



MIDLOTHIAN LOCAL DEVELOPMENT PLAN: HOUSING LAND SUPPLY UPDATE

Report by Head of Communities and Economy

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to update the Committee on the state of the housing land supply in Midlothian and to highlight the impact of the allocated housing sites in the Proposed Midlothian Local Development Plan (MLDP) will have on the established land supply.

2 BACKGROUND

- 2.1 House building makes an important contribution to the local economy and to creating well designed and successful places. Scottish Planning Policy (SPP) sets out the Government's policy position on enabling new housing development and its support for delivering new housing development across the country but particularly in the cities network where there is continuing pressure for growth. Planning has a key role to play by providing a positive land use planning and policy framework to support housing development.
- 2.2 The housing land requirement for Midlothian is informed by a Housing Need and Demand Assessment (HNDA) which is prepared as part of the strategic development plan process (SESplan) and covers the whole SESplan area; data is provided for each local authority area and each housing market area. A Housing Supply Target (HST) is then calculated based on the outcomes of the HNDA and a margin of flexibility of between 10 – 20% (a requirement introduced by SPP 2014) is added to this (to ensure a generous supply of housing land is provided) to make up the overall housing land requirement for the plan period. The HNDA represents an estimate of housing need over the strategic plan period and the HST represents a policy view of how much additional housing could be provided over that period. It takes account of the outcomes of the HNDA process but also considers other environmental, economic and planning factors including capacity within the construction sector, the scale and pace of delivery, committed development, recent development levels and the availability of resources.
- 2.3 The Strategic Development Plan (SDP) identifies the amount and broad locations of housing land to be identified in local development

plans to meet the strategic requirement up to year 12 from the expected year of plan approval as well as an indication of the possible scale and location of housing land beyond year 12 and up to year 20.

- 2.4 The Midlothian Local Development Plan allocates a range of sites which are effective or are expected to be effective in the plan period to meet the SESplan housing requirement up to year 10 from the expected year of adoption (usually with 2 years of the adoption of the SDP).
- 2.5 The housing land supply is monitored annually by the housing land audit process (prepared in consultation with Homes for Scotland) and is revised every 5 years in line with the development plan review timescales. Councils are required to maintain at least a 5-year supply of effective housing land at all times. An effective land supply is the part of the established housing land supply which is free of development constraint in the period under consideration and will therefore be available for the construction of housing. Where a shortfall in the supply emerges, the development plan policies relating to housing will not be considered up-to-date. In these cases SPP advises that the presumption in favour of development will be a significant material consideration in the determination of planning applications for housing.
- 2.6 The housing land requirement can be met from a number of sources including sites from the established supply (sites identified from previous plans) which are effective or expected to become effective in the plan period, sites with planning permission, proposed new land allocations and, in some cases, a proportion of windfall development.

3 DEVELOPMENT PLAN POSITION

- 3.1 The development plan for Midlothian comprises the SESplan strategic development plan (SDP) approved by Scottish Ministers in June 2013 and the Midlothian Local Plan adopted in 2008. SESplan Policy 5 (Housing Land) identifies a requirement for sufficient housing land to be allocated so as to enable 107,545 houses to be built across the SESplan area in the period 2009 to 2029, of which 74,835 houses are required for the period 2009 to 2019. Supplementary guidance was adopted in October 2014 to provide detailed further information for local development plans (LDPs) as to how much of that requirement should be met in each of the six SESplan Council areas. This states the housing land requirement for Midlothian for 2009-2019 as 8,080 units, with a further 4,410 units between 2019 and 2024.
- 3.2 The Midlothian Local Plan 2008 allocated sites to deliver an indicative 2,340 houses.
- 3.3 Sites allocated in the 2003 Midlothian Local Plan and Shawfair Local Plan which were not built prior to the adoption of the 2008 Midlothian Local Plan also contribute to Midlothian's housing land supply as committed sites. This includes sites such as Shawfair, Hopefield,

Wester Cowden/Thornbank, Kippielaw, the north west Penicuik sites (Greenlaw and Deanburn), the Gorebridge sites (Harvieston, Newbyres, North Gorebridge Vogrie Road and Stobhill) and South Mayfield. In total over 8,600 dwellinghouses.

- 3.4 The proposed Midlothian Local Development Plan (MLDP) seeks to deliver a further indicative 4,350 units (this figure includes potential additional development opportunities) and identifies sites for longer term safeguarding.
- 3.5 For the period 2009 – 2014 SESplan identifies a total of 12,490 dwellinghouse should be delivered in Midlothian. Midlothian's adopted plan and proposed MLDP seeks to deliver an indicative 15,290 dwellinghouses (excluding windfall opportunities), a figure in excess of the SESplan requirement. If the additional housing opportunities referenced in paragraph 3.4 do not come forward the housing supply figure will be an indicative 14,680 rather than 15,290. The housing land supply figure fluctuates over time as dwellings are built and new sites become available.

4 MIDLOTHIAN HOUSING LAND SUPPLY

- 4.1 The overall housing land supply consists of all the housing sites identified in the HLA that have been allocated through previous local plans, that are proposed through emerging local plans or are windfall developments (sites which were not known about at the time the plan was being prepared). The effective land supply consists of all the sites in the HLA that are deemed to be free of constraints and satisfy the criteria in Planning Advice Note 2/2010 (see appendix A). Sites affected by constraints which cannot be overcome in time to contribute to the housing land requirement (during the plan period) are not considered effective.
- 4.2 The effective housing land supply in Midlothian is currently 9,883 (as of 31 March 2015, draft HLA15). HLA 15 does not include the allocations identified in the Proposed MLDP as the publication date of the plan did not coincide with those of HLA 15. They will be incorporated into the 2016 audit. The Proposed MLDP allocations are identified to meet the SESplan SDP1 requirements set in 2013 and amended in 2014. They represent a higher supply of housing land than is required by the HNDA to meet Midlothian's own needs and by the SDP requirement, but reflects the expectation that Midlothian will seek to meet housing need across all tenures, as well as recognising the economic development benefits of a strong and sustained house building sector.
- 4.3 In the initial plan period from 2009 – 2019 the impact of the Proposed MLDP will be to increase the overall housing land supply in Midlothian from 9,883 to 13,598 dwellings.
- 4.4 The HLA provides a mechanism to monitor the progress of housing development and to review the effective five year housing land supply. Each housing land audit includes an estimated programme of house

completions for 5 years as well as an indication of likely completions in years 7 and 8 beyond for the remainder of the plan period. The programming is agreed with Homes for Scotland and/or the house builder associated with the particular site. Each year the audit moves the 5 year effective supply period forward by one year.

- 4.5 An appeal decision against non determination of a planning permission in principle application (14/00420/PPP) for residential development and associated infrastructure on land north and south of Lasswade Road, Eskbank was reported to the Committee at its meeting in January 2016. The appeal was upheld. The Scottish Government Reporter upheld the appeal after considering the proposed development accords with the provisions of the development plan on the basis that Midlothian Council does not have an effective five year land supply. This was based on the Council's 2014 HLA. However, it did not consider the stated supply of 9,883 dwellinghouses but instead considered the Council had the potential to deliver 4,351 dwellings, which was identified as the likely figure to be built in the coming 5 year period.
- 4.6 Since the appeal a draft 2015 HL A has been prepared which demonstrates that the Council has an effective housing land supply. The land supply is dependent on the house building industry building houses on the sites granted planning permission or allocated in the adopted 2008 Midlothian Plan. The sites in the proposed MLDP will be included in the 2016 HLA.

5 SUMMARY

- 5.1 The report outlines the position with regard Midlothian's housing land supply and demonstrates that through the Strategic and Local Plan process Midlothian is allocating sufficient sites to meet its housing demand. Furthermore, sufficient sites are becoming available 'free from constraint' to develop and that the rate of house construction in Midlothian is governed by the rate of build undertaken by the house building industry and the local housing market.

6 RECOMMENDATION

- 6.1 The Committee is recommended to note the contents of the report for its information.

Ian Johnson
Head of Communities and Economy

Date: 23 February 2016
Contact Person: Peter Arnsdorf, Planning Manager
peter.arnsdorf@midlothian.gov.uk
Tel No: 0131 271 3310

Background Papers:

Appendix A – Criteria for assessing the effectiveness of housing sites.

55. The effectiveness of individual sites should be determined by planning authorities in the light of consistent interpretation of the following criteria and through discussions with housing providers. The aim is to achieve a realistic picture of the available effective land supply which can contribute to the housing requirement so that the level of additional housing, and therefore land needed to meet the overall requirement, can be established. To assess a site or a portion of a site as being effective, it must be demonstrated that within the five-year period beyond the date of the audit the site can be developed for housing (i.e. residential units can be completed and available for occupation), and will be free of constraints on the following basis:

ownership: the site is in the ownership or control of a party which can be expected to develop it or to release it for development. Where a site is in the ownership of a local authority or other public body, it should be included only where it is part of a programme of land disposal;

physical: the site, or relevant part of it, is free from constraints related to slope, aspect, flood risk, ground stability or vehicular access which would preclude its development. Where there is a solid commitment to removing the constraints in time to allow development in the period under consideration, or the market is strong enough to fund the remedial work required, the site should be included in the effective land supply;

contamination: previous use has not resulted in contamination of the site or, if it has, commitments have been made which would allow it to be developed to provide marketable housing;

deficit funding: any public funding required to make residential development economically viable is committed by the public bodies concerned;

marketability: the site, or a relevant part of it, can be developed in the period under consideration;

infrastructure: the site is either free of infrastructure constraints, or any required infrastructure can be provided realistically by the developer or another party to allow development; and

land use: housing is the sole preferred use of the land in planning terms, or if housing is one of a range of possible uses other factors such as ownership and marketability point to housing being a realistic option.