail planning consents over the last 10 years within the Plan area.

Table R1: Significant Highland Retail Consents 1999 To 2009					
No.	**Year of Perm.**	**Principal Planning Application. No.**	**Location**	**Operator or Developer**	**Approximate Gross Floorspace (sq mtrs)**
1	99	98/00159/FULIN	Longman Road, Inverness	Wickes	2,510
2	99	98/00182/FULSL	Ferry Road, Kyle	Co-op	650
3	00	99/00319/FULLO	Lochyside, Fort William	Farmfoods	370
4	00	Various	Inverness Retail & Business Park, A96	Various Non Food	9,100
5	00	00/00231/FULIN	Eastgate 2, Inverness	Various	24,710
6	00	00/00652/OUTRC	High Street, Fortrose	Co-op	280
7	02	01/00812/OUTRC	Mart Road, Dingwall	Tesco	6,220
8	02	02/00155/FULCA	Retail Park, South Rd., Wick	Lidl	1,350
9	02	01/00261/FULSL	Dunvegan Road, Portree	Co-op	1,630
10	03	02/00116/FULIN	Millburn Road, Inverness	Safeway (Extension)	5,710 (total)
11	03	02/01116/FULIN	Longman Road, Inverness	Kilmartin	790
12	03	Various	Inshes Retail Park, Inverness	Various	4,650 (additional non-food)
13	03	03/00528/FULIN	Henderson Road, Inverness	Tiso	2,970
14	04	03/01169/FULIN	Telford Street, Inverness	Lidl	1,770
15	04	04/00962/FULIN	Strothers Lane, Inverness	Various	1,580
16	04	04/00165/FULRC	Dalmore Rd, Alness	Lidl	1,630
17	04	04/00490/FULIN	Inshes, Inverness	Tesco (Extension)	6,040 (total)
18	05	04/00462/FULIN	Millburn Road, Inverness	DFS etc.	2,790
19	05	05/00467/FULIN	Inverness Retail & Business Park, A96	Tesco (Extension)	10,220 (total)
20	05	04/00577/FULCA	Retail Park, South Rd., Wick	Various	7,010
21	06	03/00534/OUTIN	Longman Road, Inverness	B&Q	10,220
22	06	06/00438/FULLO	An Aird, Fort William	Lidl	1,390
23	06	05/00313/FULCA	Airport, Wick	Tesco	6,920
24	07	06/00521/OUTLO	North Rd, W. of Alcan, Fort William	Morbaine	5,160
25	07	06/00477/FULRC	Tain	Lidl	1,350
26	07	07/00292/FULSL	A87, Broadford	Co-op (Extension)	9,30 (total)
27	08	05/00073/FULCA	Airport, Wick	Scapa Properties Ltd	6,040
28	08	07/00038/OUTCA	Auction Mart, Thurso	Tesco	2,550
29	08	08/00038/OUTRC	Shore Road, Tain	Tesco	2,510
30	08	08/00160/FULLO	Ballachulish South	Co-op	330
31	08	07/00158/OUTNA	A96, Nairn	Somerfield (Extension)	2,000 (total)
32	08	07/00212/FULSL	Dunvegan Road, Portree	Lidl	1,390
33	08	07/00357/OUTSL	Dunvegan Road, Portree	Oatridge	2,880
34	08	07/00402/FULIN	Telford Street, Inverness	Aldi etc.	1,670
35	09	06/00686/OUTIN	Slackbuie, Inverness	Asda etc.	7,850 (total)
36	09	08/00565/FULIN	Ness-side, Inverness	Tesco	4,410

Source: THC Uniform planning application database significant retail consents 1999 to 2009 (accessed 17.08.09). Lapsed consents and consents that don't create net additional floorspace are excluded.

Although there has been some “out of town” shopping development notably on the A96 and at Wick and Alness most retail consents have been concentrated within settlements. Many proposals have been within established commercial areas for example the second phase of the Eastgate centre in Inverness and the Tesco supermarket in Dingwall. There is also a diversity of operators, geographic locations and types of shopping. Most population centres of Highland are now served by at least one larger supermarket, in contrast to the position 10 years ago.

Other retailing trends include the loss of larger business and industrial land / buildings to retail use, for example in the Longman area of Inverness. Going the other way, several smaller town centre retail units have been changed to restaurants, pubs, fast food outlets, betting offices, financial offices, housing, and charity shops. Some of this can be seen as diversification as each centre responds to new patterns of demand or adopts a new role as a tourism centre such as the old town quarter in Inverness. However, the changes need to maintain the vitality and viability of existing commercial centres. Increased numbers of vacant units is a more recent trend but this is affecting all centres regardless of location and perhaps reflects broader changes in the national economy. The challenge is to maintain and create a hierarchy of commercial centres that maximises choice and accessibility in particular public transport and active travel accessibility.

There are several large retail planning applications pending in the A96 Corridor which reflect the area’s status as the principal growth corridor for Highland. These are for both food and non-food developments and span Inverness, Nairn and the proposed new town at Tornagrain.

2.12 School Education

2.12.1 Pre-School Education

The Highland Council has 250 pre-school establishments which are widely dispersed and sometimes in very isolated and remote communities. Of these:

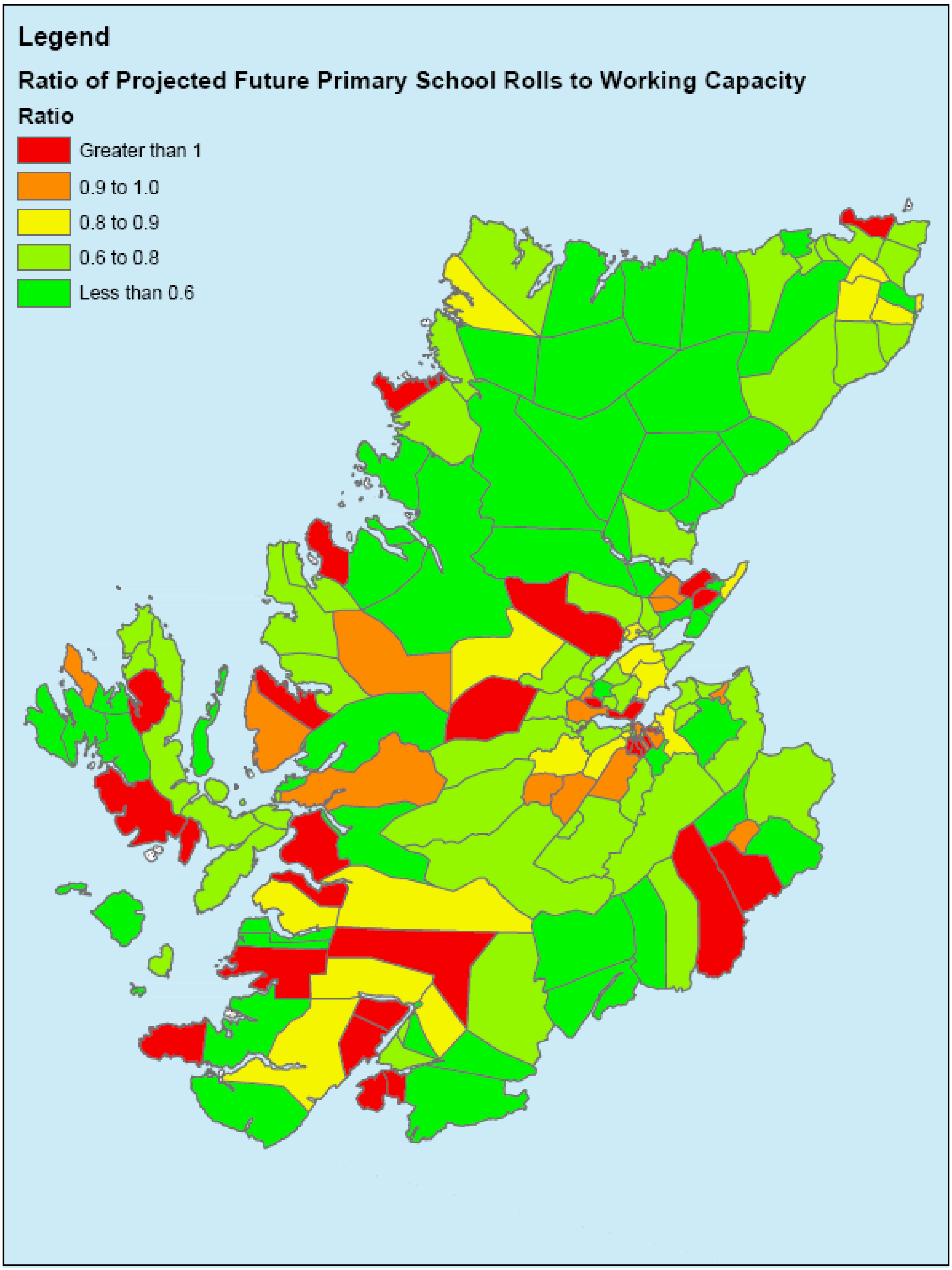
- 160 centres are run by the Council, including 24 centres which educate through the medium of Gaelic, and are attended by 2,500 children;
- 66 are partner centres managed on a voluntary basis and 22 are privately run partner centres attended by 1,500 children.

2.12.2 Primary Education

Highland has 184 primary schools, of which 24 are single teacher schools. Pupil numbers have declined significantly in all operational areas in recent years but the recovery of the birth rates from 2002 onwards is just beginning to feed through into increasing rolls in the early primary years. At a local level rolls tend to be declining, or stable at best, everywhere apart from those schools experiencing high levels of new house building (principally in and around Inverness). The Highland Council completed an exercise in 2008 reviewing the capacity of its primary schools and the map compares the capacity[9] of each school with the peak projected roll in the next decade. The projection includes an allowance for pupils likely to move into planned new housing. In most of the rural schools the excess of pupils over capacity is the result of the capacity re-assessment rather than any increase in the roll, and the map also demonstrates the potential challenges in managing our school estate in the face of declining rolls.

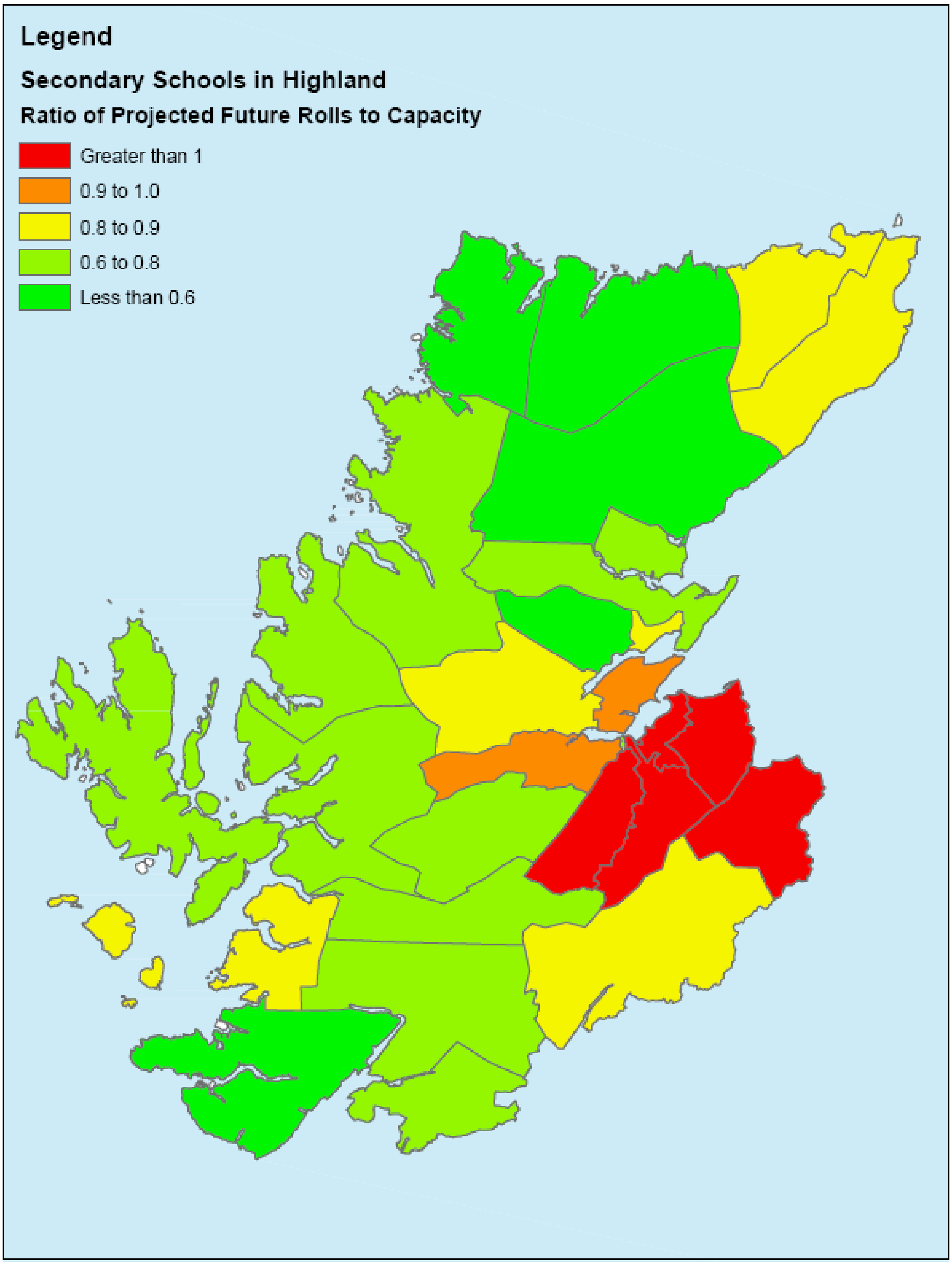
The number of primary (and secondary) schools at or approaching capacity means it is important that proposals for new housing should be assessed for their impact on rolls, and developer contributions sought where necessary to increase the school capacity.

[9] The figure used is the "working capacity".



2.12.3 Secondary Education

Highland has 29 secondary schools. We have experienced a small increase in secondary schools rolls overall but the picture is variable with decreases in Sutherland, Skye and Lochalsh, Ross & Cromarty and Lochaber, and increases in Caithness, Inverness, Nairn, Badenoch & Strathspey. At the time of preparing this report in the summer of 2009, the Highland Council is completing an exercise to review secondary school capacities and only interim capacities are available which may be subject to change. The map below compares the interim capacity at each school with the peak projected roll in the next decade. For those schools currently above capacity, works and arrangements have been put in place to increase the capacity (Inverness Royal Academy, Millburn Academy, Culloden Academy, Nairn Academy and Grantown Grammar).



2.13 Higher / Further Education

30.6% of school leavers in 2008 moved into Higher education (national equivalent 31%). Transition in Highland is more of a transition because historically most school leavers moving to Higher Education have had to leave home and the Highlands and this has been, historically, a major reason for our ageing population even though a significant proportion of students are believed to return later in life. A key priority for the community planning partners in Highland is to invest in UHI (the University of the Highlands and Islands) and increases the diversity of courses and the number of students. The intention is that it will move, in time, towards full University title and then research degree awarding powers.

UHI's objective is to be a centre of excellence for the development and enhancement of the Gaelic language, culture and heritage. This will be achieved by providing quality education, training and research through the medium of Scottish Gaelic. In 2008-09 there are 200 (125 full time equivalent) Higher Education students studying in this way with plans to increase this by 25% by 2011.

Given the strong performance of secondary school pupils, the expansion of regional Higher Education through UHI will build on regional strengths. UHI's strategic aim is to be a leading provider of lifelong learning within Scotland and beyond. UHI believes it is well placed to achieve full university status in the next few years, following the award of taught Degree Awarding Powers in August 2008, a major milestone in its development and one which will increase its attractiveness to local school leavers. Specifically there are targets to:

- increase student numbers;
- improve % with positive destinations;
- increase the number of active researchers;
- increase total research funding;
- increase total knowledge transfer funding;
- increase total private sector funding for research;
- increase the number of researchers involved in knowledge transfer;
- establish renewable energy as a major theme of research.

The continued expansion of higher education opportunities across the UHI network presents Highland school leavers with increasing choice to undertake university level studies while remaining at home. In 2006-7 there were 4345 full time equivalent students at UHI and following the award of taught Degree Awarding Powers in August 2008, it aims to grow numbers by 21% by 2011. This will be supported by developing opportunities for local access to higher education for students who are not geographically mobile.

2.13.1 Sports and Community Facilities

The role of Highland Council has changed over the last decade, following the thrust of the national sports strategy, Sport 21. The national strategy sees a greater role for clubs and sports governing bodies in taking forward the development of individual sports, and a greater role for local government in increasing participation in sport in general, with an emphasis on the health and social benefits of this. Thus whilst in the past the Council had a crucial role in sports development, it now focuses on increasing participation, and ensuring that pathways are in place from first contact to excellence across as many sports as possible. The availability of external funding has changed the landscape, with smaller community projects in particular being able to access funding without recourse to the Council. Sports specific agencies and the Sports Lottery require evidence that an application fits with a local strategic sport and activity plan. However others do not. The provision of adequate sports facilities is a statutory function and the Council fulfils this, and its coordinating role, through the Highland Physical Activity and Sport Strategy. Highland's Facility Planning Model is an essential tool and allows current provision in each secondary school catchment area to be assessed and measured against Sportscotland standards, and for priorities to be identified. The Planning Model also provides a basis for assessing where developer contributions might be required to offset the impact of development on community and sports facilities.

New Community Schools were established as a national initiative in 1998, with the express purpose of integrating services (education, social work and health) together with other statutory and voluntary support, in order to improve outcomes for all pupils, but with a focus on those who may be vulnerable. Inverness High School and Alness Academy were selected to pilot the initiative and significant staffing resource was invested to promote a range of strategies and projects. This resulted in improved school ethos together with a positive evaluation of the experience of staff and young people. The approach was rolled out to all schools in Highland. This led to the development of successful school liaison groups, and the work is currently evolving into Getting it Right for Every Child. It has also influenced thinking that has led to integrated learning communities and a joint approach to school and community facilities.

2.13.2 Gaelic

The Council now has a formally approved Gaelic Plan (2007 - 2011), and a statutory responsibility to implement it. This includes a significant number of wide-ranging commitments intended to mainstream the status and role of Gaelic within the Council's day to day activities. The importance of education in language acquisition and retention is reflected in the proportion of Plan targets to be delivered via the ECS service – over 50% of Plan targets relate to school and pre-school education, with others relating to 0-3 provision and adult education.

A significant commitment within the Plan is the promotion and expansion of Gaelic Medium Education provision, including the provision of two new ‘all-Gaelic’ schools in Fort William and Portree.

In 2006-7 there were over 1300 Gaelic language learners in secondary schools and over 1280 pupils learning in the medium of Gaelic in primary and secondary schools. An all-Gaelic Primary School in Inverness (Bunsgoil Gàidhlig Inbhir Nis) was opened in 2007. Highland Council continues to consult on demand for further all Gaelic schools across the area. The Council was the first public body in Scotland to have its Gaelic Language Plan formally approved by Bòrd na Gàidhlig.

Wider issues included in the Gaelic Plan include a Council commitment to bilingual signage for road signs, street signs and building signs. A programme of consistent bilingual signage for Gaelic Medium Primary provision has been undertaken with financial assistance from Bòrd na Gàidhlig. A key issue in enabling the further expansion of Gaelic Medium Education – with particular emphasis on secondary education – is the difficulty in recruiting suitably qualified teachers. This is a national issue, with the number of potential candidates entering teacher training being too low to sustain any growth.

2.13.3 Highland Priorities

Highland’s Single Outcome Agreement lists a number of priorities for Education, in the widest sense, in order to achieve sustainable economic growth in the region and they are given below. The first four are directly relevant to the planning process as they involve the provision of local services.

1 More people able to access opportunities for learning and employment in their communities
2 Support UHI progress to university title and its ability to address the need for high level skills in the region developing our knowledge based economy.
3 Move to a more knowledge based economy
4 Research and development support to deliver business growth
5 More young people are achieving, are confident and contribute to community life
6 Reduce inequalities in education – the lowest performing 20% of young people realise their potential
7 Early years services break through the cycle of deprivation

3 SAFEGUARDING OUR ENVIRONMENT

The environment, landscapes, and wildlife of the Highlands are highly diverse. The environmental quality of the Highland Council area is high and the outstanding natural heritage of the region is recognised internationally. This attractive and high quality environment attracts people and businesses to the area, and, through the services provided by robust and resilient ecosystems, is essential to healthy lifestyles. The recreational opportunities provided by a good quality natural environment not only benefit residents in terms of health opportunities, but also provide the competitive advantage for the tourism industry in terms of our iconic species, landscapes, and habitats. It is also a key driver in our Highland identity and distinctiveness. A significant proportion of the Highland area is protected through formal designations[10] (many areas are covered by more than one designation):

- 20.4% of Highland is designated as SSSI
- 15.5% as SAC
- 11.0% as SPA
- 3.3% as NNR
- 20.4% as NSA

In addition, around a quarter of the Highland area has been identified by SNH as wild land – remote landscapes of value for recreation – and work is about to start on a project to refine the definition, with the aim of identifying areas which need protection through the planning system.

3.1 Strategic Environmental Assessment

The Highland Council has prepared a Strategic Environmental Assessment which looks at how the policy approaches and the spatial strategy of the emerging Highland wide Local Development Plan will affect the environment. SEA is a systematic method for considering the likely environmental effects of certain Plans, Programmes and Strategies (PPS). SEA aims to:

- integrate environmental factors into PPS preparation and decision-making;
- improve PPS and enhance environmental protection;
- increase public participation in decision making; and
- facilitate openness and transparency of decision-making.

SEA is required by the Environmental Assessment (Scotland) Act 2005. The key SEA stages are:

Screening - determining whether the PPS is likely to have significant nvironmental effects and whether an SEA is required

Scoping - deciding on the scope and level of detail of the Environmental Report, and the consultation period for the report – this is done in consultation

[10] SNHi July 2009

with Scottish Natural Heritage, The Scottish Ministers (Historic Scotland) and the Scottish Environment Protection Agency

Environmental Report - publishing an Environmental Report on the PPS and its environmental effects, and consulting on that report

Adoption - providing information on: the adopted PPS; how consultation comments have been taken into account; and methods for monitoring the significant environmental effects of the implementation of the PPS

Monitoring - monitoring significant environmental effects in such a manner so as to also enable the Responsible Authority to identify any unforeseen adverse effects at an early stage and undertake appropriate remedial action.

As part of the SEA we have assembled a wide variety of baseline environmental data which is available at:
http://www.highland.gov.uk/yourenvironment/planning/developmentplans/

3.2 Biodiversity

In the UK, Habitat Action Plans (HAPs) and Species Action Plans (SAPs) are being produced for a number of national priority habitats and species, many of which occur in Highland. To help deliver these national plans at a local level, the Government has encouraged the formation of Local Biodiversity Action Plans (LBAPs), which tend to be drawn up for local authority areas by a partnership of interests including councils, agencies and interest groups.

A plan has been produced for each area of Highland, focusing on the areas of Caithness, Sutherland, Ross & Cromarty East, Wester Ross, Skye & Lochalsh, Lochaber and Inverness & Nairn. Badenoch & Strathspey is already covered by the Cairngorms LBAP. The purpose of these plans is to raise awareness of local biodiversity, identify priority habitats and species and suggest projects and actions that could be undertaken by individuals, communities & agencies in the next five to ten years.

Local Biodiversity Action Plans are non-statutory, i.e. they are not legally binding. However, successive governments are placing increased emphasis on biodiversity and related issues, as can be seen by the recently published Scottish Biodiversity Strategy and Nature Conservation Scotland Act. It is widely accepted that such plans will become more and more important in the targeting of resources and setting of priorities for the natural heritage.

This was reflected in the Community Plan for Highland 2004/07. The plan contained a specific commitment to delivering a programme of local biodiversity action and awareness raising, supported by the Highland Wellbeing Alliance partners. It set three year milestones to have a Biodiversity Officer in post and seven local groups established to take forward projects. The Structure Plan recognised the importance of Local Biodiversity Action Plans in identifying sites and species of local and national importance, outside statutory designations, which can inform local plan preparation and planning applications. It also highlighted the benefits of LBAPs as a means of involving communities in the conservation and enhancement of biodiversity and in relation to identifying local biodiversity needs and aspirations.

The UK Biodiversity Action Plan identifies 238 priority species and 42 priority habitats that occur in Scotland. Highland supports 192 of the priority species and 455 of the “other species of conservation importance”. 40 of the 42 priority habitats are present in Highland. This presents a somewhat daunting responsibility, with Highland having not only a high proportion of the species, but also often being the stronghold or even the sole location for them. A high proportion of the priority species occur in a very restricted number of sites however. In the majority of cases the management of these species and sites is already in hand, being undertaken by organisations such as Scottish Natural Heritage. It is the more wide-ranging species which attract less dedicated management and which generally will therefore most benefit from Local Biodiversity Action Plans.

Many species share the same ecological requirements, such that a certain management regime may benefit many species. At a national level this has already been recognised, and either species are grouped together within single plans or plans are being implemented in a co-ordinated way.
In the case of Highland a number of key habitats support significant numbers of the priority species, such that maintaining appropriate management of the habitat will maintain the species. Key habitats in this category in Highland include:

- native pine woodlands (particularly important for wood ants, fungi, red squirrel, capercaillie and other priority species);
- arable farmland (8 priority bird species are associated);
- montane habitats (not identified as a national priority habitat in their own right, despite supporting many priority species); and
- rivers and their associated habitats.

The UK priority species lists are only part of the biodiversity picture. They do not necessarily identify those species which are “keystone” species for certain habitats, but themselves are not rare and therefore not “priority species”. An example is kelp forests; kelp is not rare, but provides a source of food not only for the animals that lives amongst it, but also most animals in the surrounding area. In addition locally important species are often strongly contributing to the distinctiveness of specific areas. Both of these issues should be addressed in Local Biodiversity Action Plans.

3.3 Built Heritage

Details of Highlands' heritage resource is given within the Environmental Report[11]. The Highland wide Local Development Plan will map known features and protect them in accordance with their importance.

Historic Scotland, an Executive Agency within the Scottish Government, is charged with the responsibility of administering the law regarding scheduled monuments. A Scheduled Monument (SAM) is any archaeological or historical site which is considered to be of national importance and has been protected under the Ancient Monuments and Archaeological Areas Act 1979. This legal protection is intended to preserve the monument for the future. Scheduled Monument Consent is needed in addition to planning permission.

The Scottish Historic Environment Policy sets out Scottish Ministers' policies, providing direction for Historic Scotland and a policy framework for the historic environment. The Main Issues Report identifies that the Proposed Plan will need to provide a link to the relevant legislation and national policy that provides more guidance. In addition to the forthcoming Highland - wide Local Development Plan there is separate detailed guidance[12] which sets out practical guidelines for a consistent approach to the management of the historic environment within the planning process in Highland.

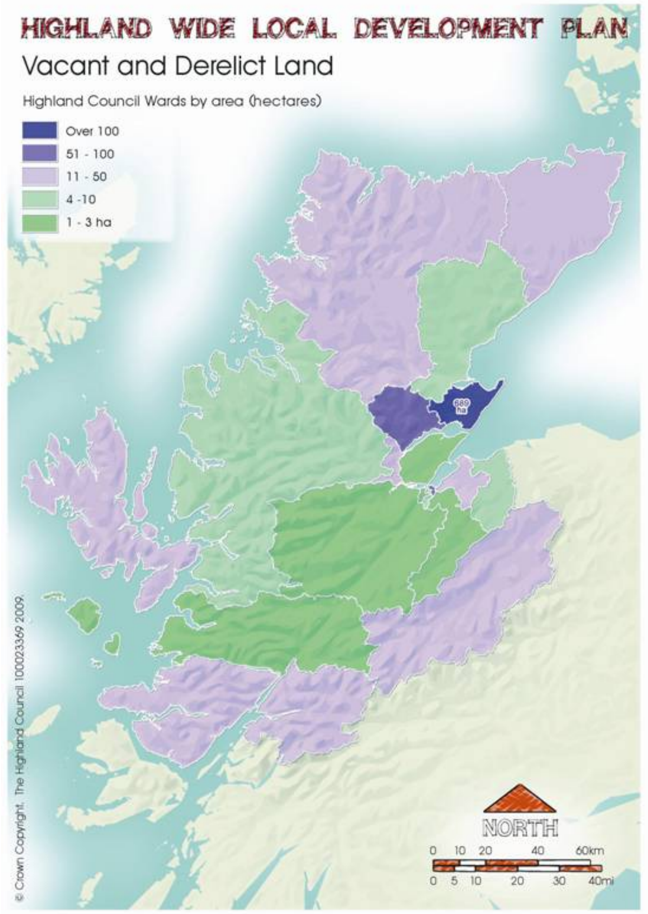
3.4 Previously Used Land (Vacant and Derelict Land)

Vacant and derelict land is monitored in accordance with Scottish Vacant and Derelict Land Survey standards. The area in Highland rose from 813 ha in 1998 to 949 ha on 136 sites in 2008, the third highest area amongst all Scottish local authorities. In 2007, 205 ha of derelict land on 22 sites was within settlements with 745 ha on 78 sites in the countryside.

The high figure for Highland is partly misleading as it includes two former MOD sites in Easter Ross which together make up 70% of the total area - these are Fearn Airfield (386 ha) Tain Fendom (295 ha). In both cases some of the former MOD buildings and land are subject to sporadic and partial use but potential contamination issues make re-use of the land difficult. The sites are in a fairly sparsely populated area which is remote from our main industrial and commercial centres, and there has been insufficient demand for land in the area to make redevelopment of the sites an economic proposition.

The vacant and derelict land within settlements (in particular) offers the opportunity for redevelopment and environmental improvement and this can be reinforced by a re-use policy in the Highland wide Local Development Plan.

[11] www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/HighlandWideLocalDevelopmentPlan.htm
[12] http://www.highland.gov.uk/yourenvironment/conservation/archaeology/developmentguidance.htm.



HIGHLAND WIDE LOCAL DEVELOPMENT PLAN
Vacant and Derelict Land
Highland Council Wards by area (hectares)
Over 100
51 - 100
11 - 50
4 -10
1 - 3 ha
689 ha
NORTH
0 10 20 40 60km
0 5 10 20 30 40mi
© Crown Copyright. The Highland Council 100023369 2009.

4 SUSTAINABLE DEVELOPMENT AND CLIMATE CHANGE

4.1 Ecological and Carbon Footprints

The Stockholm Institute results (2004) show that Highland has larger ecological (global hectares per capita) and carbon (tonnes CO2 per capita) footprints compared to Scotland and the UK.

	Ecological footprint (gha/capita)	Carbon footprint (tonnes CO2/capita)
Highland	5.63	12.84
Scotland	5.34	12.16
UK	5.30	12.08

This is due mainly to the weather conditions, the dispersed settlement pattern (resulting in higher emissions from more journeys) and the nature of the housing stock (generally less energy efficient due to house types, age, tenure and restricted fuel choices). The Highland Council has a carbon management plan covering its own activities and is working towards reduced emissions from Highland communities through a range of public services provided. These include:

- o promoting renewable energy (with a target of 1,280MW of installed capacity by 2010, see below)
- o promoting sustainable and low carbon design and reducing fuel poverty;
- o providing energy advice (provided through a voluntary organisation);
- o municipal waste management (with particular challenges in collecting waste from a dispersed population and in waste disposal);
- o travel planning support local growing of food (encouraging people to grow their own food and / or purchase food grown locally).

4.2 Renewable Energy

The Highland Renewable Energy Strategy (HRES) was approved as Supplementary Planning Guidance in May 2006. The main thrust of the document was to identify the capacity in the Highlands for a range of renewable energy targets and provide locational guidance and support economic development. Most focus has been on the on-shore wind energy strategy which gives preferred and possible locations for wind energy developments and identifies areas of the Highlands where there would be a presumption against development. The HRES also sets targets for wind energy in the Highlands.

Following a public inquiry in summer 2007 where HRES was tested the Reporter concluded that the HRES did not conform to the guidance in SPP6 for on-shore wind energy SPG. HRES was faulted in that it was a sequential approach; did not reflect the ‘presumption in favour’ of wind energy development in the Highland Structure Plan and in SPP6; and did not take account of landscape character, sensitivity or capacity. Preparation of a new SPG aligned with the requirements of SPP6 and informed by a landscape capacity and sensitivity study is currently being progressed by the Council.

The Highland wide Local Development Plan is a vehicle for updating some aspects of HRES discussed below, including updated targets and guidance on appropriate locations, opportunities and locations through supplementary guidance.

4.2.1 Highland Renewable Energy Strategy Targets

The Highland Council has determined renewable energy targets which are shown in Table 6.1.1 of HRES.

- The Highland Council approved HRES target for 2010 is 800MW of electricity from on-shore wind power and Highland is well on course to meet or possible exceed this target assuming that grid capacity is available.
- The HRES target for 2020 is 1400MW – this is around 20% of the Scorttish target for 2020. In 2008 the operational, under construction and approved schemes together with all the pending applications would give a total potential for the Highlands at 2020 of 1617MW. It is therefore possible to meet the 2020 HRES target if all current major wind farm applications are approved and the necessary grid upgrades take place before that date.
- A HRES target of 2900MW is set for 2050. This would mean that about 1500 x 2MW turbines would be required. In 2008 all on-shore wind schemes (built, approved, pending applications and scoped proposals) amounted to 2337 MW, therefore a further 700MW of proposals would have to come forward by 2050 to meet that longer term target.

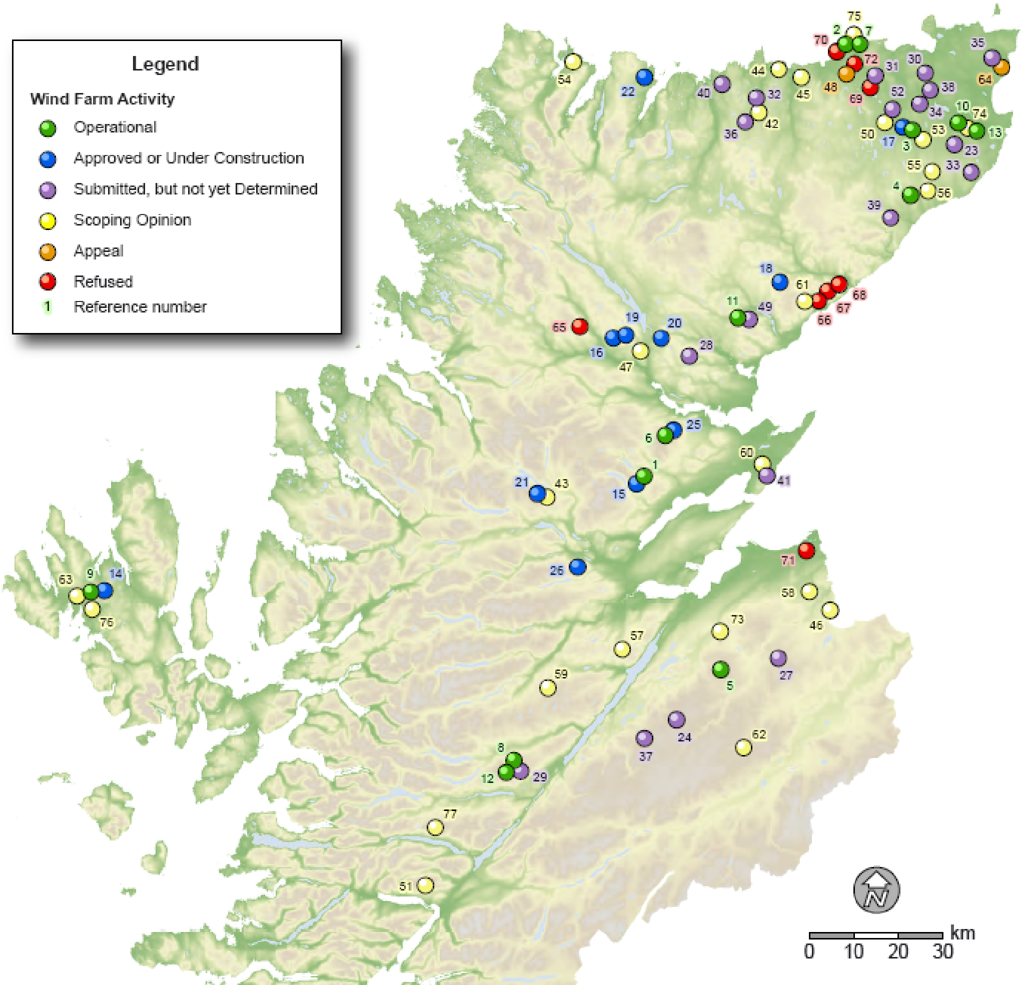
It is important to remember that the on-shore wind energy targets are only one component in the overall strategy of HRES and evolving technologies and opportunities make the reliance on on-shore wind as the main source of renewable energy in the Highlands questionable. Off-shore wind has the capability to deliver much more energy than was envisaged in the HRES. Two off-shore turbines are already operational in the Beatrice field off Caitness, and the Moray Firth is one of 10 offshore sites around Scotland for which the Crown Estate has granted development rights.

4.2.2 Wind Power Generation in Highland

The map and detailed table below give the number and status of wind power schemes in Highland in May 2009. The summary table shows how the pace of applications has increased through time with 13 schemes operational, 11 approved or under construction, 41 at various stages of application and 2 at appeal: 8 applications have been refused.

Status	Number of Schemes	Capacity (MW)
Operational	13	338
Approved, or Under Construction	11	324
Submitted, but not yet Determined	21	766
Scoping Opinion	20	403
Appeal	2	36
Refused	8	(114)
All Schemes	75	1,866

Highland Wind Farm Activity as at May 2009



This information is, an impression of the situation, around the time of production. Specific details on a particular proposal should be checked with the Planning case officer. There may be more recent changes, please check with the Planning and Development Service for the most up-to-date information. Planning and Development Service, The Highland Council, Glenurquhart Road, INVERNESS

Highland Wind Farm Activity
May 2009

The Highland Council
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REF	LOCATION	DEVELOPER	No. of TURBINES	MW CAPACITY	STATUS
1	Novar, Evanton, RC	Npower Renewables	34	17	Operational
2	Forss, by Thurso, CA	Fivestone Ltd	2	2	
3	Causeymire, CA	Npower Renewables	21	48	
4	Buolfruich, Houstry, Dunbeath, CA	Anthony Hall	15	12.75	
5	Farr, Tomatin, IN	Npower Renewables	40	92	
6	Beinn Tharsuinn, S of Dornoch Firth, RC + SU	Scottish Power (SP)	17	29.75	
7	Forss Extension (A), CA	Fivestone Ltd	4	5	
8	South of Glen Moriston, IN/LO (Millennium)	Renewable Development Co (RDC)	16	40	
9	Ben Aketil, Dunvegan, SL	Renewable Development Co (RDC)	10	23	
10	Flex Hill, Bilbster, CA	Donald Miller	3	4.5	
11	Kilbraur, Strath Brora, SU	Renewable Development Co (RDC)	19	47.5	
12	Millennium Extension (A), LO/IN	Millennium Wind Energy Ltd	4	10	
13	Achairn, Wick, CA	James and Ronald Innes	3	6	
14	Edinbane, SL	AMEC	18	31.5	Approved or Under Construction
15	Novar extension, RC	Npower Renewables	16	28	
16	Rosehall, SU	E.ON UK Renewables Ltd	19	24.7-28.5	
17	Causeymire extension, CA	Npower Renewables	3	7	
18	Gordonbush, Brora, SU	Scottish & Southern Energy (SSE)	35	70-87.5	
19	Achany, Lairg, SU	Scottish & Southern Energy (SSE)	23	34.5-41.4	
20	Lairg, SU	Lairg Windfarm Ltd	3	6.9	
21	Lochluichart, Garve, RC	LZN Ltd	17	51	
22	Melness, SU	Melness Crofters Estate Ltd	3	2.55	
25	Beinn nan Oighrean, RC + SU	RockBySea and Midfearn Renewables Ltd	2	4.6	
26	Fairburn, Marybank, RC	Scottish & Southern Energy (SSE)	20	35	
23	Camster, CA	E.ON UK Renewables Ltd	25	50	Submitted, but not yet Determined
24	Dunmaglass, Strathnairn, IN	RES	36	72-108	
27	Glenkirk, Tomatin, IN	Eurus Energy UK Ltd	31	93	
28	Cambusmore, SU	Renewable Energy Systems (RES)	33	49.5	
29	Millennium Extension (B), IN	Millennium Wind Energy Ltd	6	15	
30	Durran Mains, Durran, CA	SSE	13	19.5	
31	Hill of Lieurary, Westfield, CA	Scotrenewables plc	2	4	
32	Strathy North, Strathy, SU	Scottish & Southern Energy (SSE)	35	63.0-80.5	
33	Burn of Whilk, Yarrows, CA	Npower Renewables	13	39	
34	Spittal Hill, Spittal, CA	Spittal Hill Wind Farm Ltd	30	77.5	
35	Stroupster, Nybster, CA	Npower Renewables	12	36	
36	Strathy South, Strathy, SU	Scottish & Southern Energy (SSE)	77	177	
37	Corriegarth, Gorthleck, IN	North British Windpower	20	49	
38	Bower, CA	J Gunn	1	1	
39	Dunbeath, CA	West Coast Energy	22	66	
40	Bettyhill, SU	North British Windpower	2	5	
41	Nigg, RC	Falck Renewables Ltd	5	10	
49	Kilbraur Extension, Strath Brora, SU	West Coast Energy	8	20	
52	Olgrinmore, CA	L Aitkenhead	2	5	
42	Strathy Forest, SU	Chester J Kelly	21	54	Scoping Opinion
43	Corriemoillie, Garve, RC	Scottish Power		30-40	
44	Melvich, SU	Fountain Forestry	6	10	
45	Ackron, Melvich, SU	SSE	15	30	
46	Cairn Duhie, Ferness, NA	RES	24	32	
47	Braemore, Lairg, SU	Wind Prospect Ltd	25	75	
50	Westerdale, CA	Scottish Power	50-60	135	
51	Druim Fada, Locheil, LO	North British Windpower	30	45	
53	Halsary, CA	Scottish Power	20-27	55-65	
54	Durness, SU	Durness Development Group Ltd	2	0.33	
55	Rumster, CA	Rumster Community Wind Energy Project	3	9	
56	Nottingham Mains, CA	Ian Sinclair	2	4.6	
57	Abriachan, IN	Abriachan Forest Trust	1	1.5	
58	Achgour, Ardclach, NA	Wind Hydrogen Ltd	5	6.5	
59	Corrimony, IN	Orkney Sustainable Energy Ltd	5	10	
60	Cullisse, RC	Wind Prospect Ltd	6	5.1	
61	Crackaig, SU	Wind Hydrogen Ltd	7	14	
62	Allt Duine, BS	Npower Renewables		50	
63	Ben Aketil extension, SL	RDC	2	4.6	
73	Craggie, Daviot, IN	West Coast Energy	3	7.5	
74	Wathegar, CA	Wathegar Wind Cluster Ltd	3	2-2.5	
75	Forss Extension (B), CA	RES	7	9.1	
76	Glen Ullinish, SL	Community Wind Farm Alliance / Royal Haskoning	21	49	
77	Arkaig, LO	North British Windpower	91	118	
48	Baillie Hill, Westfield, CA	Baillie Wind Farm Ltd	21	52-63	Appeal
64	Stroupster, Nybster, CA (cisted)	Npower Renewables	12	36	
65	Invercassley, Lairg, SU	Airtricity Devts UK Ltd	25	-50	Refused
66	West Garty, Helmsdale, SU	Micon UK Ltd	-16	-12	
67	Gartymore, Helmsdale, SU	RES	-14	-11	
68	Crackaig, Loth, Helmsdale, SU	Border Wind Ltd	-8	-5	
69	Hill of Lieurary, Westfield, CA	Scotrenewables plc	-3	-8	
70	Borrowston, Dounreay, CA	Scottish Power	-10	-17	
71	Broombank, Auldearn, NA	J Scott	-1	-1	
72	South Shebster, CA	Mr & Mrs C W Sutherland	-5	-10	

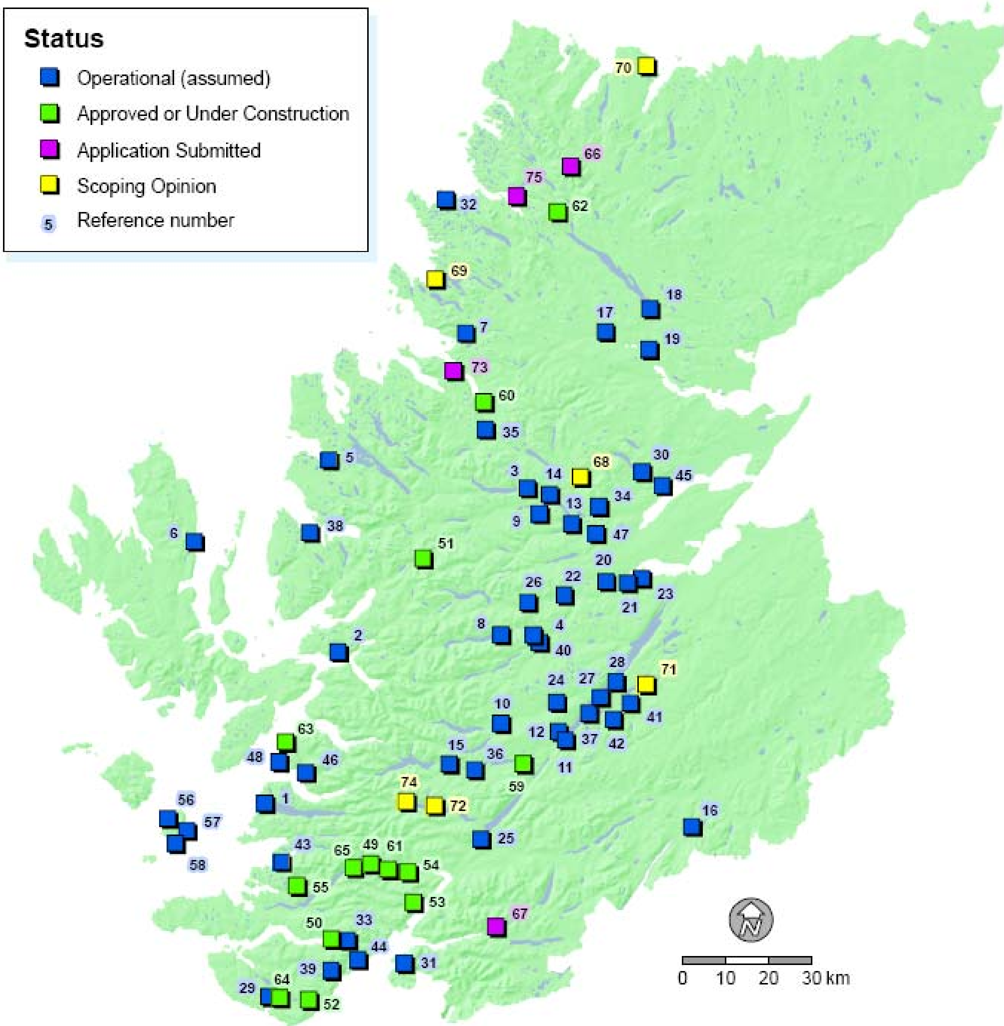
4.2.3 Hydro Power Generation in Highland

There is a long tradition of hydro power generation in Highland with the construction of significant schemes starting in the 1950s and the recent completion of a 100MW scheme at Glendoe. The map and detailed table below give the number and status of hydro power schemes in Highland in June 2009. The impact of the Water Framework Directive and the tightening legislative framework in Scotland has resulted in relatively few recent applications for schemes of any size, and all of the schemes currently being determined are in the micro to small class. However, Southern and Scottish Energy recently announced that it intends to submit in 2011 applications for two major pumped storage schemes in the Great Glen, with capacities of 300 MW and 800 MW. In addtion, a number of developers are believed to reviewing the scope for new small scale scheme at locations throughout Highland.

Status	**Number of Schemes**	**Capacity (MW)**
Operational	51	863
Approved or Under Construction	13	15
Application Submitted	5	8
Scoping Opinion	6	10
Refused	4	(10)
All Schemes	75	897

The Highland Council
Comhairle na Gàidhealtachd

Hydro Power Activity
June 2009



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Specific details should be checked with the Planning and Development Service,
The Highland Council, Glenurquhart Road, INVERNESS

Highland Hydro Power Activity June 2009

The Highland Council
Comhairle na Gàidhealtachd

REF	LOCATION	DEVELOPER	MW CAPACITY	STATUS
1	Morar, LO	Scottish and Southern Energy PLC	0.8	(assumed) Operational
2	Nostie Bridge, SL	Scottish and Southern Energy PLC	1.2	
3	Grudie Bridge, Conon, RC	Scottish and Southern Energy PLC	18.7	
4	Fasnakyle, Affric IN	Scottish and Southern Energy PLC	69	
5	Kerry Falls, Gairloch RC	Scottish and Southern Energy PLC	1.2	
6	Storr Lochs, Skye SL	Scottish and Southern Energy PLC	2.8	
7	Loch Dubh, Strathkanaird SU	Scottish and Southern Energy PLC	1.2	
8	Mullardoch Tunnel IN	Scottish and Southern Energy PLC	2.4	
9	Achanalt, Conon RC	Scottish and Southern Energy PLC	3	
10	Ceannacroc, Glen Moriston, IN	Scottish and Southern Energy PLC	20	
11	Invergarry LO	Scottish and Southern Energy PLC	20	
12	Glenmoriston IN	Scottish and Southern Energy PLC	37	
13	Luichart, Conon, RC	Scottish and Southern Energy PLC	34	
14	Mossford, Conon, RC	Scottish and Southern Energy PLC	18.6	
15	Quoich, Kingie IN	Scottish and Southern Energy PLC	18	
16	Cuaich BS	Scottish and Southern Energy PLC	2.5	
17	Cassley, Shin SU	Scottish and Southern Energy PLC	10	
18	Lairg, Shin SU	Scottish and Southern Energy PLC	3.5	
19	Shin, Inveran SU	Scottish and Southern Energy PLC	18.6	
20	Orrin, Conon RC	Scottish and Southern Energy PLC	18	
21	Aigas, River Beauly IN	Scottish and Southern Energy PLC	20	
22	Culligran, Strathfarrar, IN	Scottish and Southern Energy PLC	19	
23	Kilmorack IN	Scottish and Southern Energy PLC	20	
24	Deanie, Strathfarrar, IN	Scottish and Southern Energy PLC	38	
25	Mucomir LO	Scottish and Southern Energy PLC	2	
26	Livishie IN	Scottish and Southern Energy PLC	15	
27	Foyers Falls IN	Scottish and Southern Energy PLC	5.2	
28	Foyers Pump Storage IN	Scottish and Southern Energy PLC	300	
29	Ardtornish LO	Ardtornish Estate	0.66	
30	Novar RC	Novar Estate	0.92	
31	Glen Duror LO	Hyder Industrial	0.69	
32	Loch Poll Hydro Project SU	Assynt Hydro	0.23	
33	Glen Tarbert LO	EHS Group International	0.83	
34	Little Wyvis RC	Kenneth Stewart Blair Ninich	0.63	
35	Cuileig RC	Scottish Hydro-Electric plc	3	
36	Garry Gualach LO	RWE npower	0.78	
37	Garrogie Hydro Scheme IN	RWE npower	2	
38	Inverbain RC	RWE Npower	0.9	
39	Kingairloch LO	Scottish and Southern Energy	2.5	
40	Fasnakyle Hydro Extension IN	Scottish and Southern	7.5	
41	River E Hydro Scheme IN	RWE npower	3	
42	Glendoe IN	Scottish and Southern	100	
43	Roshven LO	Northern Energy Developments	0.35	
44	Kilmalieu, Ardgour LO	Abernethy Trust	0.05	
45	Black Rock RC	RWE Energy	4	
46	Knoydart LO	The Knoydart Hydro Company	0.28	
47	Torr Achilty, Conon RC	Scottish and Southern Energy PLC	15	
48	Sandaig Cottage, Knoydart LO	RSW Martin	0.035	
56	Eigg Laig LO	Isle of Eigg Heritage Trust	0.01	
57	Eigg Kildonnan LO	Isle of Eigg Heritage Trust	0.006	
58	Eigg Pier LO	Isle of Eigg Heritage Trust	0.006	
49	Callop, Glenfinnan LO	Broadland Properties	0.995	Approved or Under Construction
50	Carnoch LO	NPower Renewables Ltd	1.5	
51	Chonais RC	Scottish and Southern Energy	3.5	
52	Land at Loch Teamait, Lochaline LO	Ardtornish Estate	0.75	
53	Conaglen, Ardgour LO	Broadland Properties	0.25	
54	Corrie Glen, Duisky LO	Broadland Properties	0.995	
55	Kinlochmoidart LO	Trustees of Glenmoidart	0.5	
59	Faichem, Invergarry LO	Duncan Grant	0.15	
60	Inverlael RC	RWE npower	3	
61	Garvan LO	Broadland Properties	0.75	
62	Garvault, Achfary SU	Merkland Estate	0.75	
63	Samadalan, Airor LO	P Klemm	0.002	
64	Rannoch Hydro Upgrade, Ardtornish LO	Ardtornish Estate	1.5	
65	Guisachan, Glenfinnan LO	Broadland Properties	0.5	
66	West Merkland, Achfary SU	Merkland Estate	0.525	Submitted, but not yet Determined
67	Loch Eildhe Mhor LO	Alcan Aluminium	5	
73	Altnaharrie RC	Highland Light and Power	micro (N/A)	
75	Maldie Burn SU	Atlantic Energy	2	
68	Garbat RC	Powergen Renewables (E.on)	0.6	Scoping Opinion
69	Inverpolly SU	EHS Group International	0.95	
70	Strath Melness SU	RWE npower	0.3	
71	Easter Aberchalder IN	Highland Light and Power	1.7	
72	Cia-aig Hydro Project LO	Mr F Brown & Ms G Eriksen	1.32	
74	Loch Arkaig Joint Connection LO	Highland Light and Power	5.47	

4.2.4 Wave and Tidal Power Generation in Highland

Advances in technology mean that wave and tidal power projects are now feasible and these technologies have the potential to become one of the major renewable energy providers in the medium to long term (2020 to 2050) thus reducing the need for more on-shore wind farms in controversial locations. Off-shore and wave/tidal technologies also have the potential to support local employment in the North and facilities such as the Nigg fabrication yard.

The Scottish Executive Marine Renewables project has identified 11 tidal resource study areas around the west and north coasts of Highland. Two applications for tidal / wave power schemes have been received by the Highland Council and both are at the scoping stage (July 2009): these are for a 20MW scheme in the Pentland Firth and a 10MW scheme off Duncasby Head. In addition, more than 40 companies have registered interest with the Crown Estate to develop wave and tidal energy projects in the Pentland Firth and surrounding waters. The Renewables Project has also identified a single wave resource study area covering the entire north and west coasts of Highland with the exception of the Minch and the Skye / Rum corridor.

4.2.5 Barriers to Delivering Renewable Energy Projects

The Highland Council has identified a number of barriers to the approval and construction of renewable energy projects, which include:

- Grid issues. A major reconstruction of the Beauly to Denny line is required together with reinforcement of other strategic grid lines before much of the available potential can be connected to the grid.
- The average time for a Local Planning Authority to reach a determination on a wind energy development in Scotland (2006) was 14 months. determination times of applications in the Highlands have been at or slightly better than the national average.
- S36 applications in 2006 were taking on average 36 months to determine.
- In 2006 The British Wind Energy Association estimated that if the trend of non-determination of larger (S36) projects in Scotland continued then there could be a large shortfall of between 300MW to over 2000MW from delivery of the UK target for 2010.
- The single main reason for the delays in determing applications is compliance with the EU Natura legislation (Habitats and Birds Directives). For example13 out of 20 pending wind farm applications in the Highlands in 2008 were subject to an unresolved Natura objection from SNH.
- Community and public opposition.
- Delays because of refusal of or objection to major wind farm developments triggering public inquiries.

4.3 Flooding

Since 2001, the existing and potential future impact of climate change has been put into sharper focus. In Highland we are experiencing increased intensity and frequency of rainfall in small river and burn catchments. This includes pluvial (the direct effect of rainfall) as well as fluvial flooding. In addition, Highland coastal flooding has increased through tidal surges with atmospherics and wind resulting in surges exceeding predictions by up to 2.7 metres as has happened in Fort William and Loch Linnhe in Lochaber in 2005.

Climate change concerns have prompted legislative change at European and national level. The 2007/60/EC Floods Directive requires Scotland to assess if all water courses and coast lines are at risk from flooding, to map the flood extent and assets and humans at risk in these areas and to take adequate and coordinated measures to reduce this flood risk. The key deadlines are to: produce preliminary flood risk assessments (by December 2011); produce flood hazard maps and flood risk maps (by December 2013), and; produce flood risk management plans (by December 2015). These requirements were translated into Scots law by the Flood Risk Management (Scotland) Act 2009 which embodies the following key changes:

(i) a stronger legal duty for all agencies to coordinate and cooperate within the domain of flood risk management and to reduce risk;
(ii) a stronger requirement for assessment of flood risk and preparation of flood risk maps and flood risk management plans;
(iii) amendments to local authority and SEPA functions for flood risk management, and;
(iv) a revised statutory process for flood protection schemes to make them faster and simpler.

Current flood risk mapping for Highland is available via the SEPA website at:
http://www.sepa.org.uk/flooding/flood_map.aspx

The key implications for policy formulation are the need for better mapping of flood risk areas and how best to manage and reduce risk.

4.4 Waste

Targets set by the EU Landfill Directive necessitate a move away from landfilling of waste and greater recognition of the substantial potential of waste as a resource. Additional capacity to divert waste from landfill will be required by 2010, and more beyond that, to achieve this. Capacity will be required to deal with not only municipal waste but also commercial and industrial waste. Development of the necessary infrastructure is a Government priority.

The first of the following tables summarises the overall waste arisings in Highland and illustrates that a relatively high proportion of waste is from business or from construction and demolition compared to that from households. The second table summarises waste management in Highland, by management method. Both tables are for 2006/07 and are taken from SEPA's publication Strategic Waste Management Review: Highland 2006/07[13].

[13] http://www.sepa.org.uk/waste/waste_data/waste_data_reports/waste_management_reviews.aspx

Summary of waste arisings in Highland (2006/07)

Waste arisings	Tonnes
Household waste*	132,025
Business waste (commercial and industrial)	432,451
Construction and demolition waste	530,722
Special waste	4,751

Source: WasteDataFlow; SEPA's Scotland Business Waste Survey; statutory licensed/permitted site returns;
Waste Data Digest 7; Special Waste Consignment Notes
*This is a subset of municipal waste arisings

Summary of waste management in Highland (2006/07)

Management method	Tonnes
Municipal waste recycled, composted, incinerated or otherwise recovered, or landfilled	163,744
Treatment onsite at waste management sites	76,506
Exempt activities	735,586
Recovered to a final product*	584,297
Disposal (landfill)	134,523
Other management†	245,976

Source: WasteDataFlow; statutory licensed, permitted and exempt site returns; accredited reprocessor/exporter data

*Waste recovered to a final product covers the following activities or sites, where appropriate: composting; metal recycling; exempt activities (except Paragraph 10); accredited reprocessors (including incineration) and selected treatment sites

†Sent offsite and/or unspecified management method

The National Waste Strategy (NWS) sets out a framework within which Scotland can reduce the amount of waste it produces and deal with the waste that is produced in a more sustainable way. It covers all household, commercial and industrial waste. The National Waste Plan (NWP) was produced in 2003 to provide the keystone to implementing the NWS. It outlined how we can achieve increased levels of recycling and an overall reduction in the amount of waste we produce by 2020.

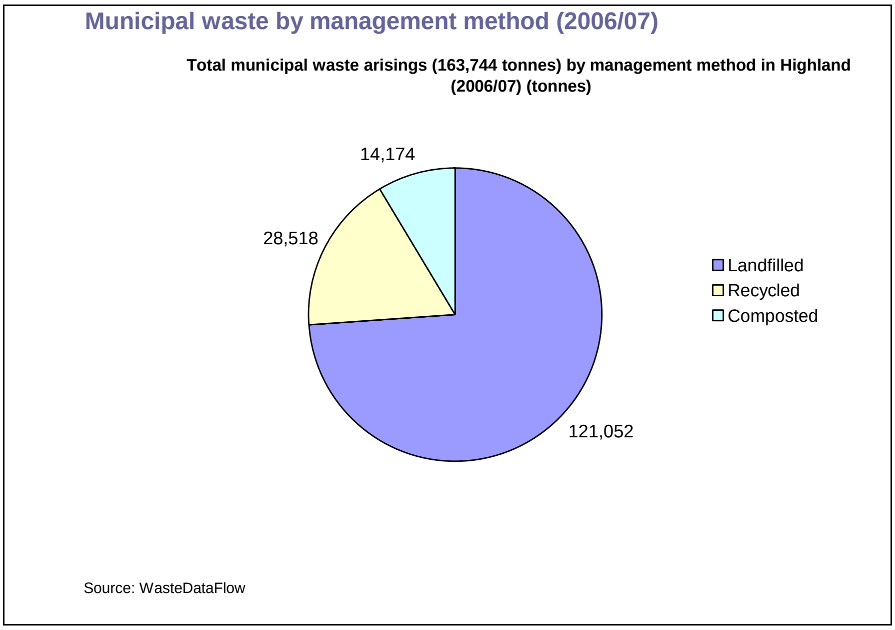
The Highland Area Waste Plan (AWP) which was also produced in 2003 identified, indicatively, the infrastructure required to implement the Best Practicable Environmental Option for the management of Municipal Solid Waste. These facilities would include bring sites, civic amenity sites, transfer stations and composting facilities across the whole Council area. Additionally, in the Inner Moray Firth area (for example) there would be a requirement for a Clean Materials Recycling Facility (MRF), an Energy from Waste Plant (from 2010 onwards) and a new landfill site for those wastes from which no further value could be obtained. Following the closure of the landfill site at Portree on Skye, the Council assisted by SEPA examined a series of options for future management of waste, including a small scale Energy from Waste plant with the potential of providing energy and district heating. In the context of Skye, largely because of the mileage required to collect recyclate and then reach reprocessor, Energy from Waste (EfW) produced higher environmental benefits than high recycling. In February 2008 the Waste Strategy Group agreed a modification to the Area Waste Plan to reflect the conclusions of this work.

In January 2008 Scottish Government outlined plans for ‘A zero waste Scotland’ with aims to maximise recycling, minimise waste and ensure that products are made to be reused, repaired or recycled back into nature or the marketplace. It included tough new targets to increase recycling and reduce landfill and these are referred to in National Planning Framework 2.

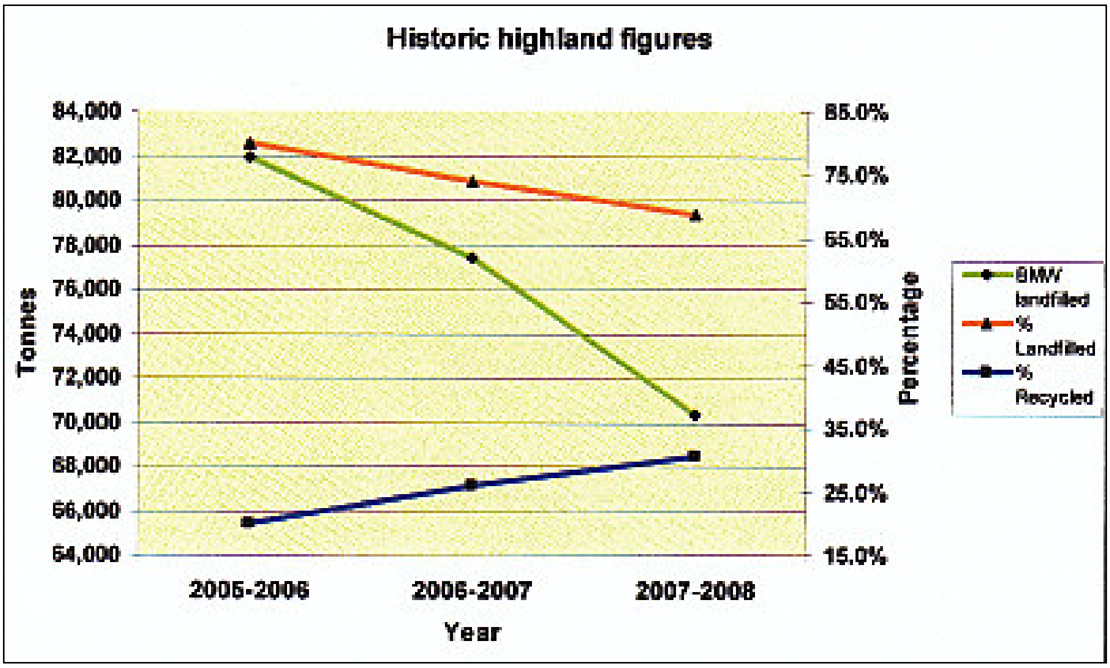
Target year	Recycling/ Composting	Energy from Waste	Landfill
2010	40%	4%	56%
2013	50%	14%	36%
2020	60%	25%	15%
2025	70%	25%	5%

In summary they are: to increase recycling or composting of solid municipal waste to new targets whilst reducing the proportion of such waste going to landfill (no more than 5% by 2025) and capping the proportion going to energy-from-waste (at 25%), all as shown in the table above; to stop the growth in municipal waste by 2010; to require energy-from-waste plants to achieve high efficiency in terms of energy recovery; to prepare a revised National Waste Plan which will set targets for reducing the amount of commercial and industrial waste sent to landfill. NPF2 states that the planning system has a crucial role to play in ensuring that installations are delivered in time to allow targets to be met. Planning authorities should facilitate the provision of a network of installations which enable the movement of waste to be minimised and EU and national targets to be met.

In respect of municipal waste, over recent years the Council has made considerable progress with and continues to put in place measures to further increase landfill diversion. These include a kerbside collection to the majority of households, and a network of recycling centres and recycling points. It will though be difficult to move beyond 40% recycling without introducing facilities to deal with food waste. For the Council to achieve the 2013 landfill diversion target it will require to provide significant treatment capacity to reduce the biodegradable waste fraction which is currently landfilled, by a further 20-30,000 tonnes. Under the Scottish Government’s policy for zero waste, disposal of municipal waste in landfill will effectively not be an option by 2025. The following diagram, again from SEPA’s publication Strategic Waste Management Review: Highland 2006/07, summarises Highland’s municipal waste by management method and emphasises the substantial reliance on landfill despite increased diversion rates.



In the year 2007/08, despite no new major additions to the Council's recycling services, the Council managed to recycle 30.67% of municipal solid waste (MSW), reduce total waste to landfill by 6.63% and reduce the biodegradable municipal waste (BMW) to landfill by a further 9.17%. All this was possible despite an increase in overall waste arisings of 0.35%, down from 1.65% the previous year. The figure below shows the year on year changes in headline figures. More information is available in the Council's Annual Waste Data Report 2007-2008[14].



Landfill capacity within the Highlands has reduced significantly over the past number of years with the closure of the landfill sites at Longman (2003), and Portree (2007). Residual waste which would previously have gone to these

[14] http://www.highland.gov.uk/yourenvironment/wastemanagement/

sites is now transported for landfill disposal out-with the Highlands. Three operational landfill sites remain in Highland. Two are operated by the Council, Seater (Caithness) and Granish (Aviemore). The third site at Duisky (Lochaber) is operated by a private contractor. The following diagram, again from SEPA's publication Strategic Waste Management Review: Highland 2006/07, indicates the number of waste management facilities (including both public and private) that were operational in Highland in 2006, by type.

Site infrastructure (2006)

Only includes sites that received waste in 2006
Multiple activity sites are licensed for more than one activity
Source: Registry information (SEPA)

Given Scottish Government's aim for 'A zero waste Scotland', whilst the broad drive for waste reduction and sustainable management expressed in the NWS, NWP and AWP remains valid, the specific targets and some of the installation requirements are now out-of-step. The Highland Council therefore, in conjunction with Moray Council, commissioned consultants Jacobs Engineering to independently assess the requirements and implications of developing an updated Waste Strategy to address the new Scottish Government targets. The consultant's report was received by the Highland Council's Transport, Environment & Community Services Committee in March 2009 and it was agreed that an option of locally based solutions should be adopted as the preferred option for achieving the Government's targets for zero waste and that further, detailed work be undertaken based on that strategy. This could, for example include a Material Recycling Facility, In Vessel Composters and Energy from Waste plants. The Waste Strategy as reported to Committee set out and was based on scenarios and the final shape of the strategy on the ground will be dependent on a range of variables not least funding, site availability, planning and the methods of procurement employed.

Whilst much has been achieved in recent years in terms of landfill diversion and increased recycling, new large-scale waste management infrastructure that was identified as being required by the AWP in 2003 has not been developed. The Highland-wide Local Development Plan, in reviewing and replacing relevant policies of the Highland Structure Plan and Local Plans, needs to be an effective tool to address the land-use implications of the Council's up-to-date Municipal Waste Strategy. It also needs to enable facilities required to treat non-municipal waste to be developed. The Plan should reflect 'A zero waste Scotland', be realistic and deliverable and needs to be accommodating given the uncertainties as to final shape that the Municipal Waste Strategy will take on the ground and as to the capacity requirements for treatment of non-municipal waste.

4.5 Air Quality

The Structure Plan Policy W12- Air Quality was a policy which set out how the Council will tackle air quality if it becomes an issue.

Until recently Air Quality in Highland was not an issue, however now there are three sites which in future may need to be designated as Air Quality Management Areas. This includes two sites in Inverness and one in Fort William.

There is a need to have a policy in the Highland wide Local Development Plan on Air Quality to ensure Development Management decisions can be assessed against a quantitative standard such as the Nation Air Quality Standards which are outlines below.

The three sites mentioned above may soon exceed these standards and then Environmental Health Officers will be required to look at how air quality can be improved. The National Air Quality Standards are below;

UK Air Quality Objectives for protection of human health, July 2007 - New objectives highlighted in shading			
Pollutant	**Air Quality Objective**		**To be achieved by**
	Concentration	**Measured as**	
Benzene All authorities	16.25 µg m^{-3}	Running annual mean	31 December 2003
England and Wales Only	5.00 µg m^{-3}	Annual mean	31 December 2010
Scotland and N. Ireland	3.25 µg m^{-3}	Running annual mean	31 December 2010
1,3-Butadiene	2.25 µg m^{-3}	Running annual mean	31 December 2003
Carbon Monoxide England, Wales and N. Ireland	10.0 mg m^{-3}	Maximum daily running 8-hour mean	31 December 2003
Scotland Only	10.0 mg m^{-3}	Running 8-hour mean	31 December 2003
Lead	0.5 µg m^{-3}	Annual mean	31 December

			2004
	0.25 µg m^{-3}	Annual mean	31 December 2008
Nitrogen Dioxide	200 µg m^{-3} not to be exceeded more than 18 times a year	1-hour mean	31 December 2005
	40 µg m^{-3}	Annual mean	31 December 2005
Particles (PM10) (gravimetric)			
All authorities	50 µg m^{-3}, not to be exceeded more than 35 times a year	Daily mean	31 December 2004
	40 µg m^{-3}	Annual mean	31 December 2004
Scotland Only	50 µg m^{-3}, not to be exceeded more than 7 times a year	Daily mean	31 December 2010
	18 µg m^{-3}	Annual mean	31 December 2010
Particles (PM2.5) (gravimetric) *	25 µg m^{-3} (target)	Annual mean	2020
All authorities	15% cut in urban background exposure	Annual mean	2010 - 2020
Scotland Only	12 µg m^{-3} (limit)	Annual mean	2010
Sulphur dioxide	350 µg m^{-3}, not to be exceeded more than 24 times a year	1-hour mean	31 December 2004
	125 µg m^{-3}, not to be exceeded more than 3 times a year	24-hour mean	31 December 2004
	266 µg m^{-3}, not to be exceeded more than 35 times a year	15-minute mean	31 December 2005
PAH *	0.25 ng m^{-3}	Annual mean	31 December 2010
Ozone *	100 µg m^{-3} not to be exceeded more than 10 times a year	8 hourly running or hourly mean*	31 December 2005

5 A COMPETITIVE, SUSTAINABLE AND ADAPTIVE HIGHLAND ECONOMY

5.1 Economy

5.1.1 Economic Activity

Table E1 below shows that the economic activity rate in Highland has risen from 79.9% to 84.1% between 1998 and 2007. For almost all of the period it has been above the 80% threshold often used by economists as a measure of and efficient and effective workforce, and consistently above the activity rate for Scotland overall. Around 12% of people have been self-employed throughout the period. Figures from the 2001 Census suggest that self employment varies across Highland. The highest rates of self employment (as a percentage of people aged over 16) are in rural areas with 14% in Lochaber overall, and up to a third of people in rural settlements such as Loch Assynt, Scoraig and the Small Isles self employed.

Unemployment in Highland (measured by the Government's preferred ILO measure) was slightly lower than the Scotland average in 1998 (6.9% and 7.6% respectively) but fell steadily through the Plan period and was half the Scotland level in 2007 (2.4% and 4.8% respectively).

Table E1: Economic Activity as a Percentage of Working Age Population, 1998 and 2007

	1998		2007	
	Highland	**Scotland**	**Highland**	**Scotland**
Economic activity rate - working age	79.9	77.6	84.1	79.9
Employment rate - working age	74.4	71.8	82.0	76.0
% in employment who are employees - working age (1)	87.1	89.8	87.6	89.4
% in employment who are self employed - working age (1)	12.2	9.5	12.1	10.0
Unemployment rate - working age	6.9	7.6	2.4	4.8
% who are economically inactive - working age	20.1	22.4	15.9	20.1

Source: NOMIS from Labour Force Survey / Annual Population Survey (1) 1999 used instead of 1998 as working age breakdown is not available for 1998

5.1.2 Skills and Qualifications

The skill and qualification levels of our workforce have increased with time as more young people leave school and then enter higher and further education. Table E2 below shows the number of working age people who are qualified at particular NVQ[15] levels. The percentage of people in Highland educated to the

[15] NVQ and equivalent qualifications are:
NVQ 4 equivalent and above: e.g. HND, Degree and Higher Degree level qualifications or equivalent
NVQ 3 equivalent: e.g. 2 or more higher or advanced higher national qualifications (Scotland), 2 or more A levels, advanced GNVQ, NVQ 3 or equivalent

highest level, NVQ4, has not increased as much as in the rest of Scotland (increases of 29.4% and 38.7% respectively) but there has been a significant reduction in Highland in the number of people with no qualifications.

Table E2: NVQ Qualifications of Working Age People 1998 and 2007				
	Highland			Scotland
Highest Level of Qualification	**1999**	**2007**	**% Change**	**% Change**
NVQ4+	33,000	42,700	29.4	38.7
NVQ3	17,000	22,300	31.2	16.8
% with Trade Apprenticeships	n/a	10,300	n/a	n/a
NVQ2	15,000	20,100	34.0	22.1
NVQ1	16,000	13,400	-16.3	-15.7
Other qualifications	10,000	9,300	-7.0	-18.2
No qualifications	20,000	12,500	-37.5	-22.5
Source: NOMIS: Labour Force Survey / Annual Population Survey				

5.1.3 Employee Jobs

The Annual Business Inquiry (ABI) is an Annual Survey of employees and provides information on the number of employees, their status (full / part time) and the industry they work in. By definition, this excludes the self employed who make up some 12% of our workforce. There are a number of discontinuities in the data over the period between 1998 and 2007 and the figures given in Table E3 below should be taken as indicative only.

There total number of jobs in Highland increased from 87,300 in 1998 to 107,700 in 2007 – this was an increase of 23% which compares with an increase of only 11% for Scotland overall. There was a significant increase in the number of full time jobs with the percentage of all jobs increasing from 60% in 1998 to 64.7% in 2007.

The main growth industry was the public sector which saw a rise in the percentage of employees from 25.0% in 1998 to 31.9% in 2007 (an increase of 12,500 jobs, just over half in health and social work and around a third in education). Other growth areas were banking finance and insurance (+5,400 jobs) distribution hotels and restaurants (+2,700 jobs) transport and communications (+1,200 jobs) and construction (+1,000 jobs). The sectors which saw a decline were energy and water (-1,800 jobs) manufacturing (-600 jobs) and agriculture and fishing (-400 jobs).

Trade apprenticeships: Traditional-style (time-served) Trade Apprenticeships are mostly held by older members of the workforce. Few young people take an apprenticeship without also gaining a vocational qualification. All those who have served an apprenticeship and obtained a vocational qualification at C&G Part II or higher are classified at the appropriate level for that qualification. The Trade Apprenticeship category is therefore a residual category of those who have obtained no vocational qualification in addition to the time-served apprenticeship.
NVQ 2 equivalent: e.g. intermediate 2 national qualification (Scotland), 5 or more GCSEs at grades A-C, intermediate GNVQ, NVQ 2 or equivalent
NVQ 1 equivalent: e.g. intermediate 1 national qualification (Scotland), fewer than 5 GCSEs at grades A-C, foundation GNVQ, NVQ 1 or equivalent
Other qualifications: includes foreign qualifications and some professional qualifications
No qualifications: No formal qualifications held

Table E3: Employees by Industry and Status, 1998 and 2007 as a Percentage of Total Employee Jobs						
	1998			2007		
	All Workers	Full Time Workers	Part Time Workers	All Workers	Full Time Workers	Part Time Workers
1 : Agriculture and fishing (SIC A,B)	4.8	6.0	3.0	3.5	3.3	3.8
2 : Energy and water (SIC C,E)	3.0	3.5	2.2	0.8	1.2	0.1
3 : Manufacturing (SIC D)	11.1	16.9	2.2	8.4	11.9	2.0
4 : Construction (SIC F)	6.9	10.8	1.0	6.6	9.6	1.0
5 : Distribution, hotels and restaurants (SIC G,H)	29.3	24.4	36.6	26.2	23.5	31.2
6 : Transport and communications (SIC I)	5.5	7.5	2.6	5.6	7.2	2.8
7 : Banking, finance and insurance, etc (SIC J,K)	8.6	9.3	7.7	12.0	14.8	6.8
8 : Public administration, education & health (SIC L,M,N)	25.0	16.9	37.2	31.9	24.1	46.3
9 : Other services (SIC O,P,Q)	5.8	4.7	7.5	4.9	4.4	6.0
Total Employee Jobs (100%)	**87,300**	**52,400**	**34,900**	**107,700**	**69,700**	**38,000**
Percentage of Workers who are Full / Part time.	**100**	**60.0**	**40.0**	**100**	**64.7**	**35.3**
Source: NOMIS / Annual Business Inquiry.						

5.1.4 Business Base

Highland has more self employed people than Scotland overall and also more small businesses. Table E4 shows that Highland has around 2% more small workplaces[16] (employing between 1 and 10 employees) than Scotland overall, and that these small workplaces were the main expansion area between 1998 and 2007 with an increase of 1,300 workplaces. However, Table E5 shows that, of the 20,000 extra jobs created in Highland between 1998 and 2007, almost half were in large workplaces employing 200 or more employees (many in the public sector – see above). The growth in the number of employees in small workplaces has been more modest.

Table E4: Workplaces by Number of Employees 1998 and 2007								
	Number of Workplaces				Percentage of Workplaces			
	Highland		Scotland		Highland		Scotland	
Employees in Workplace	**1998**	**2007**	**1998**	**2007**	**1998**	**2007**	**1998**	**2007**
1-10 employees	7,500	8,800	130,400	142,300	82.1	82.9	80.1	80.7
11-49 employees	1,400	1,500	25,800	26,300	15.2	14.1	15.8	14.9
50-199 employees	200	300	5,300	6,200	2.4	2.6	3.3	3.5
200 or more employees	<100	<100	1,300	1,400	0.3	0.4	0.8	0.8
Total Workplaces	9,100	10,600	162,800	176,300	100	100	100	100
Source: NOMIS / Annual Business Inquiry								

[16] A workplace is just that – a place at which people work. It may be a single business, or it may be a sub-office of a larger business eg if a bank has many branches in a town, each branch is an individual workplace.

Table E5: Employees by Size of Workplace 1998 and 2007								
	Number of Employees				Percentage of Employees			
	Highland		Scotland		Highland		Scotland	
Employees in Workplace	**1998**	**2007**	**1998**	**2007**	**1998**	**2007**	**1998**	**2007**
1-10 employees	24,834	27,553	445,543	438,818	29.2	26.1	20.8	18.4
11-49 employees	29,388	32,367	550,585	583,972	34.5	30.7	25.8	24.5
50-199 employees	18,163	24,269	496,493	570,625	21.3	23.0	23.2	24.0
200 or more employees	12,785	21,399	645,107	787,509	15.0	20.3	30.2	33.1
Total Workplaces	85,170	105,588	2,137,728	2,380,924	100	100	100	100
Source: NOMIS / Annual Business Inquiry								

Outside the public sector, tourism is the main employer in Highland with over 9 million bed nights per year, accounting for over 13% of employment (compared with 9% for Scotland overall). UK and overseas visitors are estimated to spend £760 million per year, with day visitors accounting for £46 million of this (2004 figures).

5.1.5 Income and Gross value Added (GVA)

Income. Table E6 below gives median value pay for employees in Highland and Scotland. It shows that the median pay of all employees in Highland was £12,400 in 1998 and rose to £16,100 in 2007. The increase of 29.9% was less than the corresponding increase in Scotland overall (37.8%) and in 2007 the average pay was 85.7% of that in Scotland overall. However, for full time jobs only pay increases in Highland over the period kept pace with those in Scotland overall and both rose by some 41%, with gross pay in Highland around 91% of that in Scotland overall at both the beginning and end of the period. Part time pay rose slightly faster than in Scotland overall during the period.

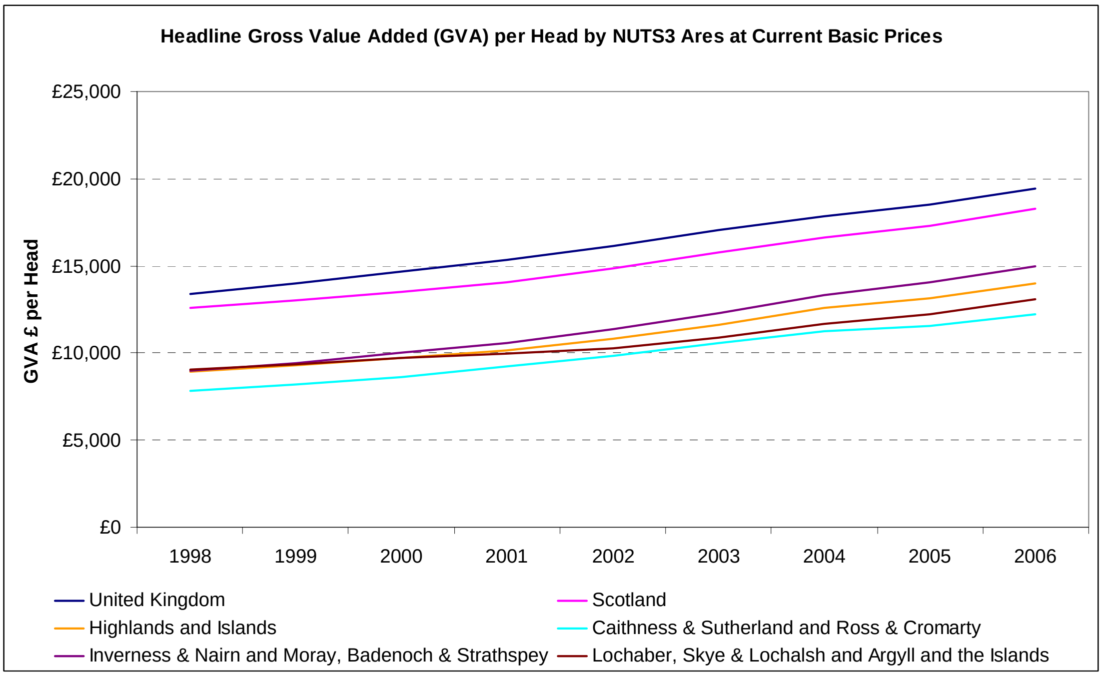
Table E6: Gross Annual Pay of Employees Excluding Overtime, Median Values 1998 and 2007						
	Highland			Scotland		
	1998	**2007**	**% Change**	**1998**	**2007**	**% Change**
All Employees	£12,400	£16,100	29.9	£13,629	£18,782	37.8
Highland: All Employees as % of Scotland	91.0	85.7				
Full Time Employees	£15,000	£21,100	41.0	£16,318	£22,968	40.8
Highland: Full Time Employees as % of Scotland	91.8	91.9				
Part Time Employees	£5,100	£7,600	49.0	£5,190	£7,592	46.3
Highland: Part Time Employees as % of Scotland	98.3	100.1				
Source: ONS / Annual Survey of Hours and Earnings, analysis by place of work						

GVA. GVA measures the contribution to the economy of each individual producer, industry, sector or area in the United Kingdom and Figure E7 below shows the contribution per head of population for the UK, Scotland and the

NUTS3[17] areas which make up Highland (and the surrounding areas). It shows that the rate of growth in Highland overall has been slightly better than in the rest of Scotland and the UK:

- o Inverness Nairn Badenoch & Strathspey (and Moray) has performed better than the wider economy, rising from 67% to 77% of the UK GVA figure during the period;
- o Caithness Sutherland and Ross & Cromarty has performed slightly better than the wider economy rising from 58% to 63% of the UK GVA figure; but
- o Lochaber, Skye & Lochalsh (and Argyll and the Islands) has stayed at 67% of the UK GVA figure).

Overall, the figures confirm the the Inner Moray Firth area as the economic engine room of Highland.



5.2 Business and Industrial Land

The Council has undertaken a recent audit of industrial and business land across the Inner Moray Firth which gives a partial snapshot of demand and supply across Highland.

In terms of supply, there is no obvious deficiency in terms of the total of allocated employment land but the issue is more one of effectiveness - i.e. the provision of quality, serviced sites in optimum and marketable locations. Table E7 below shows that only 5% of land currently allocated is available for immediate development in terms of its servicing. In terms of partially serviced sites, for example where a principal access has been formed but serviced plots are not yet available then 49% of land falls into this category. The

[17] "Nomenclature of Territorial Units for Statistics" – a European standard for the presentation of regional statistics. NUTS3 areas are the smallest areas for which GVA is available and they cut across local authority boundaries.

remaining 46% is allocated but unserviced and may therefore take several years to become effective.

Table E7: Allocated Business and Industrial Land Availability				
Local Plan Area	**Total Area (Ha.)**	**Unserviced Area (Ha.)**	**Partly Serviced (Ha.)**	**Immediately Available (Serviced) (Ha.)**
Inverness	180.12	6.24	162.75	11.13
Nairnshire	276.14	241.81	31.52	2.81
Ross and Cromarty East	965.20	407.9	501.7	55.6
Inner Moray Firth TOTAL	1421.46	655.95	695.97	69.54

In terms of recent demand, take up rates of allocated land have been steady but low in proportion to the total quantity of allocated land. Table E8 below show that total recent demand represents only 8% of the supply total but perhaps more importantly exceeds the total land currently available for immediate occupation. Again, this implies that making existing allocated sites effective is a key issue.

The loss of allocated employment land to competing uses is also an issue across Highland where landowners have pushed for a higher value land use such as housing or retail. However, Table E8 shows that the total quantity of such losses has been small. Nevertheless it remains a concern particularly on the Council's mixed land use sites where a mechanism needs to be found to guarantee that an appropriate balance of compatible uses comes forward.

Table E8: Recent Take-Up of Allocated Business Land		
Local Plan Area	**TAKE UP AREA FOR EMPLOYMENT USES (Ha.)**	**AREA LOST TO OTHER USES (Ha.)**
Inverness	27.7	0.28
Nairnshire	4.2	1.44
Ross and Cromarty East	44.4	0
Inner Moray Firth TOTAL	76.3	1.72
Recent Take-Up of Allocated Industrial Land		
Local Plan Area	**TAKE UP AREA (Ha.)**	**AREA LOST TO OTHER USES (Ha.)**
Inverness	16.33	0.28
Nairnshire	0.50	1.44
Ross and Cromarty East	19.33	0.00
HIGHLAND TOTAL	36.16	1.72

Despite the role of Inverness as the Highland capital and regional centre and the competitive advantages that brings in terms of critical mass, demand has been dispersed to other parts of the Inner Moray Firth. This perhaps indicates that a similar approach may also be successful in the future.

Outwith the Inner Moray Firth, similar patterns of supply and demand exist and the need here will also be to deliver effective, serviced employment land. Allocated sites can accommodate the bulk of demand but a certain degree of flexibility may be appropriate for the smaller scale rural businesses that predominate in the remoter and/or more fragile areas of Highland.

5.3 Transport

5.3.1 Local Transport Strategy

At the time of writing this report the Highland Council has published a draft Local Transport Strategy[18] (LTS) and will be consulting during the late summer of 2009. This document identifies a number of key issues for transport in the Highlands and will help update the current policies contained within the Highland Structure Plan.

The LTS highlights that the availability of public transport in Highland is limited with the result that 9% of households in Scotland are more than 14 minutes from the nearest bus stop (Scotland overall 3%) and 20% have a bus service which is less frequent than hourly (Scotland 4%). The result of this is greater dependence on cars for transport with 47% of people driving every day (Scotland 41%) and 78% of households having one car or more (Scotland 68%). For many rural communities the roads are single carriageway – single track in some rural areas - leading to difficult and time consuming journeys. (All figures Scottish Household Survey). The LTS identifies the need for:

- New developments to contribute towards improvement of transport infrastructure and services where they have an impact.
- Improving accessibility to central belt with improvement to A96, A9 and A82.
- Active Travel Masterplans for major settlements to improve the pedestrian and cycle network.
- Improving rail, air and ferry routes.
- Highlighting the opportunities for improved freight transport.
- Importance of improving public transport, offering an integrated transport system.

In addition, the National Planning Framework 2 (NPF 2) and the Strategic Transport Projects Review (STPR) have identified areas for strategic improvement, including, dualling the A96 and A9 and improvements to the A9 north and the A82. Also identified is the need to improve the Highland Main Line to reduce rail journey times from and to the Highlands.

These improvements are hoped to reduce journey times and improve connectivity between the Highlands and the central belt. It is hoped that this will increase the viability and attractiveness of the Highlands for businesses to relocate as linkages will be faster and more reliable.

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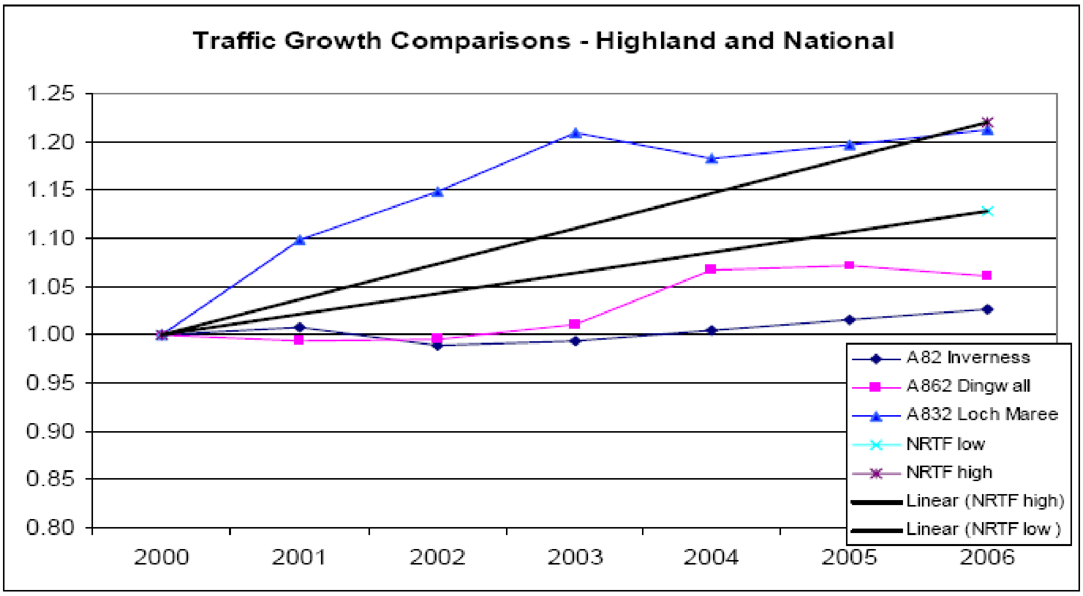
18 http://www.highland.gov.uk/yourenvironment/roadsandtransport/transportplanning/localtransportstrategy.htm

An emphasis on an integrated public transport network will improve journey times and reliability and therefore reduce the dependency of the private car and improve connectivity throughout the Highlands.

5.3.2 Road Transport

The Strategy shows that for Highland trunk roads, traffic increased by 9% between 2000 and 2005 (compared with 10% for Scotland overall) and by 8.5% on local authority roads (Scotland 6% overall). The table below shows how traffic has increased on a typical trunk road, urban local authority road and rural (lifeline) road between 2000 and 2006 compared with national road traffic forecasts for the same period.



Other monitoring sites across Highland show that:

- Traffic on the A9 north and south of Inverness grew by between 50% and 60% from 2000 to 2006.
- Traffic on a key road feeding new development in south east Inverness grew by 63% between 2000 and 2006; on a road in the north of the City by 31%; and on the Inshes flyover by 24%. All of these are indicative of significant increases in the volume of traffic in Inverness, although volumes on the A82 through the centre are stable, perhaps due to being at capacity for much of the time.
- The A96 between Inverness and Nairn saw a 44% increase between 2000 and 2006.
- Changes in volumes in and around Fort William are variable but with a 36% increase on the A82 to the north east.
- There was growth on all sections of the A9 south of Aviemore with a 44% increase at Aviemore, but little change on the A9 to Wick.

5.3.3 Freight

Rail freight has decreased, with a reduction of 39% between 2004 and 2005 alone, but there have been more encouraging recent signs with supermarket chains moving some of their deliveries across to rail, and a national haulier establishing a rail service to Inverness in 2008. Ferry freight across ferry services as a whole has increased by 39% since 1997 with the tonnage at Highland ports generally stable.

5.3.4 Public Transport

Travel by bus in Inverness and the Inner Moray Firth has grown during the last five years but the picture elsewhere is more variable. The use of rail for passenger travel into Inverness has increased by around 50,000 trips per year following the introduction of the *Invernet* promotional programme, with the main growth on routes to the north of Inverness. Further increases in passenger numbers are anticipated following the introduction of more frequent services and improved timetables in 2008.

5.3.5 Air Services

Air links are extremely important for the Highlands due to the distance that the area covers and the remoteness of some communities. They are an essential part of the transport network required to allow economic activity in islands and more remote parts of Highland. The change from 2000 to 2006 in passenger movements showed an increase at Inverness of +74%, and on average at Highlands/Islands airports there was an increase of +13% (although this includes some outside Highland Council area). Further increases are expected in the next 10 years due to continued improvements and population growth.

5.4 Crofting and Agriculture

5.4.1 Crofting Activity

There are 17, 725 crofts in Scotland mainly in the Highlands and Islands and around 33,000 people live in crofting households[19] with approximately 1,000 common grazings. The mean average income for crofting across all areas is 6.45K and this informs policy approach since crofting is very unlikely to sustain a full time equivalent income and this would therefore be an inappropriate test for new croft proposals.[20]

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19 http://www.scotland.gov.uk/Topics/farmingrural/Rural/crofting-policy
20 Portraits Area Pen portraits - information to back up survey of crofting counties http://www.croftinginquiry.org/Documents/Reports/

5.4.2 Scottish Government Crofting Reform

The Scottish Executive announced A Committee of Inquiry into Crofting in 2006. Following on from its research (commissioned reports, survey of crofters, and public meetings) and recommendations, the Scottish Government then pursued a package of measures. The package included:

- A new crofting bill and a consolidation on crofting law
- Reconstituting the Crofters Commission with up to six area committees that will include crofters elected by crofters
- Making Highlands and Islands Enterprise the lead organisation for the development of crofting communities
- Giving the Registers of Scotland responsibility for establishing a Register of Crofts
- Giving consideration to an occupancy condition on housing built on land taken out of crofting tenure to address speculation on croft land for second homes
- Undertaking a review of support for croft housing and support for croft agriculture with an emphasis on supporting new entrants to crofting
- Encouraging the creation of new crofts, especially on public land[21]

The Scottish Government's crofting agenda will give significant reform. In the draft bill out for consultation in May 2009, the Government set out the legislative reform they consider important in securing the future of crofting and crofting communities.

- Changes to the governance arrangements for crofting
- Arrangements for a new Register of Crofts
- Better enforcement of requirement of crofters and owner-occupiers to reside on or near the croft and to work the land
- Powers to enable crofters to grant standard securities over their crofts
- An occupancy requirement on housing built on land taken out of crofting tenure in order to tackle speculation on croft land22

The speculation on croft land providing second homes is observed by the Scottish Government to have been damaging to crofting. It is currently proposed that Local Authorities should enforce occupancy requirements but have the discretion to remove the requirement where considered to be unnecessary and to suspend it where it is not appropriate at any given time.

5.4.3 National Planning Framework and Scottish Planning Policy

SPP seeks to protect prime agricultural land and uses the classification class 1, 2 or 3.1 in the land capability classification for agriculture as developed by the Macaulay Institute. The Main Issues Report reflects this but considers as

[21] http://www.scotland.gov.uk/Topics/farmingrural/Rural/crofting-policy/reform-programme
[22] http://www.scotland.gov.uk/Topics/farmingrural/Rural/crofting-policy/reform-programme/Bill

an alternative whether there is merit in considering protection beyond these ‘prime agricultural classifications’, taking account of Highland context.

5.4.4 The National Forest Land Scheme

The NFLS allows communities to apply to acquire any part of the national forest estate, whether it is deemed surplus or not, so that those communities can own and manage local woodlands to deliver benefits that meet the community's needs. In terms of supporting development of new crofts, planning policy will need to provide a clear framework for new crofting (woodland and agricultural, individual and townships) proposals as they come forward. Broad policy options are considered in the Main Issues Report. Embo community proposals for the Fourpenny plantation have been approved by the Forestry Commission/Scottish Government. The emergence of opportunity for new woodland crofts will hopefully provide opportunity particularly within fragile communities.

5.4.5 Importance of Crofting to the Highlands

Recognising the importance of crofting in socio economic, land management, and cultural terms, it is crucial that there is an effective Highland-wide strategy for developing crofting along with good stewardship of the existing resource. We need to continually assess whether we are striking the right balance between the interests of the individual crofter, the sustainability of the community and its opportunity for growth, and crofting as a whole. They all have different interests and it is essential that all are considered. We need to take account of the national changes proposed for crofting, along with the protection that should be afforded to prime agricultural land.

5.4.6 The Link between Housing and Crofting

This is a key issue in terms of land supply for new housing. The pattern of land tenure in the crofting counties is notable. Some 80% of land is held by around 600 large estate holdings variously in public, NGO and private ownership; croft holdings account for around 17% of land and are predominantly tenanted.[23] Whilst preserving better croft land is important it is recognised that development prospects can be comparatively constrained. We also know that historically development in crofting areas involves a significant proportion of single house development.

The interests of the wider community and its sustainability mean croft land should not be entirely ruled out for either single house or larger developments. It is recognised that in some communities inbye land is the only economic

[23] Trends, patterns and the environmental consequences of land use across the crofting townships, Review paper of the COIC, The MacAulay Institute http://www.croftinginquiry.org/Documents/Reports/trendslanduse

land to develop, usually because of infrastructure considerations. This meets with the sentiment of the Scottish Government's report on the possible use of occupancy conditions in crofting which suggests that, "it is important to ensure land is available for housing developments…" and it goes on to state that, "repealing provisions that allow for decrofting will severely limit housing development that are vital for sustaining crofting communities."

5.4.7 Mapped records of croft land

At the moment there is no comprehensive mapped record. There are proposals for records of crofts to be kept by the Registers of Scotland; but no assessment of agriculture quality is intended. Mapping indicating the relative quality of croft land would be a useful tool to inform planners' decision making especially for considering site options in Local Development Plans. The likelihood of this exercise being done though seems to be relatively low. If this was carried out there are geographical differences in the quality of croft land and you may wish to consider importance in a local context. It could also be difficult to value currently underused land which has potential for improvement. However regardless of whether this was available when determining the single house proposals we would still need advice on the crofting impact of these.

5.4.8 Allocating Land Within Area Local Plans

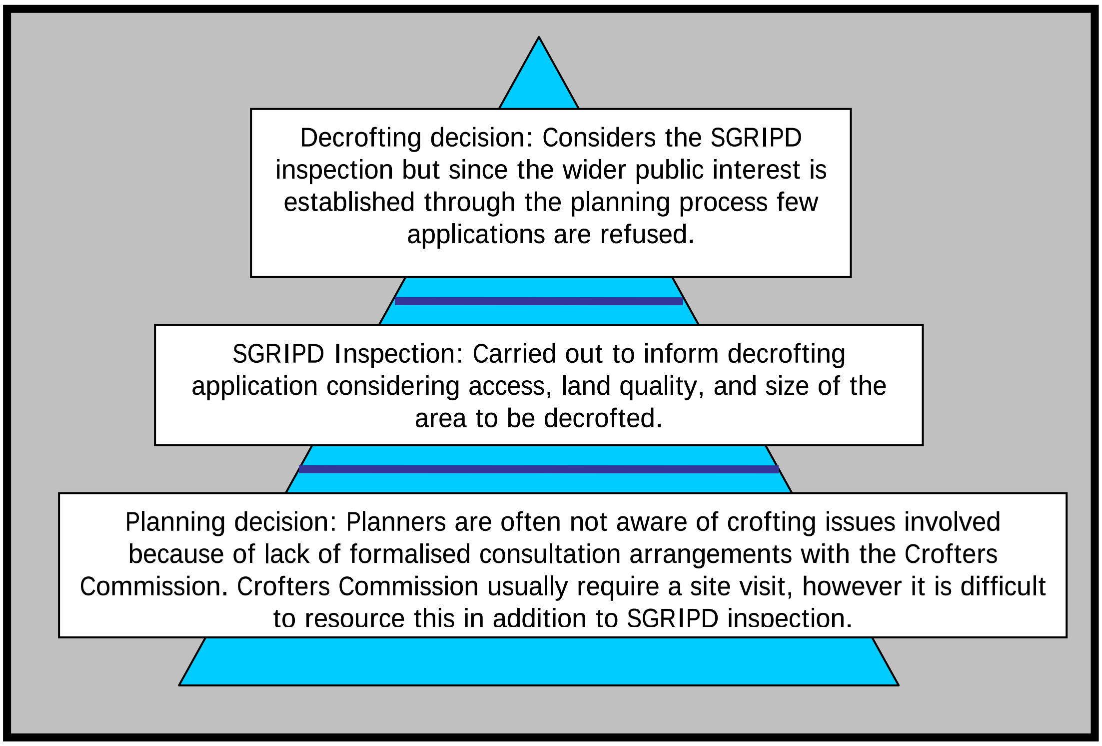
Previously we have favoured land outwith crofting inbye or on Common Grazings. We rely on information from crofters, Local Grazing Committees, and the Crofters Commission to advise us particularly when we need to consider allocation of inbye croft land for development. This present arrangement can successfully allow us to discriminate between different croft land options when necessary. We believe it may be best to set out our approach in the Highland-wide Local Plans to provide transparency and to ensure consistency within the Area Local Development Plans.

The individual crofters and local grazings clerks input to the plan making process in terms of putting forward sites and commenting on potential allocations is always valuable but hopefully crofting communities can become better placed to make their contribution. In the future there is the role of the Crofting Township Plans to consider. This should help some communities develop their vision and identify land for consideration through the Local Development Plan. HIE are tasked with supporting the development of these, however a working group is likely to be necessary addressing how these new Township Plans might integrate with future Local Development Plans. Both the Council and the Crofters Commission should have a significant contribution to make. However we cannot be solely reliant on these because they will not cover every community.

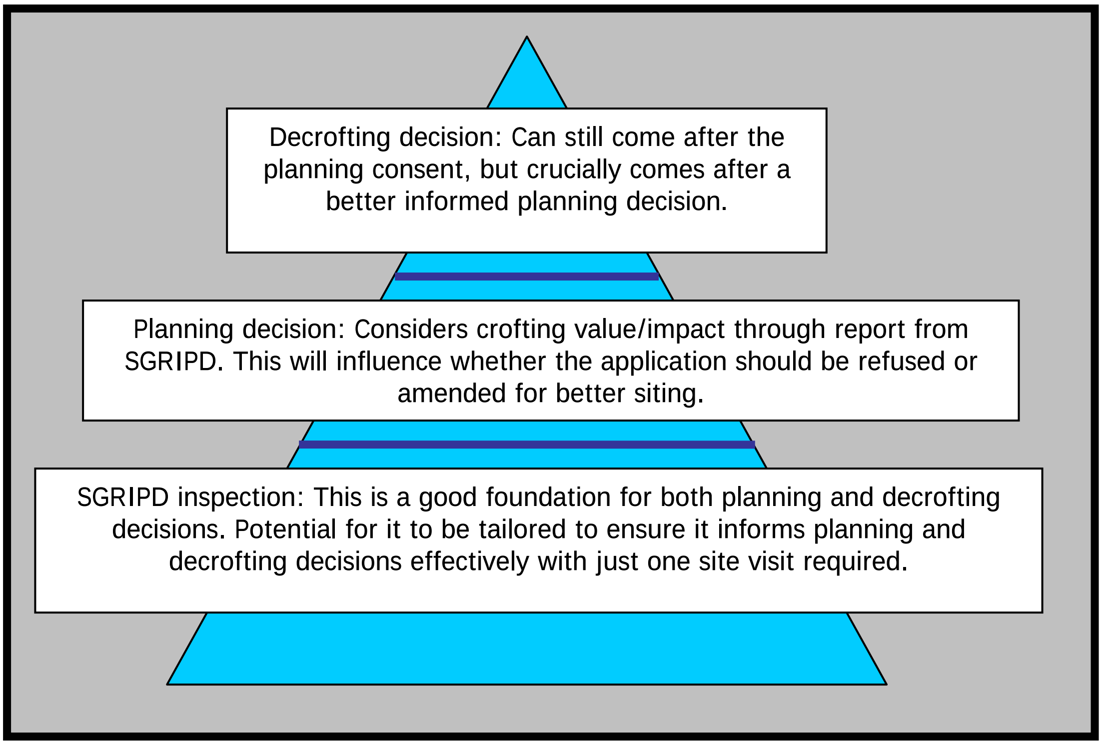
5.4.9 Assessing single house proposals on crofts

Perhaps more pressing is the need to improve consideration of the crofting impact of single (sometimes cumulative) house proposals at the planning application stage. This is particularly relevant outwith our Hinterland of Towns where our housing in the countryside policy is less restrictive. A seminar was held in April this year to discuss better joint working between the Council, the Crofters Commission, and the Scottish Government Rural Payments and Inspections Directorate (SGRIPD). It helped build on earlier informal discussions with the Crofters Commission and HIE with regard to the Highland-wide Local Development Plan and confirmed that proposed changes to the decrofting and planning consultation procedures might usefully be pursued in tandem. The diagrams help illustrate the processes at present and how these might be reworked. One of the outcomes of the seminar was that a short life working group would be convened to deal with some of the issues and the Council is enthusiastic to progress this.

CURRENT PROCESS WITH PLANNING DECISION AS THE FOUNDATION FOR DECROFTING DECISION



EFFICIENT PROCESS WITH SGRIPD REPORT AS THE FOUNDATION FOR BOTH DECROFTING AND PLANNING DECISIONS



5.5 Coastal Planning

5.5.1 Activity in the coastal region

Aquaculture makes an important contribution to the Scottish rural economy, especially in the western and northern isles, where many communities are sustained by the employment provided - about 1,500 direct jobs with a further 4,700 downstream. The aquaculture industry in Scotland is estimated to have a farm gate value of £346 million (2007). This includes £324 million for farmed salmon, about £14 million for rainbow trout, and around £5 million for shellfish .[24] In Highland - not including the downstream jobs - the Agricultural, forestry and fishing sector supports 3,800 employees which represents 3.5% of the total employees. [25]

The coastal region is not just important in terms of fishing and aquaculture development. Research on activity within the coastal region is provided as part of the Coastal Development Strategy supplementary guidance which is being consulted on[26] alongside this Main Issues report. It splits the Highlands into sub regions of the North, East and West coast. It uses monitoring of existing activity, along with consideration of culture, heritage, landscape and geology factors, to contemplate opportunities. It also classifies the land into

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[24] http://www.scotland.gov.uk/Topics/Fisheries/Fish-Shellfish
[25] *Nomis/Annual Business Inquiry, 2007*
[26] http://www.highland.gov.uk/yourenvironment/planning/coastalplanning/classificationofthehighlandcoast/

developed, undeveloped and isolated coast developing the advice from PAN 53 Classifying the Coast for Planning Purposes for a Highland context.

5.5.2 National Planning Framework and Scottish Planning Policy

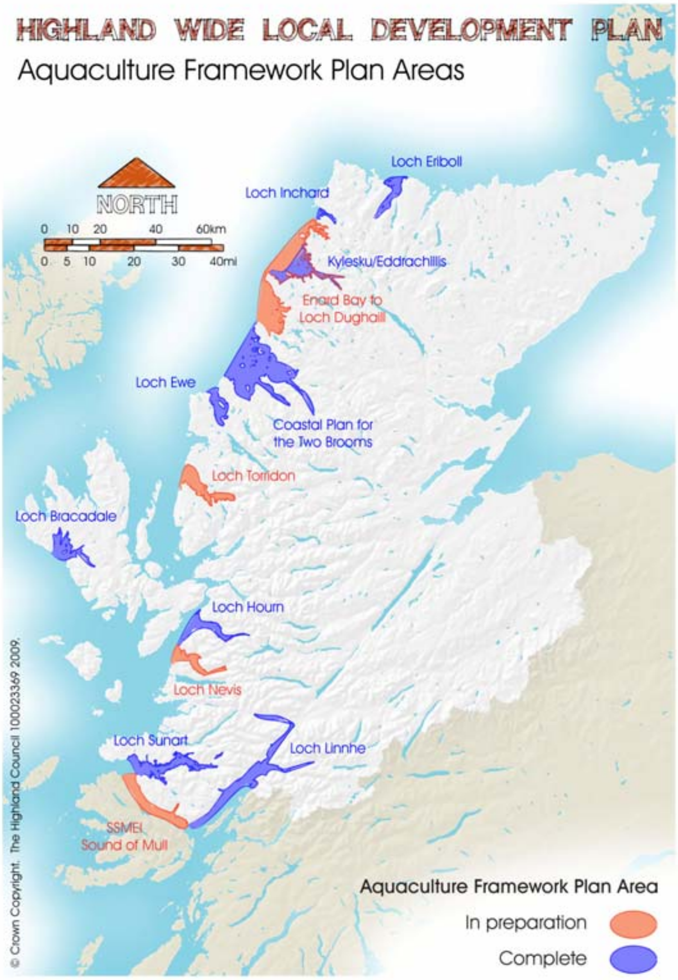
There is considerable and growing interest in the development of marine renewables and NPF2 has recognised the marine energy potential of Highland's north and west coast and Moray Firth. NPF2 identifies the Pentland Firth as an area for coordinated action. The Scottish Government is preparing a Framework for a Marine Spatial Plan for the Pentland Firth and Orkney Waters and associated Regional Locational Guidance for Marine Renewable Energy. The HwLDP will need to fit with that and plan properly for the land-based infrastructure and support service requirements. (See also Section on Renewable Energy)

5.5.3 UK and Scottish Marine Bills

Marine planning has emerged as a concept over the last few years to address the need for an integrated and robust framework. It emerges as a coherent way to balance and maximise the various uses made of the marine resource. A 3 tier approach is proposed with international, national, and regional levels. It will take time for the new system to be established and the implementation at regional level will not fit with the timescales of this review.

The UK and Scottish Governments are now committed to introducing a major review of marine spatial planning under the Marine Bills. Through the concordat Scotland will receive executive responsibility for planning and nature conservation (from existing 12) out to 200 nautical miles. Working arrangements for this could come forward in a variety of ways but it is envisaged that it could be achieved through joint working and agreement on reserved and non devolved matters in a Marine Policy Statement (MPS). Marine plans which conform with the MPS on reserved matters could be adopted by the Scottish Ministers. The spatial Marine plans would follow the prescribed process but offer considerable flexibility in their terms of content.

Prior to the new marine planning system being fully implemented the Council feels it is appropriate to progress with a Coastal Development Strategy (CDS). This will be broad brush auditing activity on our coasts and providing a vision which can usefully inform our future Area Local Development Plans. There also seems to be a need for a general policy on aquaculture to assess proposals that come forward outwith areas covered by Aquaculture Framework Plans. The Council currently has Aquaculture Framework Plans (see map) which help guide development to appropriate areas and minimise conflicts of interest.



5.6 Forestry

5.6.1 Forestry activity

To put the resource in context woodland occupies around 0.5m hectares of the land area in the Highlands, which is approximately 40% of the Scottish total, and we notably hold some 85% of the country's native pine resource. Allowing for self employment of around 40% in this sector the number of jobs sustained in the Highlands is at least 2,800. Annual timber production in Scotland is estimated to be 6.5 and is forecast to rise to 8.5 to 9 million cubic metres by 2015.[27] The economic benefits of forestry are most noticeable in the Inner Moray Firth area, Strathspey, and around Fort William, where the main offices, sawmills and timber processors are found. The centre of gravity of new forestry activity in Highland moved North and West in the post war period and whilst this trend may have slowed there is no reason to believe it

[27] Report submitted to the Highland Council, Natural Resources Working Group, 30th November 2007

will reverse as more crofters and communities become more involved in woodland management.[28]

5.6.2 National Planning Framework 2 and Scottish Planning Policy

The Scottish Forest Strategy 2006 contains a commitment to expanding and improving the quality of woodlands around settlements to provide improved setting and recreational opportunity. It also highlights that climate change and the need to develop renewable sources of energy have become major drivers for extending woodland cover from 17 to 25% of Scotland's land area by the second half of the century. To achieve this in addition to the need for new planting there also needs to be a significant decrease in loss of existing woodland. To lead to effective action on the ground, the Forestry Commission is to produce Implementation Plans which will contain targets and milestones aligned to resources. As you would expect there is a close synergy between the Scottish Forestry Strategy and the Highland Forestry and Woodland Strategy (HFWS).

5.6.3 Maximising benefits to Highlands

Forestry remains an important primary industry particularly since well managed woodland is truly a renewable and multi benefit resource; offering a mix of economic, recreational, tourist, landscape and nature conservation benefits. If well planned and managed it strengthens the image of Highland as a place to live and visit. As well as providing opportunities for woodland croft initiatives the National Forest Land Scheme also gives opportunity for affordable housing and other community based initiatives which could be crucial in delivering a greater range of local benefits. The research for and indeed the content of the HFWS 2006 is still largely speaking up to date.

However to maximise on opportunities in the sector it is felt that certain areas of the HFWS could benefit from attention before the next full review and could be tackled in an interim review. Indicatively this could account for the implications of climate change, and review sections on woodfuel, agriculture diversification (including short rotation woodland), and community woodland. The preferred approach consulted on in the MIR is therefore to support the current Strategy whilst preparing the ground work for a future review to tackle some specific areas of change. If after consultation this continues to be the preferred approach the exact scope and detail of this review could be considered with the benefit of feedback from the MIR consultation.

5.7 Minerals

Minerals form an important resource to support economic development and prosperity, providing raw materials to support the development industry

[28] Highland Forest and Woodland Strategy, May 2006

manufacturing, agriculture and other sectors. The availability of supply depends on the availability of land with workable deposits and these having permission in place for extraction.

Whilst there is unlikely to be a deficiency in the overall supply of minerals in Highland there is a need to consider the availability of locally available sources of minerals to support local construction industries. In Caithness there is a shortage to meet demand from local construction industries and developments in Easter Ross are being served to a degree from Inverness, with workings at Logie quarry, Kildary and Caplich quarry ending their productive life in recent years.

There is a need therefore to continue to monitor the need for locally sourced minerals to meet the demands of the construction industry across Highland, whilst promoting the use and recycling of secondary materials where possible.

Scottish Planning Policy 4 (Sept 2006) indicates that a sustainable approach to mineral extraction should be adopted. Mineral deposits should be safeguarded for future use, and that an adequate supply is maintained to meet the needs of the economy. There is a need to continue to consider the potential impact on the populace and effects on the environment and transportation impacts. Consideration also needs to be taken of protecting natural heritage interests from adverse effects of extraction. After the useful life of quarries has been reached there is a need to ensure sites are reclaimed to a high standard.

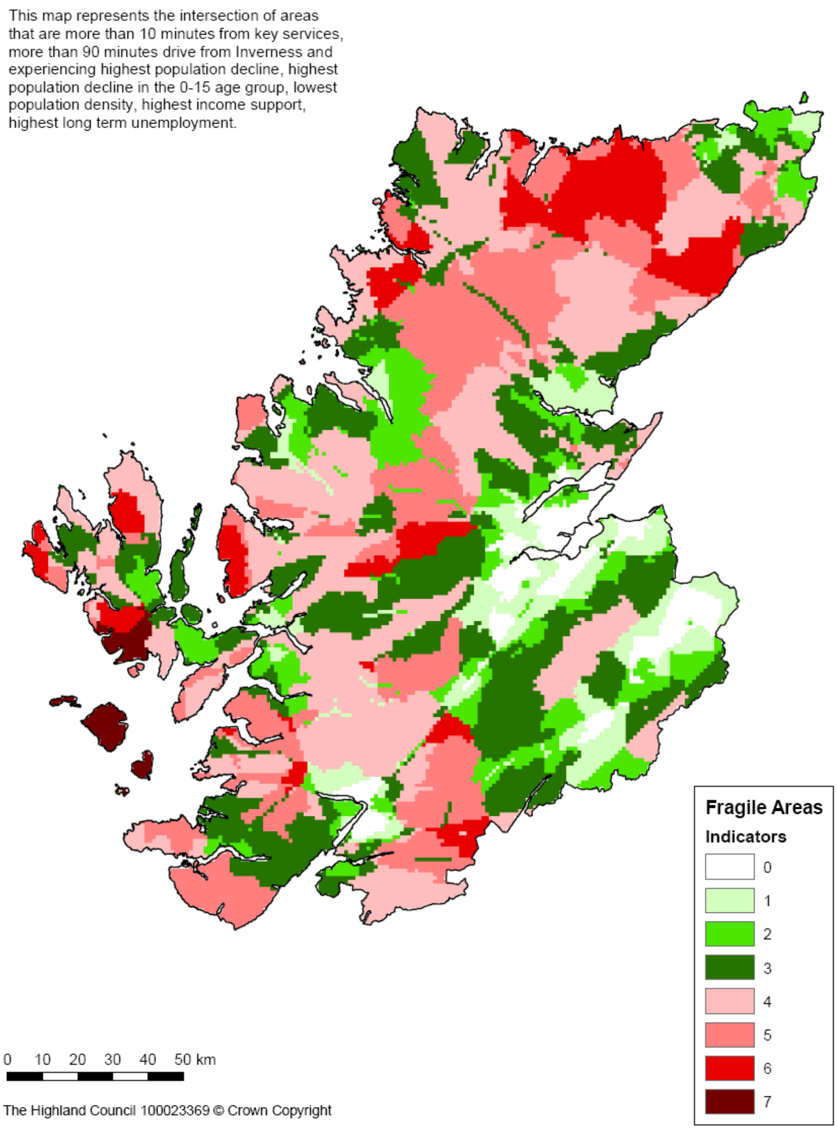
5.8 Fragile Areas

The Highland Council has identified many parts of its area as “fragile”, indicating that they may be in danger of long term decline due to their remoteness, an ageing population, lack of economic opportunity and access to essential services. The areas were defined first in 1999 and updated in 2003 using seven key indicators given below:

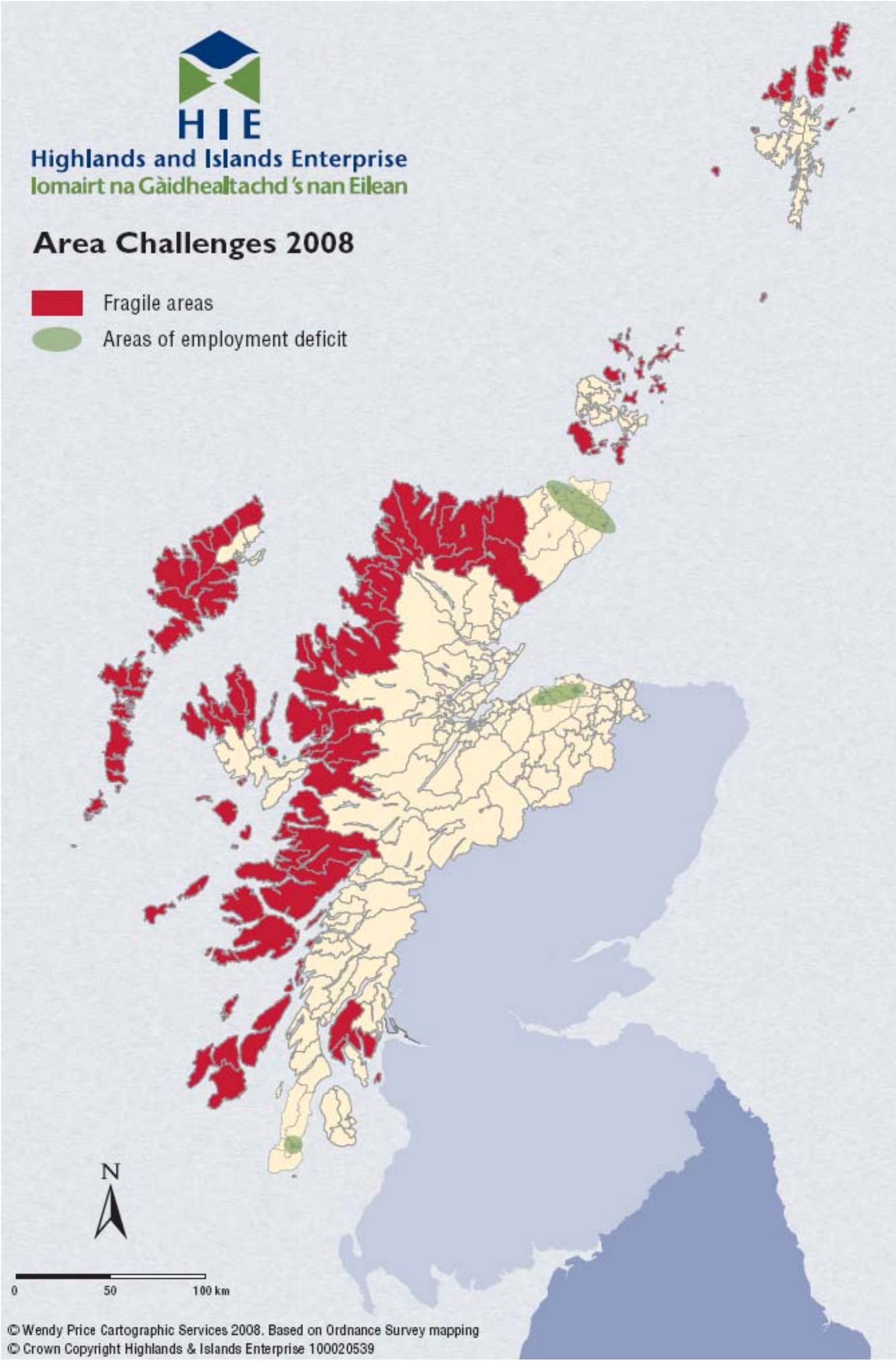
- Population decline between 1991-2001
- Population decline in 0-15 age group, between 1991-2001
- Population density, 2001
- Long term Unemployment Rate, July 2003
- Income Support Claimant Rate, August 2000
- Population outwith 10 minute drive time of 5 key services (Post Office, Primary school, Food shop, Doctor’s surgery, Petrol filling station)
- Population outwith 1.5 hours drive time of Inverness (main employment and service centre)

These indicators have been used to define the 'Fragile Area Map' file listed below, in which fragility is graded between 0 (not at all fragile) to 7 (very fragile). Fragile areas have not been used to direct funding or resources in an active sense but the concept has proved useful in helping to shape policy and strategy.

Highland Fragile Areas 2003



HIE has developed a parallel approach to fragile areas which they apply across the whole Highlands and Islands area. This was updated in 2008 with the result in the map below: in their approach areas (datazones) are either fragile or not and the results are used to allocate funding to their operating areas.



It is important that the Highland Council continues to work with partners such as Highland and Islands Enterprise to enable fragile communities and other disadvantaged communities become sustainable in socio-economic terms, and that the Highland wide Local Development Plan provides a consistent policy framework.

5.8.1 Rural Petrol Stations

Remote rural communities in Highland are heavily dependent on cars for transport and the availability of fuel supplies is vital to the sustainability of the local economy. A report[29] into the future of rural petrol stations found that, of the 241 petrol stations in the Highlands and Islands area, 143 were in remote rural areas and that marginal profitability could lead to half closing within the next decade. 43 petrol station in Highland have closed since 2001, the majority in remote rural areas with the result that some rural communities face a round trip of 40 miles or more to fill their tanks.

5.9 Dounreay

5.9.1 Dounreay in decommissioning

Dounreay's £3 billion site closure programme has accelerated since the first decommissioning plan was published in October 2000, with all redundant facilities now scheduled for clearance by 2025.

The concentration of work over a shorter period of time means employment levels are likely to remain high in the short-term, with 1500-2000 people working on the site at any one time. Once the major radiological hazards have been substantially reduced by the middle of the next decade, employment is expected to reduce to less than a 100 by 2025.

Various measures, such as re-skilling, spin-out business and help for new industry, have been put in place by the site to prepare for the area's socio-economic transition. These measures are in support of a wider action plan developed by the public and private sector locally to regenerate the economy of the area. As the employment offered at Dounreay continues to decline over the next decade and more – in an area already identified as suffering from an employment deficit – the Highland wide Local Development Plan should help provide a policy platform for redevelopment in Caithness, including initiatives such as marine renewables (see earlier for potential in Caithness).

5.9.2 Hazard Reduction

The first of the major hazards (1500 tonnes of volatile liquid metal used to cool the prototype fast reactor) has been destroyed. Destruction has started of another liquid metal used to cool the earlier Dounreay Fast Reactor. New plant has been installed to remove the last of the breeder material from the Dounreay Fast Reactor.

Another major hazard (the waste liquors from fuel reprocessing) is being reduced progressively through chemical treatment and solidification as conditioned intermediate-level waste. Construction is due to begin in 2010 on a second major plant to accelerate this work.

[29] http://www.highland.gov.uk/NR/rdonlyres/448019CA-CD71-4D06-AD27-E1D1742FD25E/0/Item2BookletA.pdf

The first phase of decommissioning the waste shaft is complete, with attention now focussed on retrieval of the waste from the shaft and nearby silo. Major construction is planned for 2013-17.

Work has started to clean up the most hazardous particles from the seabed and a strategy developed for managing contaminated land on the licensed site. Following public consultation on the options, access to some parts of the site is likely to remain restricted until 2300.

5.9.3 Policy and support for decommissioning

The Council, in its Programme for Administration, sets out its commitment to supporting the on-going decommissioning of the Dounreay site.

Additional new stores for low-level and intermediate-level radioactive wastes have been constructed. Planning permission has recently been granted for a facility for the disposal of solid low level waste adjacent to the Dounreay site. This disposal option while not in compliance with The Structure Plan policy which advocates storage, is consistent with UK and Scottish Government Policy on low level waste; a policy which was adopted in March 2007.

Intermediate-level waste will continue to be stored at the site beyond 2025 while leftover nuclear fuel will be packaged in a way that allows it to be transported for re-use elsewhere. Major construction work between 2011 and 2013 will allow the start of low-level radioactive waste disposal in shallow vaults adjacent to the site.

While the UK Government intends to pursue the option of deep geological disposal for intermediate level waste (ILW) The Scottish Government has that ILW in Scotland should be stored near site and near surface. A consultation is due out this year on how to deal with ILW within Scotland. This is consistent with the Structure Plan policy.

6 A HEALTHIER HIGHLANDS

6.1 Open Space and Physical Activity

Since the publication of the Structure Plan in 2001 new guidance and policy has been published by the Scottish Government in the form of Scottish Planning Policy 11: Open Space and Physical Activity (2007) and Planning Advice Note 65: Planning and Open Space (2008).

These documents put a strong emphasis on the provision of high quality, accessible and fit for purpose open spaces. Previously the policies in the structure plan were only focused on the protection of the existing and the gaining of extra open spaces, with little emphasis on the quality or accessibility.

In 2004/2005 an audit of the quality, quantity and accessibility of open space was carried out by GreenInverness which set out the basis for the Council's guidance on open space in new developments in the Inverness Area. This approach while successful to an extent in delivering open spaces was only applicable to Inverness and therefore additional guidance needed to be produced.

In 2008, the Highland Council commenced work on Open Space in New Residential Development: Interim Supplementary Guidance. This set out standards for quality, quantity and accessibility of open space and set out a vision for open space.

"The creation of sustainable networks of high quality, accessible, fit for purpose greenspaces and sports facilities that support and enhance biodiversity and the quality of life of residents and visitors."

Through the interim supplementary guidance we believe that this vision can be achieved. The guidance came into force on the 20th May 2009 and to support. The provision standards presented in the guidance were based upon the GreenInverness audit and an audit of open space Highland wide is currently underway and the results of which will be published late 2009. As part of the audit 752.7ha of open space has been identified and is being assessed for quality, accessibility and to see whether the sites are fit for purpose.

6.2 Access to the Outdoors

The Highland Council collaborated with neighbouring authorities to complete in 2000 a joint Access Strategy covering the Highlands and Islands. That Strategy highlighted the lack of sign posts, and the lack of awareness about where access could be taken, particularly the scarcity of information about lower level footpath networks and the value of these throughout the Council's

area. The document was then used as the basis of the Highland Access Project, which delivered 13 kilometres of new paths and promoted 1,470 kilometres of routes. The focus was on the creation of community path networks and this will be carried forward in the Strategy and in the Core Paths Plan.
The Land Reform (Scotland) Act 2003 came into force shortly after the Structure Plan was approved. Foot and Mouth disease had a significant effect upon the implementation of the Land Reform (Scotland) Act 2003, and the rights of access that were eventually agreed met most of the aspirations of access takers and their supporting organisations.

The major change to the law governing access to land and inland water has been to confirm rights of responsible non-motorised public access to land and water with certain exceptions. The new statutory duties include:

- A duty on SNH and Access Authorities to publicise the Scottish Outdoor Access Code.
- A duty on Access Authorities to uphold and enforce new access rights.
- The requirement to establish Local Access Forums.
- A requirement to prepare Core Paths Plans.
- A duty to review existing bye-laws.

In February 2005 Highland Council handed over its function as Access Authority in most of Badenoch and Strathspey to the new Cairngorms National Park Authority. These fundamental changes to the law of access and the concept of responsible access rights and management also have implications in many other areas of existing law and land management practice. This, together with the Foot and Mouth episode, has highlighted the value of good access to land and the need to invest in its management. These are the main reasons why it has been thought necessary to revise the earlier document from the perspective of Highland Council as the Access Authority with new statutory functions and duties for its administrative area. The former partners have been party to the consultation and doubtless participants in many actions arising from it.

The Highland Council has established 6 Local Access Forums have no executive powers but play an important consultative role on access related matters within their areas.

The revised Access Strategy for 2008 to 2011 was published in 2008 and aims to:

- Develop a comprehensive access network for a wider range of abilities and interests;
- To encourage local communities and user groups to work in partnership with land managers in the development of better facilities and to support rural economies;
- To provide access opportunities which conserve and enhance local character and provide clear economic, environmental and social benefits compatible with the themes of the community plan.

- To remove barriers to the exercise of general access rights and build links so that everyone is able to enjoy and explore the Highlands to the best of their ability.

The Council is developing a total of six Core Path Plans in line with the requirements of the Land Reform (Scotland) Act 2003. At present these are still in draft form and are awaiting a Public Inquiry following objections to these plans. It is expected that the Core Path Plans will be adopted early 2010.

These core paths plans identify Candidate Core Paths, a Wider Access Network and Links on Roads and Pavements. Aspirational footpaths were also identified following a wide ranging public consultation over the summer of 2008. They identify a total of 549,832 km of paths throughout highland.

These paths often link up to the long distance footpaths running throughout Scotland, this includes the West Highland Way, Great Glen Way, Speyside Way and National Cycle Network Routes 1 and 78.

7 REDUCE INEQUALITY/BETTER OPPORTUNITIES FOR ALL / A FAIRER HIGHLANDS

7.1 Deprivation

During much of the life of the Structure Plan, deprived areas in Highland were identified under the Social Inclusion Partnership Programme which ran from 1999 to 2006. SIPS were integrated into Community Planning Partnerships, operating through the Community Regeneration Fund, between 2005 and 2008. In general the programme was orientated towards urban concentrations of deprivation and this was consolidated when the Scottish Index of Multiple Deprivation was adopted as the basis for identifying deprived areas. From 2008 onwards Highland's Single Outcome Agreement identifies priority areas for partnership action together with15 local outcomes. In doing this it looks beyond urban concentrations of deprivation and attempts to identify the issues and challenges in our remote rural areas as well as our towns.

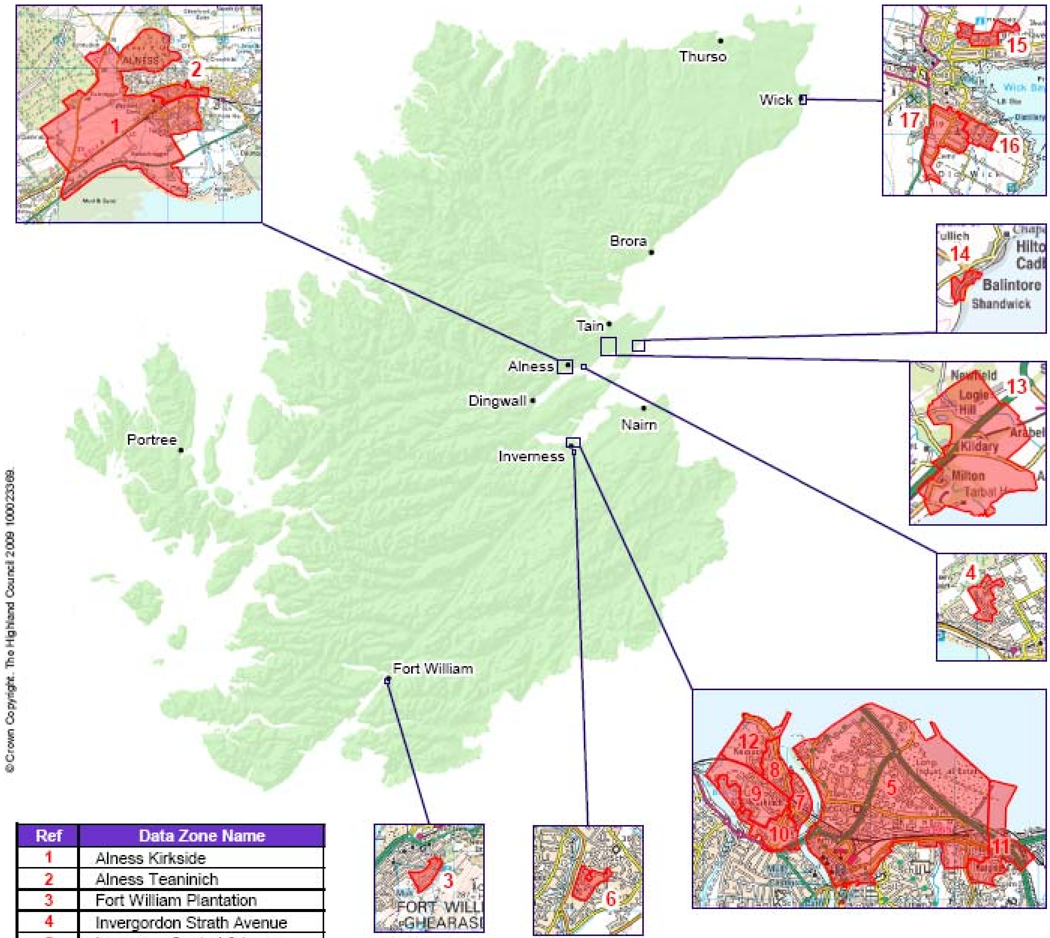
Nevertheless, current Government policy is based on the use of the Scottish Index of Multiple Deprivation 2006 to identify deprived areas. Highland has 17 datazones ranked in the 15% most deprived datazones in Scotland and these are shown on the map below. Some 12,000 people live in these 17 areas but the majority of deprived people in Highland live elsewhere. Over 70% of the employment and income deprived population in Highland are found outwith the areas of concentrated multiple deprivation, and around 35% of Working Age DWP Claimants live in remote rural areas (2007-8).

In addition to these deprived areas, Highlands and Island Enterprise has identified that Caithness as a whole is an area of employment deficit: that is, it has suffered, or is at risk of, significant job losses resulting from major closures and/or persistent long-term unemployment caused by structural change. The Caithness and North Sutherland Regeneration Partnership has been set up to diversify the economy of the area and in 2007 published a 50-point plan setting out how this will be achieved.

Highland Wide Local Development Plan

Most Deprived Areas in Highland

Scottish Index of Multiple Deprivation 2006



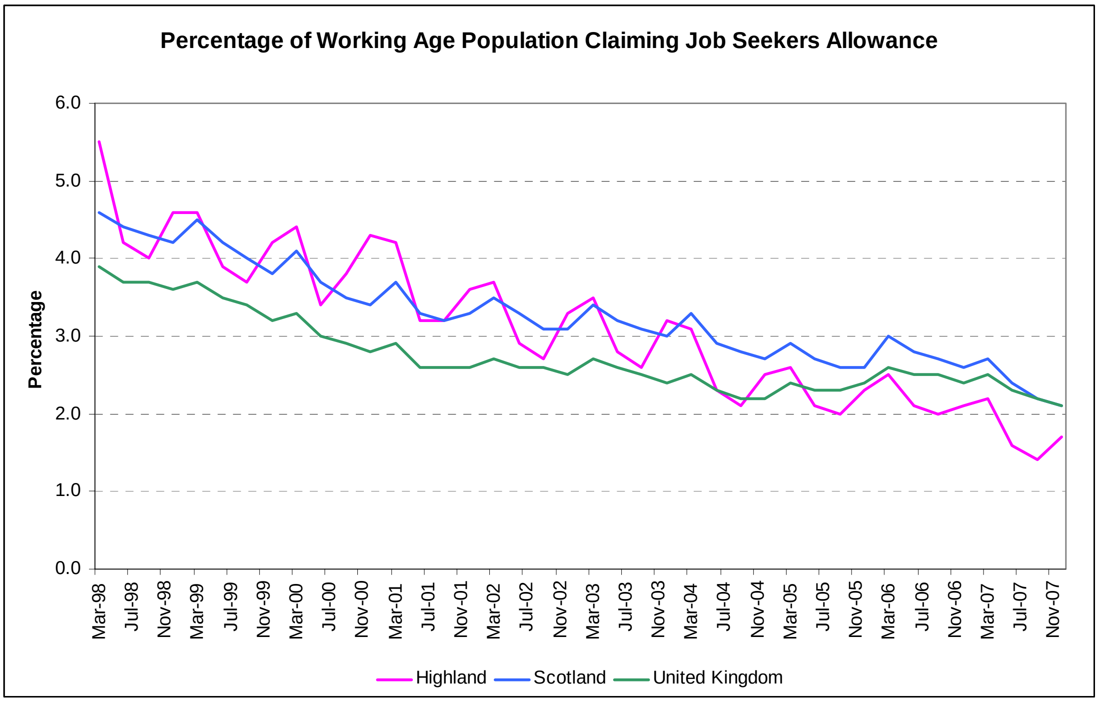
Ref	Data Zone Name
1	Alness Kirkside
2	Alness Teaninich
3	Fort William Plantation
4	Invergordon Strath Avenue
5	Inverness Central & Longman
6	Inverness Hilton West
7	Inverness Merkinch East
8	Inverness Merkinch North
9	Inverness Merkinch South
10	Inverness Merkinch Telford
11	Inverness Raigmore North
12	Inverness South Kessock
13	Milton & Kildary
14	Seaboard South
15	Wick Hillhead North
16	Wick Pulteneytown South
17	Wick South

Seventeen datazones in Highland are in the 15% most deprived datazones in Scotland, and are classed as multiply deprived areas.
They are listed in alphabetical order.

7.2 Unemployment and Benefits

7.2.1 Job Seekers Allowance

The unemployment rate in Highland, measured using the ILO definition, fell from 6.9% in 1998 to 2.4% in 2007 (Table E1). A more useful measure is the number of people claiming Job Seekers Allowance (JSA), which is available monthly for small areas. Figure E8 below shows that unemployment in Highland is highly seasonal, and local statistics show that that some parts of Highland – particularly Skye and the west coast – have some of the most marked seasonal variations in the UK. The percentage of the working age population in Highland claiming JSA fell from around 5% in 1998 (around the average for Scotland overall but well above the rate for the UK) to 2% in 2007 (below both the Scotland and UK rates).



The percentage of people claiming JSA is not consistent across Highland and Table E9 shows the claim rate in each of the eight former areas in 1998 and 2007. In general the pattern of change has been consistent between areas:

- Sutherland and Skye and Lochalsh had the highest claim rate in both 1998 (8.8% and 6.6% respectively) and 2007 (each 3.2%).
- Badenoch & Spey had the lowest claim rate in both 1998 and 2007 (4.5% and 1.5% respectively).
- At a local level, the highest rates tend to be in deprived urban areas, but the highest claim rates by area in 2007 were in Sutherland, Skye & Lochalsh and Caithness showing relatively high levels of unemployment in rural areas.

Table E9: Percentage of Working Age Population Claiming Job Seekers Allowance 1998 and 2007, by Area

	March 1998	March 2007
Badenoch & Strathspey	4.5	1.5
Caithness	5.8	3.0

Inverness	4.7	1.6
Lochaber	4.7	2.1
Nairn	4.8	1.7
Ross & Cromarty	5.2	2.1
Sutherland	8.8	3.2
Skye & Lochalsh	6.6	3.2
Highland	5.3	2.1
Source: NOMIS / GROS Small Area Population Estimates		

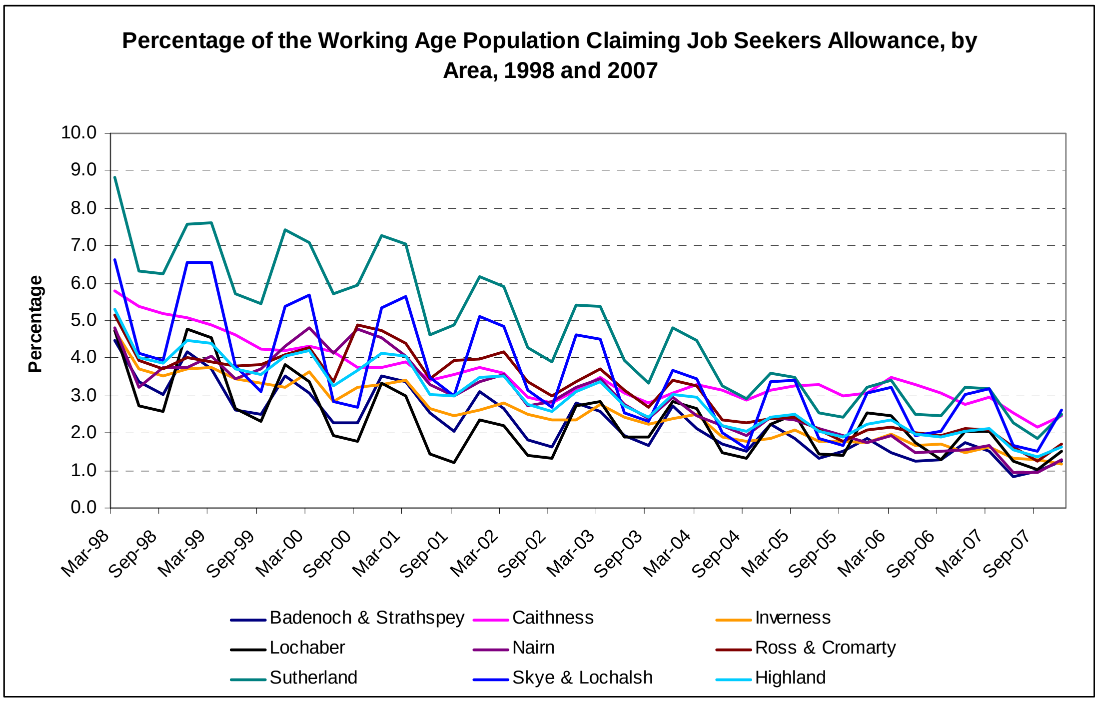
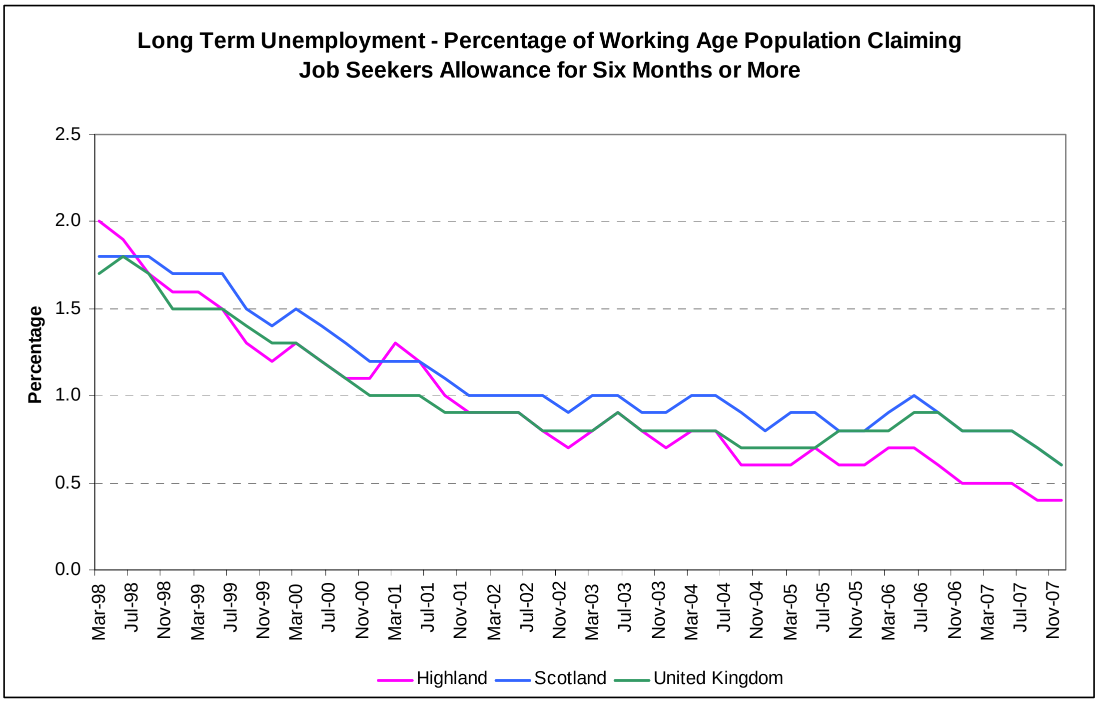
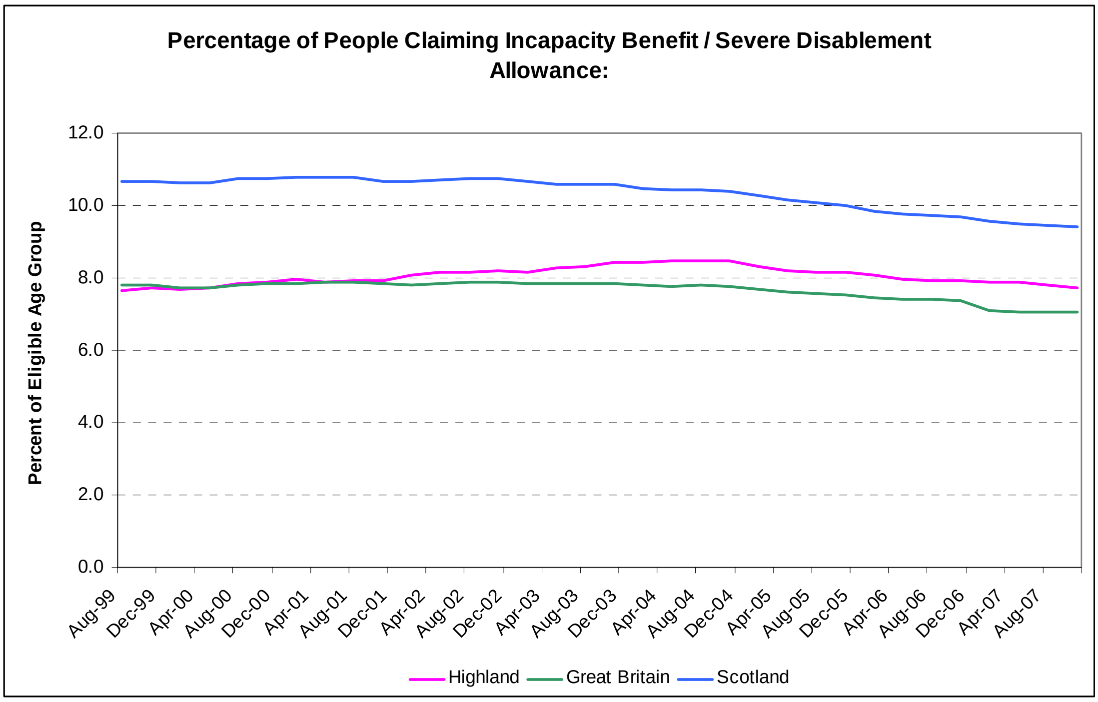


Figure E10 below shows that long term unemployment (measured as the percentage of the working age population claiming JSA for six months or more) in 1998 was slightly higher than in Scotland and the UK overall but it fell during the period and was significantly lower in 2007.



7.2.2 Incapacity Benefit / Severe Disablement Allowance (IB/SDA)

Over the past two decades or so Government policy has been to move many unemployed people from unemployment benefits to incapacity benefits, and policies have now switched to identifying those on incapacity benefits who could be supported back into work. Figure E11 below shows that the percentage of people in Highland claiming IB/SDA has been steady at around 8% compared with modest reductions in Scotland and Great Britain overall between 1998 and 2007.


Percentage of People Claiming Incapacity Benefit / Severe Disablement Allowance:
Percent of Eligible Age Group
12.0
10.0
8.0
6.0
4.0
2.0
0.0
Aug-99
Dec-99
Apr-00
Aug-00
Dec-00
Apr-01
Aug-01
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Apr-06
Aug-06
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Highland
Great Britain
Scotland

APPENDIX A: BIBLIOGRAPHY

TOPIC	Report	Link
Access	Highland Access Strategy	http://www.highland.gov.uk/NR/rdonlyres/888880BB-63EF-48EF-ADC2-86407AD1C8A3/0/Access_Strategy.pdf
Access	Draft Sutherland Core Paths Plan	http://www.highland.gov.uk/FJ_CMS/Templates/Standard.aspx?NRMODE=Published&NRNODEGUID=%7b915BB9A3-4177-47ED-B724-D295723C94F2%7d&NRORIGINALURL=%2fleisureandtourism%2fwhat-to-see%2fcountrysideaccess%2fcorepathplans%2ehtm&NRCACHEHINT=NoModifyLoggedIn#sutherland
Access	Draft Lochaber Core Paths Plan	http://www.highland.gov.uk/FJ_CMS/Templates/Standard.aspx?NRMODE=Published&NRNODEGUID=%7b915BB9A3-4177-47ED-B724-D295723C94F2%7d&NRORIGINALURL=%2fleisureandtourism%2fwhat-to-see%2fcountrysideaccess%2fcorepathplans%2ehtm&NRCACHEHINT=NoModifyLoggedIn#lochaber
Access	Draft Ross and Cromarty Core Paths Plan	http://www.highland.gov.uk/FJ_CMS/Templates/Standard.aspx?NRMODE=Published&NRNODEGUID=%7b915BB9A3-4177-47ED-B724-D295723C94F2%7d&NRORIGINALURL=%2fleisureandtourism%2fwhat-to-see%2fcountrysideaccess%2fcorepathplans%2ehtm&NRCACHEHINT=NoModifyLoggedIn#rossandcromarty
Access	Draft Skye and Lochalsh Core Paths Plan	http://www.highland.gov.uk/FJ_CMS/Templates/Standard.aspx?NRMODE=Published&NRNODEGUID=%7b915BB9A3-4177-47ED-B724-D295723C94F2%7d&NRORIGINALURL=%2fleisureandtourism%2fwhat-to-see%2fcountrysideaccess%2fcorepathplans%2ehtm&NRCACHEHINT=NoModifyLoggedIn#skyeandlochalsh
Access	Draft Caithness Core Paths Plan	http://www.highland.gov.uk/FJ_CMS/Templates/Standard.aspx?NRMODE=Published&NRNODEGUID=%7b915BB9A3-4177-47ED-B724-D295723C94F2%7d&NRORIGINALURL=%2fleisureandtourism%2fwhat-to-see%2fcountrysideaccess%2fcorepathplans%2ehtm&NRCACHEHINT=NoModifyLoggedIn#caithness
Access	Draft Inverness and Nairn Core Paths Plan	http://www.highland.gov.uk/FJ_CMS/Templates/Standard.aspx?NRMODE=Published&NRNODEGUID=%7b915BB9A3-4177-47ED-B724-D295723C94F2%7d&NRORIGINALURL=%2fleisureandtourism%2fwhat-to-see%2fcountrysideaccess%2fcorepathplans%2ehtm&NRCACHEHINT=NoModifyLoggedIn#invernessandnairn
Aquaculture	Fisheries Development Strategy	
Aquaculture	Draft Loch Nevis Aquaculture Framework Plan (2009)	http://www.highland.gov.uk/NR/rdonlyres/1AF539ED-7C9B-4712-BD12-B3E00436C684/0/LochNevisAFPFinaldraft.pdf
Aquaculture	Loch Sunart Framework Plan (2004)	http://www.highland.gov.uk/NR/rdonlyres/9676B889-D077-4B70-8706-0AF9EBAE3720/0/loch_sunart_september_2004.pdf
Aquaculture	Loch Bracadale Framework Plan (2002)	http://www.highland.gov.uk/NR/rdonlyres/E39A4B21-93E9-4D72-B9EA-B63DC15E823A/0/loch_brac_frame_oct02.pdf
Aquaculture	Loch Hourn Framework Plan (2001)	http://www.highland.gov.uk/NR/rdonlyres/30052C49-4E27-4254-B446-1BABE15A9833/0/loch_hourn_final.pdf
Aquaculture	Loch Inchard Framework Plan	http://www.highland.gov.uk/NR/rdonlyres/46253DC4-CE3F-4A4E-8163-9008BD408257/0/loch_inchard_full_doc.pdf
Aquaculture	Loch Eriboll Aquaculture Framework Plan (2000)	http://www.highland.gov.uk/NR/rdonlyres/2CB074AD-09D5-4D79-AE64-B76C233CB1CF/0/eriboll_aug2000_full_doc.pdf
Biodiversity	Peatlands of Caithness and Sutherland Management Strategy	

Biodiversity	Caithness Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/caithness/caithness.php
Biodiversity	Sutherland Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/sutherland/sutherland.php
Biodiversity	Wester Ross Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/wester_ross/wester_ross.php
Biodiversity	Ross and Cromarty East Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/ross_cromarty/ross_cromarty.php
Biodiversity	Skye and Lochalsh Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/skye_lochalsh/skye_lochalsh.php
Biodiversity	Lochaber Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/lochaber/lochaber.php
Biodiversity	Inverness and Nairn Local Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/inverness_nairn/inverness_nairn.php
Biodiversity	Badenoch and Strathspey Biodiversity Action Plan	http://www.highlandbiodiversity.com/htm/counties/badenoch_strathspey/badenoch_strathspey.php
Community Planning	Community Plan (Well Being Alliance)	Superseded by Single Outcome Agreement
Community Planning	Single Outcome Agreement 2 (2009) (effectively replaces previous Community Plan)	http://www.highland.gov.uk/yourcouncil/soa/
Community Planning	Highland Council Ward Profile web pages	http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/ward-statistics.htm
Community Planning	RSE Inquiry into the Future of Scotland's Hill and Island Areas - Highland Council Response	http://www.highland.gov.uk/NR/rdonlyres/9035190A-E924-47E9-A4D9-DB4C8EA30D30/0/Item14Ped1007.pdf
Economy	A Smart, Successful Highlands and Islands (Highlands and Islands Enterprise, 2005)	
Economy	Inner Moray Firth Ports and Sites Strategy 2006	http://www.highland.gov.uk/businessinformation/economicdevelopment/economicdevelopmentprojects/innermorayfirthportsandsitesstrategy.htm
Economy	Highland Area Tourism Strategy (partnership strategy)	http://www.highland.gov.uk/NR/rdonlyres/7F964032-4AD9-42F6-98A5-1635B55960B9/0/highland_strategy_final.pdf
Economy	Dounreay Planning Framework	http://www.highland.gov.uk/NR/rdonlyres/9BD46CFC-EC42-4D95-937A-E794734A5123/0/dpffinaljan2006web.pdf
Economy	Highland Council Unemployment Monitoring web pages (also includes other	http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/benefitsandunemployment/

	DWP benefits)	
Economy	HIE Operating Plan 2008 - 2011	http://www.hie.co.uk/HIE-Publications-2008/HIE%20Operating%20Plan%202008-11.pdf
Economy	HIE Area Economic Profiles 2007	http://www.hie.co.uk/hie-area-and-lec-area-economic-profiles-2007.html
Economy	Review of Tourism Spend 2009	http://www.highland.gov.uk/NR/rdonlyres/B503271D-84D8-4454-BD3F-7C67C8AD6E3A/0/TheHighlandCouncilReviewofTourismSpendReport.pdf
Economy	Caithness & North Sutherland Regeneration Strategy 2006 and subsequent updates	http://www.cnsrp.org.uk/downloads/
Economy	Fragile Areas (Highland Council)	http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/deprivationandfragility/default.htm
Forestry	Highland Forest and Woodland Strategy	http://www.highland.gov.uk/yourenvironment/agriculturefisheriesandforestry/treesandforestry/highland-forest-and-woodland-strategy.htm
Forestry	Highland Forestry and Woodlands Strategy	http://www.highland.gov.uk/yourenvironment/agriculturefisheriesandforestry/treesandforestry/highland-forest-and-woodland-strategy.htm
Health	NHS Highland Annual Report 2007-08	http://www.nhshighland.scot.nhs.uk/Publications/Documents/Reports/AnnualReport%200708%20FINAL%20020209.pdf
Flooding	SEPA Flood Map	http://www.sepa.org.uk/flooding/flood_map.aspx
Housing	Highland Gypsy and Traveller Action Plan (2008)	http://www.highland.gov.uk/NR/rdonlyres/CCA41F58-F777-4AAF-8457-77123DF03E7E/0/gypsytravellerplan2008.pdf
Housing	Housing Highland's Communities: Local Housing Strategy (2006) - 2007 update report	http://www.highland.gov.uk/NR/rdonlyres/1CF70BD0-DFC6-4FE9-9CC2-275039C8B15F/0/housingstrategyupdateaugust2007.pdf
Housing	Sheltered Housing Review 2004	http://www.highland.gov.uk/NR/rdonlyres/F2B3D29E-C205-4590-9315-41D864BFDEC9/0/shelteredhousingreport.pdf
Housing	Highlands Strategic Housing Investment Plan 2008	http://www.highland.gov.uk/NR/rdonlyres/41B18598-5835-4CB6-8A31-9C8D4D338935/0/highlandship2008final.pdf
Housing	Highlands Housing Needs Study 2003 (new needs assessment in preparation)	http://www.highland.gov.uk/NR/rdonlyres/34C8F740-8094-4B24-9CDE-D4E3C67DA974/0/main_report.pdf
Local Plans	The Highland Council's Planning for Sustainability in the Highlands DPPG (2006)	http://www.highland.gov.uk/NR/rdonlyres/32586135-70EC-40E3-8F7B-DE45B158B501/0/designingforsustainabilityinthehighlandsnov2006.pdf
Local Plans	The Council's Contaminated Land Inspection Strategy	http://www.highland.gov.uk/NR/rdonlyres/78982B46-AE0C-4EDE-B4FA-D57E21D1D7CC/0/contaminatedlandinspectionstrategyoctober2001.pdf

	(2001)	
Local Plans	City of Inverness Greenspace Strategy	http://www.highland.gov.uk/yourcouncil/news/newsreleases/2007/October/2007-10-11-01.htm
Local Plans	A96 Corridor Master plan	http://www.highland.gov.uk/businessinformation/economicdevelopment/regeneration/a96-corridor-masterplan.htm
Local Plans	Badenoch and Strathspey Local Plan	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/badenochandstrathspeylocalplan.htm
Local Plans	Inverness Local Plan	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/inverness-local-plan.htm
Local Plans	Ross and Cromarty East Local Plan	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/ross-and-cromarty-east-local-plan.htm
Local Plans	Wester Ross Local Plan	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/wester-ross-local-plan.htm
Local Plans	Sutherland Local Plan (South and East Sutherland Local Plan, North West Sutherland Local Plan and Golspie and Lairg Local Plan (part))	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/sutherlandfutures.htm
Local Plans	Caithness Local Plan	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/caithness-local-plan.htm
Local Plans	West Highland & Islands Local Plan (Lochaber Local Plan, Skye & Lochalsh Local Plan and Badenoch & Strathspey Local Plan (part))	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/whilp.htm
Local Plans	Nairnshire local Plan	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/localplans/nairn-local-plan.htm
Local Plans	Supplementary Planning Guideline on Residential Development Layout and Design	
Local Plans	Supplementary Planning Guideline on Developer Contributions	
Local Plans	Open Space in New Residential Development: Interim Supplementary Guidance	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/osspg.htm
Local Plans	Education and New Residential Development: Interim Supplementary Guidance (consultation)	http://www.highland.gov.uk/yourenvironment/planning/developmentplans/developmentplanpolicyguidance/education-and-new-residential-developments.htm
Local Plans	Interim Housing in the	http://www.highland.gov.uk/NR/rdonlyres/6C49BDC8-2043-47F9-BC1F-963F5F96F55E/0/hicapril2009.pdf

	Countryside Supplementary Guidance	
Local Plans	Highland Council Housing Land Audit 2007	http://www.highland.gov.uk/yourcouncil/highlandfactsandfigures/housinglandaudit/
Local Plans	Cairngorm National Park - Local Plan plus accompanying information	http://www.cairngorms.co.uk/planning/localplan/
Renewable Energy	Highland Renewable Energy Strategy and Planning Guidelines (2006) (currently being reviewed and will be replaced with SPG for On-Shore Wind Energy Developments)	http://www.highland.gov.uk/NR/rdonlyres/DA6EF327-46B5-4904-8E1D-CD622B103C77/0/hresmay2006.pdf
Renewable Energy	Highland Renewable Energy Strategy	http://www.highland.gov.uk/yourenvironment/planning/energyplanning/renewbleenergy/highlandrenewableenergystrategy.htm
Sustainable Development	Highland Climate Change Strategy	http://www.highland.gov.uk/yourcouncil/news/newsreleases/2007/September/2007-09-07-01.htm
Sustainable Development	Landscape Character Assessments (Various Dates)	http://www.snh.org.uk/wwo/sharinggoodpractice/cci/cci/guidance/Main/Content.htm
Sustainable Development	Natural Natural Heritage Futures Prospectuses and Updates Series (SNH - Various Dates)	http://www.snh.org.uk/strategy/NHF00.asp
Sustainable Development	Marine Spatial Planning - Pentland Firth and Orkney Waters	http://www.marineplanning.com/
Transport	Highland Rail Report 'Room for Growth' HIE (2006)	
Transport	Highland Rail – Traffic Growth Phase 1 Report HIE 2006	www.hie.co.uk/HIE-Transport-related.../Highland-rail-room-for-growth.pdf
Transport	Highland Rail – Traffic Growth Phase 2 Report HIE 2006	
Transport	Draft Highland Council Local Transport Strategy (2009)	http://www.highland.gov.uk/NR/rdonlyres/EDFF774C-4747-4B31-9A29-0BBF85B2038C/0/DraftHighlandLocalTransportStrategy.pdf
Transport	HITRANS - Regional Transport Strategy for the Highlands and Islands 2008	http://www.hitrans.org.uk/Strategy/Strategy.html

Waste	Highland Area Waste Plan (SEPA, 2003)	http://www.sepa.org.uk/waste/waste_publications/area_waste_plans/idoc.ashx?docid=392a305c-ee2d-4e8a-abb6-08005f93d867&version=-1
Waste	The Highland Council Waste data report 2007/08	http://www.highland.gov.uk/NR/rdonlyres/B1A99C69-B1B3-4586-8BC8-CC8684301011/0/20072008AnnualWasteDataReport.pdf
Waste	SEPA - Strategic Waste Management Review for Highland, 2006/07	http://www.sepa.org.uk/waste/waste_data/waste_data_reports/idoc.ashx?docid=b157b732-3344-4ab3-9d38-8429bdaf7930&version=-1
Waste	SEPA Strategic Waste management Review	http://www.sepa.org.uk/waste/waste_data/waste_data_reports/waste_management_reviews.aspx