



REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON 3 AUGUST 2021

SUBJECT: HOUSING LAND AUDIT 2021

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 This report summarises the housing land supply situation in Moray and asks the Committee to agree the final version of the Moray Housing Land Audit 2021 and the partial release of Elgin LONG2 *Elgin South* to replace land at Linkwood which is now considered to be constrained.
- 1.2 This report is submitted to Committee in terms of Section III (E) (2) of the Council's Scheme of Administration relating to the review and preparation of Local Development Plans

2. RECOMMENDATION

2.1 It is recommended that the Committee agree:-

- (i) to note the housing land supply in Moray;**
- (ii) the response to the consultation on the draft audit, as set out in Appendix 1 of the report;**
- (iii) the finalised Moray Housing Land Audit 2021, as set out in Appendix 2; and**
- (iv) the partial release of Elgin LONG2 *Elgin South* to replace land at Linkwood which is now considered to be constrained, as set out in Appendix 3.**

3. BACKGROUND

- 3.1 Scottish Planning Policy (SPP) requires planning authorities to carry out regular monitoring of housing completions and to programme projected completions to demonstrate the availability of land for housing. The aim is to

ensure that an ongoing effective supply of housing land is available. This is achieved through an annual Housing Land Audit (HLA), prepared in consultation with Homes for Scotland, local developers, landowners and statutory consultees.

3.2 SPP requires Local Development Plans (LDP) to allocate land on a range of sites to meet the housing land requirement up to Year 10, providing effective sites in the initial phase for at least 5 years at all times. Beyond Year 10 and up to Year 20, the LDP should provide an indication of the possible scale and location of the housing land requirement.

3.3 The audit has three key functions:-

- To demonstrate the availability of sufficient effective land to meet the strategic housing land requirement for a minimum of 5 years into the future;
- To provide a snapshot of the amount of land available for the construction of houses at any particular time; and
- Act as an information source for a variety of purposes, including school roll forecasts, transport infrastructure provision and health care.

4. PROPOSALS

4.1 The information contained in the HLA is important to monitor LDP strategy for housing and the process enables adjustments to be made to address any issues arising. The audit and the Housing Need and Demand Assessment (HNDA) provide the baseline for calculating the housing land requirements set out in LDPs. The Scottish Government recently consulted on proposed regional housing supply targets, with the Council's response to the consultation agreed by this Committee on 18 May 2021.

4.2 The audit includes three main categories of land supply:-

- Effective – land that can be developed for housing within the period under consideration, which is free from constraints in terms of ownership, physical, contamination, marketability, infrastructure and land use.
- Constrained – land that is considered to be constrained within the period under consideration and the constraint cannot easily be overcome in the short term.
- Established – the total housing land supply (effective added to constrained).

4.3 The draft HLA 2021 was made available for consultation on the Council's website and housebuilders and agents were notified, with comments invited by 30 June 2021. Comments were received from Altyre Estate, Crown Estate Scotland, Springfield Properties Plc and Robertson Group. Comments received and the proposed Council responses are set out in **APPENDIX 1**. Housebuilders and landowners were consulted during the preparation of the draft audit to provide the most up to date build-out projections. The figures within the draft audit are largely based upon housebuilders' returns, with

- adjustments made by Planning Officers. As part of the consultation, housebuilders were asked to review the high projections in Elgin for 2023.
- 4.4 The introduction section of the final audit is included as **APPENDIX 2** and the full audit is available on the Members' Portal. The audit identifies that there is a 29.8 years established housing land supply (12,346 units) based on an annual housing land requirement identified in the HNDA. This consists of a 13.3 years effective housing land (5,508 units) and 16.6 years constrained housing land (6,838 units), of which 9.4 years supply is designated as LONG (3,875 units). This approach to LONG term housing land has been recognised as good practice and allows for longer term infrastructure planning through strategic level masterplanned expansion areas. This also means that the next Moray LDP will only require minimum, if any, additional housing land to be identified.
- 4.5 The effective housing land supply set out in Para 4.4 above includes the anticipated partial release of Elgin LONG2, as detailed in Section 5 below. Without this release, effective housing land supply in Elgin will drop by 611 units.
- 4.6 Completions in 2020 were 231 compared with 414 in 2019 – reflecting the impacts of Covid-19 on the housebuilding industry – 358 in 2018, 350 in 2017 and 335 in 2016. The majority of completions between 2010 and 2020 were in Elgin, Forres and Buckie.
- 4.7 While the overall effective supply of housing is very good and continues to meet the requirements of SPP, the projected house completions reflect the low supply of new housing in Keith and Speyside. However, work at Banff Road (Keith R4) is progressing and discussions are ongoing regarding Speyview (Aberlour R1). The Moray Growth Deal Housing Mix Delivery project will bring further investment to help unlock previously constrained housing land sites.
- 4.8 To address any shortfalls in supply, the MLDP 2020 contains a number of LONG term housing sites which are embargoed from development within the period of the LDP unless specific triggers for their release are met. The triggers for releasing LONG designations are set out in Policy DP3 *LONG Term Land Reserves* in the MLDP 2020.

5. ELGIN SOUTH

- 5.1 The Elgin South Masterplan was approved by this Committee as supplementary guidance at its meeting on 30 May 2017 (para 6 of the minute refers). Following the adoption of the MLDP 2020, the status of supplementary guidance fell and a review of the Masterplan was undertaken to reflect the adopted MLDP 2020. The draft Masterplan is subject to a separate report on this agenda.
- 5.2 Due to constraints relating to ground conditions and the landowner not willing to release land at this time, Elgin R19 *Easter Linkwood and Linkwood* is no longer considered effective, with the exception of a small area in the west of the site which is currently under construction. As such, Elgin R19 has been

moved into the constrained housing land supply. The remaining designated site in Elgin South Masterplan area, R20 *Glassgreen, Elgin South*, is projected to be built-out by 2023. Springfield Properties Plc are therefore proposing a revised phasing plan which would see a shift in the focus of short-term development from the east to the west where there are no constraints other than the LONG designation. In addition to these constraints, the land requirement for the proposed Glassgreen Primary School site has increased to 2.5ha. As well as considering the need to release land from Elgin LONG2 for housing, a small area to the east, off Linkwood Road, is required in order for the Council to progress proposals for a new cemetery.

- 5.3 The need for early release of LONG term housing land will be evaluated through the annual HLA process and monitoring report. Officers recommend that land from Elgin LONG2 is brought forward from the LONG constrained supply to the effective supply for the following reasons:-
- Elgin R19 *Easter Linkwood and Linkwood* is now considered to be constrained and results in the reduction of 611 units from the effective supply in Elgin;
 - Progress at Bilbohall and Findrassie, the other large expansion areas in Elgin, have been slower than anticipated;
 - Demand and the sale of housing is very high at the moment;
 - There are a number of piecemeal applications being submitted for housing in the Elgin South area, particularly at Glassgreen, and a larger release of Elgin LONG2 would allow for a better placemaking approach, supporting the emerging revised Elgin South Masterplan; and
 - The release of land would allow for earlier planning for the Glassgreen Primary School.
- 5.4 A map has been provided as **APPENDIX 3** which identifies the areas of Elgin LONG2 which are recommended for release.

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The annual HLA is a key part of monitoring the implementation and effectiveness of the LDP, which delivers Corporate and Community Planning objectives. Ensuring an effective supply of housing land and taking a longer term approach supports economic growth, delivers much needed housing (notably affordable housing) and allows for longer term planning for community services and infrastructure, including education and health facilities.

(b) Policy and Legal

The preparation of an annual HLA is a key requirement of SPP to monitor effectiveness of the MLDP and ensure an effective supply of housing land is maintained.

(c) Financial implications

None.

(d) Risk Implications

None.

(e) Staffing Implications

Preparation of an annual HLA is part of the workload of the Strategic Planning and Development section.

(f) Property

Land at Glassgreen, within Elgin LONG2, includes a site for a future 2.5ha primary school.

(g) Equalities/Socio Economic Impact

No Equality Impact Assessment is required for this report.

(h) Consultations

The Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Legal Services Manager, the Housing Strategy and Development Manager, the Senior Engineer (Transportation), the Equal Opportunities Officer, Paul Connor (Principal Accountant) and Lissa Rowan (Committee Services Officer) have been consulted and are in agreement with the contents of the report/comments received have been incorporated into the report.

5. CONCLUSION

5.1 SPP requires planning authorities to carry out an annual HLA to ensure that there is a 5 year effective housing land supply available at all times.

5.2 The HLA 2021 identifies a 13.3 years effective supply of housing land, with a total 29.8 years established land supply.

5.3 Approval is sought for the partial release of Elgin LONG2 *Elgin South* to reflect changes to the effectiveness of land within the Elgin South Masterplan.

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Background Papers:

Ref: