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**RESPONSE TO
INVERCLYDE PROPOSED LOCAL DEVELOPMENT PLAN 2018**

14 JUNE 2018

Homes for Scotland (HFS) is the voice of the home building industry in Scotland, representing some 200 companies and organisations which together deliver the majority of the country's new homes.

We are committed to improving the quality of living in Scotland by providing this and future generations of Scots with warm, energy-efficient, sustainable homes in places people want to live.

HFS makes submissions on national and local government policy issues affecting the industry. Its views are endorsed by committees and advisory groups utilising the skills and expertise of key representatives drawn from our member companies.

Introduction

- 1.1 These submissions on Inverclyde's proposed Local Development Plan (proposed LDP2) build on the commentary offered by HFS on the LDP Main Issues Report (MIR) submitted on 31 May 2017.
- 1.2 These submissions have been reviewed and agreed by HFS's Strathclyde Area Committee.

2. LDP2 Priority Places (Policy 3 and Schedule 2)

The Issue

- 2.1 Proposed LDP2 renames the Major Areas of Change, Areas of Potential Change and Development Option Sites as Priority Places. These locations are viewed as long term development options, all of which are also regeneration opportunities.
- 2.2 HFS fully supports the principle of redevelopment of the Priority Places and supports Inverclyde Council in promoting these locations for new development to be brought forward. HFS also agrees that the redevelopment of these sites can deliver a significant supply of new homes in the fullness of time. However, it is evident that the planned land supply across Inverclyde is overly reliant on delivery of new homes within these Priority Places.
- 2.3 Annex 1 to this submission sets out the current land supply expectations for the Priority Places as expressed through the agreed 2017 Housing Land Audit (HLA)¹ as well as the changes (in timescales for delivery, in capacity of new homes that could be delivered and in tenure of new homes) that the Housing Land Technical Report which accompanies Inverclyde's proposed LDP2 has suggested.
- 2.4 What the 2017 HLA states is that the combined Priority Places might deliver 596 all tenure homes to 2024 (albeit 235 of these would arise on disputed sites²) and there would remain a further 2,063 homes that could potentially remain to be delivered beyond 2024. Of the supply to 2024, 400 homes were private sector and 196 were public sector.
- 2.5 The changes suggested in the Technical Report result in an assumption that 985 homes may now come forward to 2024 (560 private sector homes and 425 public sector homes) and a little over 2,000 homes (nearly all private

¹ See: <https://www.inverclyde.gov.uk/assets/attach/7894/2017%20Housing%20Land%20Audit.pdf>

² HFS disputed sites that are also Priority Places are Spango Valley and the Former Inverkip Power Station

sector) would then remain after 2024. The changes to outputs from Priority Places to 2024 includes 120 homes that had been assumed would be private sector homes within the 2017 HLA now being expected to be delivered as public sector homes; an updated position that is accepted by HFS.

- 2.6 The 2017 HLA assumed around 40% of all private sector homes being delivered to 2024 within the Inverclyde HSMA would come from these Priority Places, this rises to over 50% once the suggested changes as set out in the Technical Report are taken into consideration.
- 2.7 The delivery of all the Priority Places remains a significant challenge and to expect the private sector to increase delivery from them by nearly 70% is perhaps unreasonable in the circumstances. The Technical Report expects 280 additional private sector homes will be delivered on Priority Places by 2024 over and above the 400 such homes that the 2018 HLA has assumed (of which 235 were also disputed) could be delivered by 2024.
- 2.8 Given that HFS believes only 165 private sector homes may in fact arise across the Priority Places by 2024, the Council's expectation that 560 private sector homes³ will now arise from these sites must be questioned.
- 2.9 As noted above, Priority Places include the previous Major Areas of Change, many of which are legacy sites that have failed to come forward in, at least, the last two plan periods. According to the 2017 HLA, some of these sites have been in the Established Land Supply since 2001/02 and there continues to be an obvious unanswered query over their true effectiveness and hence ability to deliver the new homes Inverclyde needs in either the timescales or volumes necessary.
- 2.10 The accompanying Draft Action Programme is very brief on what the issues that need to be overcome to deliver each of the Priority Places. Section 3.10 of proposed LDP2 also states that Policy 3 is to be supported by Supplementary Guidance "*which sets out the preferred development frameworks*".
- 2.11 However, what remains absent from either the Action Programme or the implied content of the Supplementary Guidance is any clarity of how delivery of the Priority Places will be facilitated either at the rates currently set out in the 2017 HLA or the higher rates suggested by the Housing Land Technical Report.
- 2.12 In the absence of further interventions to support the delivery of these sites, they may continue to be long term aspirations. Even when interventions are noted (such as City Deal funding being earmarked to facilitate the delivery of

³ 2017 HLA expected 400 private sector completions to 2024, 120 of these are now to be delivered by the public sector and the Technical Report increases expected output on the remaining private sector sites by 280 homes: $400 - 120 + 280 = 560$.

the Former Inverkip Power Station site) market constraints will persist as one of the delivery hurdles across the Priority Places to be overcome.

- 2.13 Additional interventions, that might include public sector front funding of decontamination works / stabilisation works or the up-front installation of critical infrastructure and closer partnership working between agencies and development partners, will be further essential requirements to ensure even the optimistic private sector output envisaged by the 2017 HLA can be delivered let alone the perhaps unrealistic private sector expectations set out in proposed LDP2.
- 2.14 This issue was raised by HFS in response to the LDP MIR and little if any regard has been had of those comments.

Changes Required

- 2.15 The following changes are needing to be made to the Inverclyde's proposed LDP2:
- i. Section 3.10 requires to be expanded to set out delivery mechanisms and other interventions (over and above City Deal) that will be deployed to ensure the Priority Places can come forward in the timescales and rates expected.
 - ii. The LDP2 Action Programme needs to be redefined as a delivery programme that sets out in more detail the interventions / public sector investment that will better ensure the delivery of the Priority Places.
- 2.16 Increased public sector home delivery will help in a small way in changing perceptions about the Priority Places and the doubling of expected delivery of public sector homes to 2024 in these locations is supported by HFS.

3. Land for Housing (Policy 17 and Schedule 4)

The Issue

- 3.1 The question of how much land requires to be allocated across Inverclyde was addressed in some part within the HFS submission on the Inverclyde LDP MIR.
- 3.2 Based on the position known at the time of submission of the MIR response, HFS quantified the scale of additional allocations necessary to ensure the strategic Housing Land Requirement (HLR) could be met over and above the then known supply from the Established Land Supply was in the order of land that can deliver 1,026 new homes by 2024.

- 3.3 In preparing a LDP within a city region, Scottish Planning Policy (SPP)⁴ sets out the national policy expectation at paragraph 119 that such plans “*should allocate 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.*”
- 3.4 In this case, Inverclyde’s proposed LDP2 must meet the HLR set out within Clydeplan 2017 strategic development plan (SDP).
- 3.5 HFS’s position is that in allocating land, the key objective is to ensure a LDP is able to meet the strategic Housing Supply Target (HST) and have at least 5 years’ worth of effective housing land available at all times.
- 3.6 This reflects paragraph 115 of SPP which states:
- “The housing supply target of a policy view of the number of homes the authority has agreed will be delivered in each housing market area over the periods of the development plan and local housing strategy, taking into account wider economic, social and environmental factors, issues of capacity, resource and deliverability, and other important requirements such as the aims of National Parks.”*
- 3.7 In addition, SPP also states at paragraph 119 that LDPs within SDP areas “*should provide for a minimum of 5 years effective land supply at all times.*”
- 3.8 On that basis, in allocating enough land, an emerging LDP must consider whether the strategic HST has been met from the base date of the SDP and can continue to be met to the end of the plan period. In this case, proposed LDP2 must take into consideration progress towards satisfaction of the strategic HST since 2012 and thereby ensure that the strategic HST will be met by the end of the plan period.
- 3.9 Inverclyde’s proposed LDP2 must set out how the strategic (all tenure) HST of 4,400 new homes has and will be met between 2012 and 2029⁵. To this a 15% Generosity Margin must be applied to ensure enough land can be available to meet the HST. Subsequently, the HLR that is to be met by proposed LDP2 would be enough land that has delivered, or is capable of delivering, at least 5,070 new homes between 2012 and 2029⁶.
- 3.10 At this point it is relevant to reiterate that the shared objective of plan making is to ensure that enough new homes can and will be delivered by the end of the plan period. It is therefore the potential delivery of these new homes that must be tested through an Examination process rather than just the quantum of land allocated.

⁴ See: <https://beta.gov.scot/publications/scottish-planning-policy/documents/00453827.pdf>

⁵ See Schedule 7 of Clydeplan 2017

⁶ See Schedule 8 of Clydeplan 2017

- 3.11 Between 2012 and 2017, there have been 785 new homes delivered across Inverclyde based on figures provided by the agreed 2017 HLA⁷. That leaves an obligation that proposed LDP2 allocates land that is capable of delivering a further 4,285 new homes between 2017 and 2029; SPP does not allow for any revisions to the strategic HLR set by a SDP.
- 3.12 This approach to calculating the housing land supply position is known as a compounded approach and is a methodology that HFS has used consistently since SPP was published in 2014. It is also a methodology that HFS member companies have used in numerous planning applications and appeals and which has become generally accepted by various parties (including the Planning and Environmental Appeals Division (DPEA)) as an appropriate way to determine the land supply position.
- 3.13 The contrasting approach is an annualised calculation which ignores past delivery rates in calculating how much land / new homes remains to be delivered at any time. The inherent weakness in such an approach is that ultimately land supply does not follow a linear pattern and therefore any levels of past under-supply that arise, and remain unaddressed, will result in a development plan being fundamentally unable to satisfy the national policy requirements set through SPP paragraph 115.
- 3.14 Whilst there may be potential to bring forward a plan that is inconsistent with national policy, such a position must be explained and justified; the position set through Section 7.0 of Inverclyde's proposed LDP2, and proposed LDP2 Policy 17, is that the strategic HST is to be met.
- 3.15 It is also noted that the plan period of proposed LDP2 extends into the 2nd SDP plan period and the HST for that period (2024 – 2029) is a near pro-rata extension of the HST in the first SDP plan period (2012 – 2024). HFS has therefore considered the land supply for each SDP plan period as well as the total strategic HST and HLR for the period 2012 to 2029.
- 3.16 Inverclyde Council has sought to set out a form of compounded calculation for the period to 2024 in their Housing Land Technical Report that accompanies proposed LDP2 but the methodology used, and the mixing of approaches between the two SDP plan periods by the Council, simply confuses matters.
- 3.17 There are also several unexplained and un-evidenced assumptions within the Council's calculations about land supply in the later parts of the plan period of proposed LDP2 (ie 2024 to 2029) that requires to be addressed.
- 3.18 To set out a more appropriate approach to defining the land supply position that proposed LDP2 should be based on, HFS has prepared a compounded calculation as set out in Annex 2.

⁷ See Table A.3.1 of the 2017 HLA plus Table B.3.1 for the Inverclyde HSMA figures and Table C.3.1 for the Renfrewshire (part) HSMA

- 3.19 The land supply position must also recognise the agreed distribution of HST / HLR between Housing Sub-Market Areas (HSMA) and the table in Annex 2 of this submission addresses this, splitting the private sector HLR of land for 3,340 new homes delivered between 2012 and 2029 across the Inverclyde part of the Renfrewshire HSMA and the Inverclyde HSMA⁸ (2,360 between 2012 and 2024 and a further 980 between 2024 and 2029; rows C and L in Annex 2).
- 3.20 As noted above in paragraph 3.11, given the completions realised to date, proposed LDP2 must allocate land that is capable of delivering a further 4,285 all tenure new homes between 2017 and 2029 (this includes land for 2,845 all tenure homes between 2017 and 2024, of which land for 992 public sector homes is required, plus land for a further the 1,440 all tenure homes between 2024 and 2029; rows E and L of Annex 2).
- 3.21 The 2017 HLA has stated that 1,129 private sector homes and a further 1,026 public sector homes are currently expected to be delivered between 2017 and 2024⁹ (row F of Annex 2).
- 3.22 This potential supply to 2024 includes some 235 new homes that may be delivered on sites that are disputed by HFS given there is presently insufficient confidence that those sites will come forward for development in the timescales suggested¹⁰. The HFS disputed sites are Spango Valley, Wemyss Bay Power Station and Greenock Academy with HFS accepting that some 65 new homes may come forward from across these sites by 2024 and the remaining combined capacity of 755 homes then potentially coming forward from 2024 onwards.
- 3.23 Notwithstanding these disputed sites, over and above the agreed supply to 2024, land for at least a further 2,130 all tenure homes that are capable of being delivered by 2029 is needed across Inverclyde (of this, land for 690 all tenure homes is needed between 2027 and 2024).
- 3.24 The Housing Land Technical Report that accompanies proposed LDP2 suggested a series of adjustments to the position set out (and generally agreed to by HFS) within the 2017 HLA. This suggests that the agreed supply from the Established Land Supply to 2024 could see a net increase of land for 6 private sector homes plus land for 309 public sector homes by 2024¹¹ (row G of Annex 2). These changes are made up of a series of reductions due to sites being deleted from the plan, tenure changes as well as predicted additions to the Established Land Supply.

⁸ See Schedule 9 of Clydeplan 2017

⁹ See Tables A.2.2 and A.2.3 of the 2017 HLA together with Tables B.2.2 and B.2.3 for the Inverclyde HSMA plus Tables C.2.2 and C.2.3

¹⁰ See Table A.2.2 of the 2017 HLA

¹¹ See Appendix 2 of the Housing land Technical Report

- 3.25 Of the changes to outputs from private sector sites to 2024; three sites are to be deleted from the plan (these had a combined capacity of 12 homes); 3 sites will see their tenure change to public sector (these had a combined capacity of 164 homes); 3 sites have seen capacity reduced through the planning permission granted or revised development plan requirements, 2 reduced and 1 increased (the net change will be 18 fewer homes); and 2 sites are anticipated to deliver more new homes to 2024 (the suggested net change is 200 additional homes).
- 3.26 The deletion of sites, the change in capacity due to planning permission and the changes in anticipated tenure is clearly evidenced but there is no evidence provided by the Council at this stage to justify the increases capacities beyond what was agreed as part of the 2017 HLA. This is particularly the case in the context of the 2 sites which are expected to have their outputs to 2024 increased as these are both disputed sites within the 2017 HLA (Spango Valley and the Former Inverkip Power Station). Given this, the net change in outputs of private sector homes to 2024 may then actually be 194 fewer homes.
- 3.27 Inverclyde Council has also failed to provide any evidence of the realistic delivery of land for new homes beyond 2024 and as such HFS has had to make broad assumptions regarding how much of the Established Land Supply that remains available at 2024 will come forward.
- 3.28 Based on the 2017 HLA, land for some 2,860 private sector homes and 220 public sector homes remains available across Inverclyde at 2024¹². The Housing Land Technical Report then suggests that this be updated to a total of land for 2,355 private sector homes and land for a further 119 public sector homes¹³.
- 3.29 There remains land for only a further 3 new private sector homes in the Inverclyde part of the Renfrewshire SHMA and therefore, an assumption can be made that all that land will likely come forward for development by 2029 as well as all of the remaining Established Land Supply for public sector homes.
- 3.30 The next major assumption that must be made is then how much of the Established Land Supply for private homes in the Inverclyde HSMA (which is equivalent to land for 2,350 homes) could potentially come forward by 2029. If the increases predicted in the period to 2024 do not materialise (as HFS believes is most likely), these would still be available to be delivered beyond 2024.

¹² See Tables A.2.2 and A.2.3 of the 2017 HLA together with Tables B.2.2 and B 2.3 for the Inverclyde HSMA plus Tables C.2.2 and C.2.3

¹³ See Appendix 2 of the Housing land Technical Report (507 fewer private sector homes are anticipated to happen as are 101 fewer public sector homes)

- 3.31 The Housing Land Technical Report appears to imply all of this will come forward (Table 11) which is wholly unlikely. A conservative estimate that a land supply rate similar to that expected to be achieved between to 2024 is possible has therefore be made by HFS which would equate to land for 729 new homes (row M of Annex 2). Robust evidence on how delivery rates will be significantly increased on private sector sites across the Inverclyde HSMA could justify a higher assumption.
- 3.32 Proposed LDP2 proposes a series of new sites which amounts to land for 388 private sector homes to 2024 (row H of Annex 2) and a further 140 private sector homes beyond that date (row N of Annex 2) as well as land for 86 public sector homes to 2024 (row H of Annex 2) and a further 20 public sector homes to 2029¹⁴ (row N of Annex 2). All the proposed new sites are located within the Inverclyde HSMA.
- 3.33 At this stage, no detailed qualitative assessment of this additional supply has been made by HFS but the expectation of Inverclyde Council that all of this land will be developed by 2029 is noted. Again, robust evidence to support the delivery of these sites in the timescales and volumes expected would clearly help ensure proposed LDP2 was built on a more compelling evidence base.
- 3.34 Based on the factual position provided by the 2017 HLA, plus the suggested changes promoted by Inverclyde Council and the conservative assumptions that can be made regarding future land supply, HFS has calculated that Inverclyde's proposed LDP2 has an under-supply in its housing land allocations equivalent to land for at least 330 new homes (row P of Annex 2).
- 3.35 However, if supply from disputed sites to 2024 (and the proposed adjustments to these across the plan period) are discounted, the total under-supply would rise to at least land for the 685 new (all tenure) homes¹⁵. Critically, given the expected over supply to 2024 from the public sector, the deficit of land for private sector homes would then equal a minimum of land for nearly 800 new homes.
- 3.36 Given this numerical analysis, the main conclusion to be reached is that proposed LDP2 has not allocated sufficient land that is effective, or capable of becoming effective, to meet the strategic HLR nor has proposed LDP2 provided a credible evidence base to justify the assumptions of land supply including changes to private sector output from the plan's Priority Places / disputed sites and other suggested changes to the Established Land Supply.

¹⁴ See Appendix 3 of the Housing Land Technical Report

¹⁵ The agreed 2017 HLA notes some 235 homes are disputed between 2017 and 2024. The Housing Land Technical Report suggests that the capacity of the Spango Valley can be increased by 120 units to 2024 as well as assuming the output from the Wemyss Bay Power Station site could be accelerated with 80 units being brought forward from later years into 2024. Unwinding the net changes suggested by the Technical Report equates to 120 homes to 2029 which, when added to the disputed supply to 2024 (235 homes) and the under-supply to 2029 of 330 homes, gives the potential total under-supply to 2029 of land for 685 homes.

- 3.37 Proposed LDP2 cannot then be consistent with the national planning policy position set out within SPP at paragraph 119 and proposed LDP2 cannot then meet the statutory test set by Section 16(6) of The Town and Country Planning (Scotland) Act 1997 (as amended).
- 3.38 Inverclyde Council, through their Housing Land Technical Report that accompanies proposed LDP2 has implied any under-supply situation must “*be seen in the context of the Housing Need and Demand Assessment including optimistic housing estimates for Inverclyde in response to the Council’s repopulation agenda.*”
- 3.39 A similar argument was progressed by Stirling Council as part of the LDP Examination into their LDP2 and which was roundly dismissed by the Reporters in that case (LDP-390-2)¹⁶. Such an approach is directly contradictory to the expectation set at SPP paragraph 115 as well as the position established within Section 7.0 of Inverclyde’s proposed LDP2.
- 3.40 Paragraph 115 of SPP defines that the HST is established as being the number of new homes a local authority has stated it will deliver within a plan period. This is not a stated aspiration but a clear commitment from which other development plan policy objectives will then hang.
- 3.41 The Reporters at the Stirling LDP2 Examination addressed this point at paragraph 54 of their conclusions on Issue 03 of that Examination (page 52 of the Examination Report):
- “I find that Scottish Planning Policy at paragraph 115 clearly states that the Housing Supply Target is “a policy view of the number of homes the authority has agreed will be delivered over the periods of the development plan and local housing strategy,”. I conclude that the Housing Supply Target is not an estimate but an agreed target to be delivered.”*
- 3.42 As was confirmed through the recent Statutory Appeal against Approval of the Clydeplan SDP (and in particular the freedom of information requests made of the Clydeplan SDP Authority), Inverclyde Council promoted a strategic all tenure HST of 4,400 new homes between 2012 and 2029 and as such they cannot, and must not, seek to draw back from that commitment.
- 3.43 The Council’s response to the failure to allocate sufficient land within the Inverclyde part of the Renfrewshire HSMA is similarly disappointing, the Technical Report simply stating, “*no acceptable opportunities to achieve this were identified.*”
- 3.44 Inverclyde Council has stated that it will deliver 170 private sector homes within that HSMA between 2012 and 2029 and it is then obligated to allocated

¹⁶ See: <http://www.dpea.scotland.gov.uk/Document.aspx?id=484322>

land for at least 200 private sector homes that are capable of being delivered by 2029 through proposed LDP2.

- 3.45 There have been 3 private sector homes delivered between 2012 and 2017 and there is a total (adjusted) established land supply of 113 private sector homes available for delivery between 2017 and 2029.
- 3.46 Within the Renfrewshire HSMA, the Smithy Brae site has been re-programmed from the 2016 audit to 2017 despite no developer / builder being attached and this appears to stay the same in the draft 2018 audit. This site has been in the audit since 2009 with no progress despite being within a highly buoyant housing market, therefore its true ability to deliver new homes must be disputed given that planning permission was granted in 2008.
- 3.47 The characteristics of the Renfrewshire HSMA within Inverclyde are:
- Development has come through on small scale / infill type sites only.
 - There has been no significant greenfield release in this area.
 - The MIR strategy proposed housing allocation in Kilmacolm was removed from the Proposed Plan despite an existing and ongoing shortfall.
 - There has been a lack of greenfield housing release since 1996/97 (2017 HLA table C3.2), but there remains a requirement to provide housing across the market.
 - Clydeplan retains a requirement for a range of housing sites allocated within the Renfrewshire HSMA during the plan period.
- 3.48 In short therefore, whilst it may be difficult for Inverclyde Council to allocate land that is capable of delivering a further 84 new private sector homes between 2017 and 2029 within this part of the HSMA, they are nevertheless directly obligated to do this.
- 3.49 A failure to allocate this land (and a position stated as it is within the Housing Land Technical Report) represents an abdication of responsibility and on its own undermines the validity of a development plan led planning system.
- 3.50 Given this, the approach being advocated by Inverclyde Council is to effectively meet this need through planning by appeal given the historical difficulties in bringing forward new housing sites across the HSMA.

Changes Required

- 3.51 The following changes are needing to be made to the Inverclyde's proposed LDP2:

- i. Section 7.0 must include a statement of the strategic HST and HLR the LDP is to meet.
 - ii. Section 7.0 must include a calculation of the land supply position based on that provided within Annex 2 of this submission.
 - iii. Schedule 4, and the accompany LDP settlement plans, must identify land for at least an additional 84 private sector homes within the Inverclyde part of the Renfrewshire HSMA and land for at least an additional 354 private sector homes within the Inverclyde HSMA.
- 3.52 The additional land could be easily selected from the list of sites sets out within the Inverclyde LDP MIR and sites promoted to the Council as part of the LDP formulation processes.

4. Affordable Housing (Policy 17)

The Issue

- 4.1 The known supply of Affordable Housing across Inverclyde is clearly demonstrated by the land supply calculation set out in Annex 2. What this confirms is there is unlikely to be an unmet numerical affordable housing need (as defined by the strategic HST) within Inverclyde (albeit there is a question to be raised as to whether delivering significantly more affordable homes in the period to 2024 will ensure that any additional needs between 2024 and 2029 will then be met).
- 4.2 The removal of a requirement to provide an affordable housing contribution from private sector sites across the majority of Inverclyde is therefore welcomed. HFS would agree with the general point made by Inverclyde Council at paragraph 7.2 of proposed LDP2 that such an approach can help in the delivery of private housing across the district given the inherent private sector market challenges that exist (albeit the challenges are significant and such a move in isolation is unlikely to allow these to be fully overcome).
- 4.3 The retention of a 25% affordable housing requirement within the Inverclyde villages is also noted. Kilmalcolm and Quarriers Village are located within the Inverclyde part of the Renfrewshire HSMA and both Inverkip and Wemyss Bay are located within the Inverclyde HSMA.
- 4.4 A stated need for retaining the affordable housing requirement in these locations, despite the numerical outcome noted above, is that there is a limited supply of social housing within the villages and no land identified for social rented housing development. The obvious response would then be to bring forward allocations through the development plan and the failure to do so reflects a weakened development plan.

- 4.5 The direct expectation set by proposed LDP2 is that greenfield sites across the villages will come forward under Policy 17 and in turn this further establishes an expectation of planning by appeal. However, this also establishes a specific reliance within the LDP on such an approach to partly redress the current position regarding the lack of supply of public sector homes in the Inverclyde villages.

Changes Required

- 4.6 The following changes are needing to be made to the Inverclyde's proposed LDP2:
- i. Schedule 4, and the accompany LDP settlement plans, must identify land for public sector homes within the Inverclyde villages.
- 4.7 Such land could include sites for private sector homes with 25% of the capacity also required to be brought forward as social rented homes (subject to funding being made available).

5. Greenbelt (Policy 14)

The Issue

- 5.1 There is a lack of greenfield land releases across the Renfrewshire HSMA within Inverclyde. The lack of allocations in this area is directly contrary to the obligations set out within Clydeplan and agreed to by Inverclyde Council.
- 5.2 A tight greenbelt boundary around existing settlements means that there are next to no opportunities for greenfield land release and hence an ability to meet the identified under-supply of new homes through a plan led system. This then places a reliance on planning application and planning appeals to ensure that the identified needs can be met.
- 5.3 Policy 14 of Clydeplan does permit a review of greenbelt boundaries with the only obligation being that these remain consistent across the SDP area. The lack of consideration of any review within Inverclyde is therefore unfortunate and demonstrates a failure of the proposed LDP2.

Changes Required

- 5.4 The following changes are needing to be made to the Inverclyde's proposed LDP2:
- i. The Inverclyde LDP2 must include a greenbelt review to ensure that the plan is capable of directing planned growth to appropriate locations.

6. Heat Networks (Policy 5)

The Issue

- 6.1 Within the response to the LDP MIR, HFS raised concerns over the potential that a requirement to deliver heat networks in new developments could further undermine the commercial viability of those developments (in an already depressed market). Those concerns remain albeit the broad nature of proposed LDP2 Policy 5 is generally reasonable.
- 6.2 HFS remains of the view that national policy on heat networks within new residential developments is confused at best. This appears to ignore the revisions to Building Standards that have achieved new homes that are already 75% more efficient than they were in 1990. Further revisions to Building Standards are likely to see new homes require next to zero space heating by 2021.
- 6.3 Recognition must also be given to the Scottish Government's recently stated objective to see all existing houses achieve an EPC Energy Efficiency Rating Band C at the very least by 2040¹⁷. This clearly places a greater focus on existing housing stock rather than new homes and the improvements will be achieved through a combination of measures including insulation but also in how energy is supplied to these homes.
- 6.4 This perhaps reflects the plain fact that if the national target of 35% of domestic buildings in Scotland being supplied by low carbon heat is to be met, significant work is needed to address the heating needs of the existing housing stock. In terms of the simple maths of the situation, the 2014 based household projections for Scotland indicate that by 2032 there will be around 2.69m households in Scotland which would suggest that at least 940,000 households would need to be supplied by low carbon heat by 2032 to meet the national target.
- 6.5 At present, Scotland has just under 2.5m households therefore even if every 'new' household (and by implication then each of the new homes these new households would need) was to be supplied by low carbon heat, this would only deliver around 200,000 such homes (and ignoring the impact of falling household size on the actual number of new homes needed); meaning for each new home built an additional 3.7 existing homes would need to also connect to low carbon heat systems to meet this target.
- 6.6 However, given the progress achieved to date through Building Standards revisions, it is highly unlikely that connecting new homes, which already have low space heating and energy requirements, to additional low carbon heat sources would have any significant impact on meeting overarching carbon

¹⁷ See: <http://www.gov.scot/Resource/0053/00534912.pdf>

reduction targets from the residential sector given the lack of commercial viability associated with implementing such sources in the first place.

- 6.7 This fully supports a greater priority on retrofitting low carbon heat to existing housing stock and (because it is likely to be more feasible and appropriate for many reasons) particularly existing Local Authority / Housing Association stock.

Changes Required

- 6.8 The following changes are needing to be made to the Inverclyde's proposed LDP2:
- i. Section 4.7 requires to be expanded to identify actions that Inverclyde Council will take to increase energy efficiency across existing public sector housing stock, including working with partners to deliver low carbon energy / heat systems.

7. Conclusions

- 7.1 As stated in the LDP MIR response, HFS fully supports the regeneration (and re-population) agenda promoted by Inverclyde Council. However, HFS cannot support a stance that providing a clear and deliverable development plan for future land uses is too difficult and therefore can't be done.
- 7.2 As is evident from the current review of the Planning System, the key to achieving a more efficient and effective planning system is fuller engagement in, and delivery of, development plans. By relying on the use of policies rather than allocations to meet housing needs, proposed LDP2 will only undermine confidence in a development plan led system.
- 7.3 Inverclyde Council's housing land supply is reliant upon a range of sites that have been in the housing land supply for so long they are disputed or considered ineffective. Whilst the Council has increased some supply through the reallocation of private sector land supply to public sector in the possible hope of improving viability and delivery, this nevertheless raises questions whether or not the existing supply is in fact effective, given that viability is an acknowledged issue
- 7.4 HFS therefore advocates that a series of changes are necessary to ensure that an accurate position on how much land the LDP must allocate is arrived at, the assumptions that underpin the LDP are fully evidenced, the LDP reflects the necessity to be delivery focussed and the LDP does not establish unnecessary additional burdens on the delivery of new development.

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ANNEX 1: INVERCLYDE'S PRIORITY PLACES

Priority Places	2017 HLA Reference	2017 HLA Tenure	2017 HLA Capacity	2017 HLA Output to 2024	Adjustments to 2024 (HLTR 2018)	2017 HLA Remaining Capacity (2024+)	Adjustments 2024+ (HLTR 2018)	Potential Output to 2024	Potential Output 2024+	Comment
The Harbours, Greenock	IC0349 / IC0349A	Private	240	60	0	180	0	60	180	
James Watt Dock / Garvel Island	IC0359D	Public	78	78	57	0	0	135	0	
James Watt Dock / Garvel Island	IC0359 / IC0359E	Private	933	0	0	933	-33	0	900	
Spango Valley, Greenock	IC0457A / IC0457B	Private	120	120	120	0	180	240	180	Site disputed in 2017 HLA
Former Inverkip Power Station	IC0367A / IC0367B	Private	670	180	80	490	-80	260	410	Site disputed in 2017 HLA
Broomhall / Drumfrochar, Greenock	IC0438	Private	28	0	0	28	22	0	50	
Broomhall / Drumfrochar, Greenock	IC0445	Public	50	50	0	0	0	50	0	
Broomhall / Drumfrochar, Greenock	IC0469A	Public	10	0	0	10	0	0	10	
Broomhall / Drumfrochar, Greenock	IC0469B	Private	10	0	0	10	0	0	10	Site tenure changed from private to public

Priority Places	2017 HLA Reference	2017 HLA Tenure	2017 HLA Capacity	2017 HLA Output to 2024	Adjustments to 2024 (HLTR 2018)	2017 HLA Remaining Capacity (2024+)	Adjustments 2024+ (HLTR 2018)	Potential Output to 2024	Potential Output 2024+	Comment
Broomhall / Drumfrochar, Greenock	IC0470A / IC0470B	Private	60	0	60	60	-60	60	0	Site tenure changed from private to public
Woodhall, Port Glasgow	IC0354E	Public	18	18	0	0	0	18	0	
Woodhall, Port Glasgow	IC0354F	Private	122	0	0	122	0	0	122	
Clune Park, Port Glasgow	IC0450A / IC0450B / IC045C	Private	120	0	0	120	0	0	120	
Peat Road / Hole Farm, Greenock	IC0366A	Public	100	50	52	50	-50	102	0	
Peat Road / Hole Farm, Greenock	IC0366B	Private	60	40	20	20	-20	60	0	Site tenure changed from private to public
Regent Street, Greenock	IC0376A / IC0376B	Private	40	0	0	40	0	0	40	
TOTALS			2,659	596	389	2,063	-41	985	2,022	

ANNEX 2: PROPOSED INVERCLYDE LDP2 LAND SUPPLY POSITION

Factor	Source	Private Sector			Inverclyde Council		
		Renfrewshire HSMA (part)	Inverclyde HSMA	Inverclyde Local Authority Area	Public Sector	All tenure	
A	Housing Supply Target (2012 – 2024)	Clydeplan 2017 Schedules 7 & 9	120	1,930	2,050	1,100	3,150
B	Generosity Margin (15%)	Clydeplan 2017 para 6.62	20	290	310	170	480
C=A+B	Housing Land Requirement (2012 - 2024)	Clydeplan 2017 Schedules 8 & 9 (*)	140	2,220	2,360	1,270	3,630
D	Completions (2012 - 2017)	Housing Land Audit 2017	3	504	507	278	785
E=C-D	Remaining Housing Land Requirement	Scottish Planning Policy para 119	137	1,716	1,853	992	2,845
F	Established Land Supply (2017 - 2024)	Housing Land Audit 2017	108	1,021	1,129	1,026	2,155
G	Adjustments to Land Supply (2017 - 2024)	Housing Land Technical Report 2018	2	4	6	309	315
H	New Sites (2017 - 2024)	Housing Land Technical Report 2018	0	388	388	86	474
I=H+G+F-E	Under / Over Supply (including Disputed Sites) (2012 – 2024)		-27	-303	-330	429	99

* The Renfrewshire HSMA (part) private sector HLR can be derived by subtracting the Inverclyde HSMA figure as set out in Schedule 9 of Clydeplan 2017 from the Inverclyde Local Authority figure as set out in Schedule 8 of Clydeplan 2017.

Factor	Source	Private Sector			Inverclyde Council		
		Renfrewshire HSMA (part)	Inverclyde HSMA	Inverclyde Local Authority Area	Public Sector	All tenure	
J	Housing Supply Target (2024 – 2029)	Clydeplan 2017 Schedules 7 & 9	50	800	850	400	1,250
K	Generosity Margin (15%)	Clydeplan 2017 para 6.62	10	120	130	60	190
L=J+K	Housing Land Requirement (2024 - 2029)	Clydeplan 2017 Schedules 8 & 9	60	920	980	460	1,440
M	Assumed Output from Established Land Supply (2024 – 2029)	(*)	3	729	732	119	851
N	New Sites (2024 - 2029)	Housing Land Technical Report 2018	0	140	140	20	160
O=N+M-L	Under / Over Supply (including Disputed Sites) (2024 – 2029)		-57	-51	-108	-321	-429

* Beyond 2024 land for only 3 new homes within the Inverclyde part of the Renfrewshire sHMA and land for only 119 public sector homes is identified hence no more than that can be assumed will come forward from the adjusted Established Land Supply between 2024 and 2029. The predicted supply within the Inverclyde HSMA is based on levels of supply predicted in the previous part of the plan period (2017 – 2024) – see paragraphs 3.27 to 3.31.

Factor	Source	Private Sector			Inverclyde Council		
		Renfrewshire HSMA (part)	Inverclyde HSMA	Inverclyde Local Authority Area	Public Sector	All tenure	
P=O+I	Under / Over Supply (including Disputed Sites) (2012 – 2029)		-84	-354	-438	108	-330