

**Inner Moray Firth
Proposed Local Development Plan**



**Housing Land Requirement
Background Paper**

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**Pàipear Cùl-fhiosrachaidh airson
Riathanas Talamh Taigheadais**

**Linne Mhoireibh A-staigh
Plana Leasachadh Ionadail air a Mholadh airson**

INNER MORAY FIRTH LOCAL DEVELOPMENT PLAN

BACKGROUND NOTE

HOUSING LAND REQUIREMENT AND THE CONTRIBUTION OF WINDFALL AND METHODOLOGY FOR CALCULATING THE CAPACITY OF HOUSING AND MIXED USE SITES

Introduction

This background note provides analysis on the amount of land for new housing that needs to be provided for in the Inner Moray Firth Local Development Plan (IMF LDP), taking account of our Housing Need and Demand Assessment and the likely future contribution from windfall¹. It uses 20 years as the planning horizon as many of the larger sites are recognised as long term sites which will build out over a long period of time, in some cases in excess of 20 years.

Housing Need and Demand Assessment (HNDA)

The total housing land requirement from our HNDA is shown in the table below², broken down by Housing Market Area (HMA). Note that the requirement includes a 25% margin for flexibility and market choice. This is the amount of housing land that the Council is required to allocate in the IMF LDP, but first we need to subtract the amount of housing likely to be delivered on windfall sites and this is discussed below.

Total Land Requirement (housing requirement plus 25% for flexibility / market choice)				
Housing Market Area	2011-2016	2016-2021	2021-2031	2011 to 2031 Total
Badenoch & Strathspey (part)	8	7	11	26
Inverness	4,727	4,451	6,664	15,842
Nairn	815	747	938	2,501
East Ross	1,107	971	1,206	3,283
Mid Ross	1,122	1,004	1,404	3,530
West Ross (part)	94	85	111	290
IMF	7,872	7,265	10,335	25,472

The requirement for the parts of Badenoch & Strathspey and West Ross within the IMF LDP area has been calculated pro rata to the number of houses in the area (ie if the area contains 5% of the houses in the HMA then the requirement for the area is 5% of the requirement for the HMA overall). The part of Badenoch & Strathspey that is within the IMF LDP area is the remote rural area of Advie (north east of Grantown on Spey) where there have been only three new houses built during the last 13 years, economic growth is low, and we do not wish to focus new housing. The requirement in the table may therefore be an over-estimate. The part of West Ross in the IMF LDP area stretches from the remote rural areas of Strathconon and Garve in the west, through the village of Contin to the more urban settlement of Strathpeffer. The area has seen some growth with an average of 12 new houses per year over the last 13 years, and the requirement figure is considered to be a reasonable estimate.

Historic New House Completions and the Contribution of Windfall

¹ Windfall is new housing built on a site that had not been allocated in a previous Local Development Plan.

² This table is based on tables D2 to D4 in our October 2010 Housing Need and Demand Assessment (pages 107 and 108) which was rebased to 2011 and given as Table 1 in our Highland wide Local Development Plan, April 2012 (page 11).

The table below shows that 10,593 new houses were built in the IMF LDP area between January 2000³ and March 2013. 69% of all completions were on sites that had been allocated in former Local Plans, varying between 48% in the rural West Ross HMA (part) and 78% in Mid Ross. In monitoring planning applications no specific record is kept of whether the permission relates to an allocated or non-allocated site. The figures below have therefore been derived in GIS, comparing the location of a completed house with a composite set of polygons giving land allocated for housing in current and superseded Plans. As always with this type of exercise, there are some qualifications:

- For the East Ross, Mid Ross and Inverness HMAs the former plans identified many large urban areas as “housing” without identifying any specific sites within them. In these areas, any completion that falls within these broad allocated areas is taken as being on an allocated site and the net result is probably that the number and percentage of completions on allocated sites are a slight over-estimate.
- For Nairn the allocations in the former Plan were explicit but did not include the pre-2000 Plan allocations, and the local knowledge of Planners working in the area has helped refine the estimates.
- 73 completions at the Westercraigs site have been counted as being on an allocated site to avoid double counting, as it will be an allocated site in the IMF LDP.

New House Completions in IMF LDP Area January 2000 to March 2013 Inclusive				
Housing Market Area	All Completions	Number of Completions on Allocated Sites	Percentage of Completion on Allocated Sites	Number of Windfall Completions per Year
Badenoch and Strathspey (part)	3	0	0	0.2
East Ross	1,116	675	60	33
Inverness	6,746	4,758	71	150
Mid Ross	1,584	1,241	78	26
Nairn	976	677	69	23
Ross and Cromarty West (part)	168	80	48	7
IMF Plan Area	10,593	7,362	69	244

Population and housing growth in Highland are related to underlying economic conditions with periods of growth linked to growth in the wider UK economy. The UK economy itself is often considered to be cyclical with a period of between 10 and 20 years. The 13 year period used in this table includes a period of relative stagnation (2000 to 2003); a period of rapid economic growth (2004 to 2008); followed by a recession and another period of stagnation (late 2008 to 2013). This is effectively one economic cycle and the figures above are therefore considered to be from a period during which the economic conditions are representative of those we might expect to see in the long term.

There are three areas of policy change that have the potential to change the delivery of windfall:

- Changes to the definition of Settlement Development Areas will move 26 sites with a capacity of 572 houses from allocations to windfall.
- The move to design based criteria for housing in the countryside has only just been implemented but no major impact on numbers is anticipated.

³ The Council’s detailed records of completions in GIS start in January 2000: prior to this, aggregated annual totals for each of the eight former district council areas are available but windfall is not identified in the aggregates.

- The presumption against allocated sites outside SDAs and the use of general policies in rural areas will result in a shift from delivery on allocated sites to windfall in rural areas.

The impact of these changes will be monitored and the results taken into account in future Plans but we do not propose to make any adjustment to the figures above at this stage.

The figures for windfall completions per year given in the table above are therefore representative of long term trends and have been used to define the housing that must be delivered on allocated sites.

Windfall Completions from April 2011 to March 2013

Completions during 2011/12 and 2012/13 are being examined in detail as part of an update to our Housing Land Audit which is on-going at the time of writing this note: one final phase of work is not complete and the figures in the table below may be subject to minor change in the final HLA. The percentage of completions on windfall sites is also given and provides useful contextual background to the impact of the credit crunch and subsequent economic stagnation (although they are not recommended for use in planning as the figures given above are more representative of long term conditions). The table below shows that over the two year period there were 1,110 completions in the IMF Plan area. Windfall⁴ has proved reasonably resilient with 172 per year compared with the long term average of 244 per year.

House Completions in IMF Plan Area April 2011 to March 2013 Inclusive					Long Term Percentage of Completions on Allocated Sites (2000 to 2013)
Housing Market Area	All Completions	Number of Completions on Allocated Sites	Percentage of Completion on Allocated Sites	Number of Windfall Completions	
Badenoch and Strathspey	0	0	-	0	0
East Ross	124	81	65	43	60
Inverness	656	423	64	233	71
Mid Ross	259	222	86	37	78
Nairn	50	33	66	17	69
Ross and Cromarty West	21	7	33	14	48
IMF Plan Area	1,110	766	69	344	70

Capacity of Consented Windfall Sites

The table below is provided to give context and shows the consented capacity on windfall sites in the IMF Plan area at the time of our 2010 Housing Land Audit. It shows that currently consented windfall has the potential to deliver 507 houses per year. This figure is not strictly comparable to the 13 year actual delivery from windfall given above (244 per year) but implies that around half of windfall consents result in a house being built.

HMA	Current Windfall (total houses)	Current Windfall (per year) ⁵
East Ross	404	93
Inverness	1,080	260

⁴ Westercraigs has been treated as an allocated site to be consistent with the earlier figures.

⁵ The consented total has been converted to an annual average at each site by dividing the total by the number of years for which the consent is valid (3 or 5 years)

Mid Ross	312	79
Nairn	218	56
West Ross	70	19
Grand Total	2,085	507

Conclusion

In the light of the above, the requirement for housing on allocated sites in the IMF LDP should take into account an average of 244 windfall completions per year distributed across the Housing Market Areas as shown in the table above.

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METHODOLOGY FOR CALCULATING CAPACITY OF HOUSING AND MIXED USE SITES

Background

Scottish Planning Policy (2010) requires planning authorities to promote efficient use of land and buildings. It states that density should be determined in relation to the character of the place and its relative accessibility, with higher densities appropriate at central and accessible locations.

Prior to devising this methodology housing densities on a number of reasonably sized housing developments across Highland were examined. The findings provided useful background information on the range of densities that were being delivered on a variety of sites. It found that around 20 units per hectare were being delivered on average across the Highland area.

This note provides an explanation of the methodology used by officers calculating the indicative capacity of individual housing and mixed use sites allocated in the Inner Moray Firth Local Development Plan.

Methodology

The capacity for each housing and mixed use site (where housing is included as an acceptable use) contained in the plan must be stated. The following steps should be followed to determine the site capacity:

1. Check if the site already has planning permission or is minded to grant subject to the conclusion a legal agreement - if so use the number of units permitted/minded to permit
2. If a planning application is pending on site the site, check the number of units applied for. Try to ascertain what is holding up the application and check with the case officer if the application and number of units proposed is likely to be acceptable – if so use the number of units applied for
3. If the site is allocated in the Highland-wide Local Development Plan use this capacity figure unless there has been any changes since the time of adoption, for example planning permission has been granted or the area of the site is proposed to change etc.
4. If there is no history of planning applications on the site check if the landowner/developer/agent submitted any likely capacity information previously during the Call for Sites or Main Issues Report consultation – if the proposed layout/capacity seems reasonable use this figure – however also cross check with the methodology below
5. If the site is allocated in an existing local plan, review this capacity in comparison to the methodology below

Capacity Calculation Methodology for Housing Sites with no Planning Application History/Not in HwLDP

1. Use GIS to calculate the site area
2. Subtract any areas of the site that are clearly undevelopable – for example areas that are constrained by excessive slope, water courses, tree preservation orders/inventory woodland, pylons/overhead lines etc.
3. Determine whether the site is suitable for low, medium or high density development based on the guidance below

4. Multiply the potentially developable area of the site by the appropriate density figure to determine the capacity of the site

Mixed Use Sites

1. Where there is no planning history and no master plan has been submitted previously indicating the likely scale and mix of uses use the following methodology to calculate the likely housing capacity of the site
2. Assume the site area taken up by particular uses on a site based upon housing being the highest land user of a site and dependant on the number of uses proposed for the site (based upon the uses stated in the IMF Local Development Plan MIR or uses likely to be supported in the Proposed Plan if a change is proposed).
3. Calculate the area proposed for housing based on the proportion of land use assumptions in the table below
4. Use methodology as per the methodology for *Housing Sites with no Planning Application History/Not in HwLDP* described above

Number of Uses	% of site developed as housing
2	80%
3	70%
4	60%
5	50%

Density Ranges

Consistent with Scottish Planning Policy and densities across Highland, a density range below was selected dependant on the character of the place and its relative accessibility. However it is accepted that these density figures may not be appropriate for all development sites, officers should their professional judgement for certain sites, for example city centre sites where higher density may be appropriate or sites affected by certain constraints where lower density may be appropriate.

Density	Units per hectare	Criteria
High	30	<ul style="list-style-type: none"> • Within/close to town centres or a range of neighbourhood facilities; or • Accessible locations, for example within 400m distance of good public transport connections; or • Within/close to other areas characterised by high density housing
Medium	20	<ul style="list-style-type: none"> • Generally suitable for most suburban sites that do not fit the criteria for high density
Low	10	<ul style="list-style-type: none"> • Where the settlement/parts of the settlement is characterised by low density development • Development capacity is limited due to constraints such as the impact on the setting of a listed building and/or conservation area; presence of trees etc.

Implementation

It is recognised that whilst this methodology provides a clear approach to identifying an indicative capacity, the housing yield from development sites may alter as a result of the masterplanning and/or pre-application and application process.