

Local Development Plan Team

Regulatory Services

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Dear Local Development Plans Team,

**Scottish Borders Local Development Plan Main Issues Report**

**Homes for Scotland Representation**

**Introduction**

Homes for Scotland welcomes the opportunity to comment on the Scottish Borders Local Development Plan (LDP) Main Issues Report (MIR) and this letter sets out all comments from Homes for Scotland on the MIR.

**Strategic Development Plan**

In line with Section 16 (6) of the Town and Country Planning (Scotland) Act 1997 (as amended by the Planning etc (Scotland) Act 2006), in preparing an LDP, the planning authority is to “*ensure that the plan prepared is consistent with the strategic development plan”.*

Homes for Scotland is therefore surprised that Scottish Borders Council has taken the decision to prepare, publish and consult on its MIR as the first statutory stage of its new LDP at this time without an approved Strategic Development Plan (SDP) in place. Homes for Scotland believes that the publication of the MIR is premature and when SESplan2 SDP is approved, it will have to be amended accordingly.

The necessary amendments to the number of new homes that require to be delivered over the LDP plan period after the approval of SESplan2 by Scottish Ministers in due course, will substantially change the plan’s course. HFS notes that the Housing Technical Paper states that “*the MIR therefore makes reference to the key parts within the proposed SESplan, and will take account of the new SESplan as required when it is adopted. Once a decision by Ministers is made this Technical Note will be updated and the identified housing land requirement will be addressed within the new LDP*”. There is no indication within Figure 1 or Figure 4 of the MIR as to how the Council will approach this process of updating the LDP in line with the approved SDP, and critically for members of the public and any stakeholders, how the Council intends to consult on these amendments. Will there be an updated MIR published? Or does the Council intend to update the housing numbers and allocations as part of the preparation of the Proposed Plan? Critically, there is no reference at all to how this update will be consulted on.

HFS notes that the MIR is the main stage for engagement in the preparation of an LDP. Once a Proposed Plan has been published, it is the settled will of that authority, therefore there is limited scope for amendment at this stage, despite the opportunity for comment. It is therefore essential that the MIR deals with the HST and HLR for the new LDP and goes on to assess the preferred and alternative ways of delivering this housing requirement through housing allocations. This should not be carried out at Proposed Plan stage.

Indeed, Circular 6/2013: Development Planning states in the section on the LDP Proposed Plan (paragraph 80) that “*planning authorities should be able to demonstrate the underlying reasons for their preferred development locations and policies. This stage should not be used to ‘test the water’: new or controversial elements of plan content should already have been aired at the Main Issues Report stage (at least as reasonable alternatives). If a particular issue or site arises that was not consulted on in the MIR, the planning authority may need to carry out further consultation on that particular issue before publishing its Proposed Plan, if it wants to include it in the plan…”*

We therefore request that the Council provides further detail to all stakeholders and members of the public on how it willprovide appropriate opportunity for any interested party to provide representations on an amended MIR at such time as the SDP is approved and there is clarity on all aspects of detail within the SDP that the LDP is required, by statute, to be consistent with.

City of Edinburgh Council was due to publish its MIR on a similar timescale to the Scottish Borders, however, has taken the decision to delay the finalisation of their MIR and subsequent consultation period until SESplan 2 has been approved by Scottish Ministers. Homes for Scotland supports this approach.

**Planning for Housing**

A key issue for any development plan is the delivery of homes, and this will always form a significant part of any MIR. This section outlines a number of issues with drafting this chapter of the MIR at this stage.

LDP Plan Period

Fundamental to the ‘Planning for Housing’ Chapter of the MIR must be the timeframe covered by the Plan. Paragraph 119 of Scottish Planning Policy requires that an LDP within a city region allocates “*a range of sites which are effective or expected to become effective in the plan period to meet the housing land requirement of the strategic development plan up to year 10 from the expected year of adoption*”.

The Housing Technical Note confirms (page 2, paragraph 3) that the expected year of adoption of the Scottish Borders LDP2 is 2021/22. Therefore, the relevant 10-year plan period for the LDP is 2021/22 – 2030/31. Homes for Scotland does not dispute this, however would note that there may be significant delays to the plan making process as a result of the delays in the approval of SESplan2, therefore a review of the programme of approval of the Scottish Borders LDP may be required to ensure that timescales have not slipped such that the expected year of adoption has now been pushed to 2022/23 meaning the plan period for the LDP would have to be amended to 2022/23 – 2031/32.

SDP Plan Period

Beyond understanding the LDP plan period, it becomes far more difficult to progress with a chapter on ‘Planning for Housing’ without an approved SDP.

It is essential that the plan period for the SDP is understood to allow LDPs to be consistent with this start date, and then plan forward from there to determine the housing requirement up to year 10 from the expected year of adoption.

There are currently a number of different plan periods in front of Scottish Ministers who will be required to make a decision on which will be included in the approved Plan:

1. SESplan2 Proposed Plan sets HSTs and HLRs for the period from 2018-2030
2. The Reporter sets HSTs and HLRs within his conclusions and recommendations in the Examination Report for the period from 2012/13 – 2029/30
3. Homes for Scotland has submitted a statement to the Minister highlighting errors in the Reporter’s conclusions and recommendations which would amend the plan period to 2011/12 – 2029/30; and
4. Homes for Scotland has also submitted a letter to the Minister on a number of key issues within the Reporter’s conclusions and recommendations which also supports the amended plan period of 2011/12 – 2029/30.

The HFS submission to the Minister on SESplan2 regarding the Reporter’s recommendations in the Examination Report is attached to this submission for information.

Housing Supply Target / Housing Land Requirement

Following on from the uncertainty over the SDP plan period, there is also significant uncertainty over the HST and HLR in the absence of an approved SDP. Even discounting the submissions made by HFS to the Minister, there is still a significant difference in the number of homes required by the HLR in the Reporter’s recommendations, compared with the Proposed Plan.

Therefore, without the clarity of an approved SDP, which HLR should be taken into consideration by the LDP, and over what period should we consider this?

**Housing Technical Note**

HFS queries a number of the assumptions made within the Housing Technical Note which support the MIR. The understanding and evidence base for the assumptions made within the Technical Note are key to the plan’s methodology for calculating the number of homes it may or may not have to allocate in the emerging LDP. We request that the Council provides a far more detailed Housing Technical Note to explain in a robust and transparent way how all of the assumptions within the ‘Planning for Housing’ chapter of the MIR have been reached, to allow all parties to be able to analyse these, and comment on their appropriateness.

Established Land Supply

We note that Table 4 sets out the Established Land Supply from the 2017 Housing Land Audit which includes the programmed completions within years 1-7 of the Audit, and also the number of units ‘post year 7’ and constrained land supply and then goes on to use all of these figures in Table 5 as contributions towards the HLR from 2017/18 to 2030/31.

We query the inclusion of all of the post-year 7 land supply and the assumption that this will all contribute towards the requirement to 2030/31 without clarification that all of these homes are able to be delivered by 2030/31. It may be that within Scottish Borders without any major strategic land releases, all of these homes are capable of being delivered by 2031, but this is not clear from the Technical Note.  
  
Further we query the inclusion of all 1,827 homes within the constrained land supply as capable of contributing towards the HLR to 2031. There is no explanation within the Technical Note for this, but it suggests that the assumption has been made that all currently constrained sites can be expected to become effective within the LDP plan period. No evidence is provided to explain how this assumption has been reached, and how the current constraints will be overcome to allow these homes to come forward into the effective supply and be delivered.

Windfall Assumptions

Table 5 of the Housing Technical Note includes windfall assumptions and their contribution to the HLR from 2017-2031. There is no evidence base or explanatory text provided to explain how these windfall assumptions have been reached and what they are based on. From 2017/18 to 2021/22 a windfall assumption of 730 homes has been added, which is an annual average of 146 homes per annum over the 5-year period. From 2022/23 to 2030/31 a windfall assumption of 978 homes has been added, which is an annual average of 109 homes over the 9 years.

Demolition Assumptions

Similar to the windfall assumptions, the Housing Technical Note states that an assumption has been made of 20 demolitions per annum. No explanation is given for this assumption, so it is not clear why the assumption has been set at this level, nor is it possible to scrutinise this level to determine whether or not it is reasonable.

Estimated Completions

Table 8 of the Housing Technical Note sets out a “2-year average for Completions (2016 and 2017 HLA)” for the estimated completions 2017/18 to 2020/21. Again, no explanation has been provided to justify this assumption therefore it is not possible to understand why the authority has taken this approach to estimating completions for the period from 2017/18 to 2020/21, the 4-year period between the last year of known completions from the latest audit, and the expected year of adoption of the Plan.

This is particularly confusing since the Technical Note uses the effective supply from the latest audit in Tables 4 and 5 as the programmed completions which will contribute towards the housing requirement. The estimated completions in Table 8 are some 338 homes less than the programmed completions in the 2017 audit for the same time period. If the Council believes that the estimated completions in Table 8 are more realistic than those programmed in the audit because the audit contains over inflated programmed completions in some years which are unlikely to actually be delivered, then it should not be using the programmed completions from the audit to inform tables 4 and 5, and should instead set out a robust and transparent justification for using this alternative completions assumption in Table 8 instead. It cannot be the case that two tables use one assumption (Tables 4 and 5) whilst Table 8 uses a different assumption. Further clarity and evidence are required to be able to scrutinise the number of homes the Council believes will be completed between 2017/18 and 2020/21.

Contributions to the Requirement

The issue of an inconsistent approach to the methodology for estimating completions results in Table 10 of the Housing Technical Note being flawed. This table sets out total contributions to the housing requirement from 2017/18 – 2030/31 therefore is a key piece of the Council’s evidence to support the LDP.

Amongst other contributions, this table includes a potential land supply figure from the 2017 housing land audit (as set out in Table 4) and then subtracts an estimate of completions from 2017/18 to 2020/21 (as set out in Table 8). Because these two figures are based on different instead of matching assumptions, it means that more homes are estimated as contributing towards the requirement than will be subtracted in the assumption on completions for the same time period. This methodology is not explained anywhere in the Technical Note and is flawed. Given the importance of this table to the decision on the number of homes that are required to be allocated for the emerging LDP, it must be based on a robust methodology. Instead, the table is based on unevidenced assumptions of windfall and demolitions from 2017/18 to 2030/31 as well as a flawed methodology for the assumption on the number of homes that will contribute towards the requirement from 2017/18 to 2020/21 and the number of estimated completions within this same timeframe. HFS believes table 10 should be reduced by at least 338 units, and potentially more pending the ability to scrutinise a more transparent evidence base.

**Housing Land Allocations**

HFS would support a range of sizes and locations of sites being allocated within the emerging LDP to support different scales of home builders from small scale home builders, to larger home builders. This would allow a range and choice for the delivery of new homes. An over reliance on smaller scale sites will not allow meaningful and sustained housing growth in the Borders to be achieved to help build communities and stabilise the population. This requires some larger sites as part of the range of allocations.

HFS does not support the consultation on preferred and alternative allocations within the MIR at this stage in the absence of an approved SDP and clarity on the number of new homes required. Furthermore, given the level of uncertainty over the methodology within the assumptions in the Housing Technical Note, we question the accuracy on all levels of the housing numbers provided within both the MIR and the Technical Note.

**Housing Policies**

At such time as the plan preparation process moves on to consider more detailed plan policies, HFS would be supportive of the inclusion of policies to support the delivery of homes. Given the nature of the Scottish Borders, we recognise that there are opportunities for small scale home builders to operate and flourish in the region, and we would like to see the inclusion of policies to support these small scale home builders in particular, to help to strengthen and encourage this sector of the market, as well as overarching policies supporting the delivery of homes more generally.

**Conclusion**

HFS believes that the publication and consultation on a Main Issues Report at this stage, in the absence of an approved Strategic Development Plan to be premature and inappropriate. HFS does not support the consultation on preferred and alternative allocations within the MIR at this stage in the absence of an approved SDP and clarity on the number of new homes required.

Furthermore, given the level of uncertainty over the methodology within the assumptions in the Housing Technical Note, we question the accuracy on all levels of the housing numbers provided within both the MIR and the Technical Note.

HFS requests further information from Scottish Borders Council on how it intends to update its MIR once SESplan2 has been approved by Scottish Ministers, and what the process for consultation on this update will be.

HFS extends an offer to meet with the Council at any stage to discuss further drafts of a Housing Technical Note to provide any comment or assistance in advance of its publication for consultation in the future, or to act as a critical friend in any way possible in the preparation of a revised MIR once SESplan2 is approved.

Yours faithfully



Nikola Miller

Head of Planning Practice

Enc: HFS Letter to Minister re SESplan2 and HFS Correction of Errors Report re SESplan2