



**REPORT TO: PLANNING AND REGULATORY SERVICES COMMITTEE ON
15 AUGUST 2023**

SUBJECT: HOUSING LAND AUDIT 2023

**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 (HLA) 2023.

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 Para 4.4 of the report;**
- (iii) the finalised Moray Housing Land Audit 2023, as set out in Appendix 1 of the report; and**
- (iv) the early release of Keith LONG1 *Nursery Fields* to address a deficit in the effective land supply in the Keith Local Housing Market Area (LHMA).**

3. BACKGROUND

3.1 The Town and Country Planning (Scotland) Act 1997, as amended, requires the National Planning Framework (NPF) to include targets for the use of land in different areas of Scotland for housing. To meet this, NPF4 proposes a Minimum All-Tenure Housing Land Requirement (MATHLR) for each planning authority. The 10 year MATHLR for Moray is confirmed as 3,450 units.

- 3.2 NPF4 also places an expectation on Local Development Plans (LDP) to identify a Local Housing Land Requirement (LHLR) which meets the duty for housing targets and to represent how much land is required. There is an expectation that the LHLR exceeds the 10 year MATHLR. NPF4 requires LDPs to allocate land on a range of sites to meet the LHLR up to Year 10 and beyond. A Topic Paper on housing land requirements is currently being prepared to inform the Evidence Report which forms the first key stage of preparing the new LDP. The Topic Paper will refer to the MATHLR and the new Housing Need and Demand Assessment (HNDA) to identify the LHLR, which will include a specific target for brownfield land development.
- 3.3 As part of the LDP delivery programme, there is an expectancy to establish a deliverable housing land pipeline for the LHLR. To inform this pipeline, planning authorities are required to carry out an annual HLA that monitors 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 and to inform the pipeline and the actions to be taken in the delivery programme. The HLA is prepared in consultation with Homes for Scotland, local developers, landowners and statutory consultees. New guidance on HLAs to support the application of Policy 16 is due to be published shortly by the Scottish Government.
- 3.4 The audit has three key functions:
- To demonstrate the availability of sufficient effect land to meet the strategic housing land requirement for a minimum of 10 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. For such forecasting exercises, figures in the audit are further refined to get as accurate position as possible.

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.
- 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 then constraints cannot easily be overcome in the short term; and

- Established – the total housing land supply (effective added to constrained).

4.3 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 based upon housebuilders' returns, where received, with adjustments made by Planning Officers.

4.4 The draft HLA 2023 was made available for consultation on the Council's website and housebuilders, landowners and agents were notified, with comments invited by 20 April 2023. As part of the consultation, comments were invited on the high projections for Elgin and for 2026 as well as the current figure for 'Rest of Moray'. Comments were received from Altyre Estate/Urban Animation and Homes for Scotland which are summarised, with the proposed Council responses, in the table below:

Organisation	Comments	Moray Council Response	Changes Proposed to HLA
Altyre Estate/Urban Animation	Agreement with status of sites relating to Altyre Estate. Projections for Elgin and 2026 look ambitious based on recent history and current market conditions.	Noted. Officers agree that the projections do not reflect recent trends.	No change. Projections for Elgin sites have been amended.
Homes for Scotland	No comment to make on HLA.	Noted.	No change.

4.5 The introduction section of the final HLA is included as **APPENDIX 1** and the full audit has been uploaded to CMIS along with the agenda, as an additional document. The audit identifies that there is a 28 year established housing land supply (11,770 units), based on an annual housing land requirement identified in the HNDA. This consists of a 12 year effective housing land supply (5,022 units) and 16 year constrained housing land supply (6,748 units), of which 9 years supply is designated as LONG (3,875 units).

4.6 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 MLDP will likely to only require minimum additional housing land to be identified, with a much greater focus on redevelopment of brownfield sites rather than greenfield releases.

4.7 Completions in 2022 were 418 compared with 398 in 2021, 231 in 2020 (impact of Covid-19 pandemic), 414 in 2019 and 358 in 2018. The majority of completions between 2012 and 2022 were in Elgin, Forres and Buckie.

4.8 While the overall effective supply of housing is very good, 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 R2). In addition, a masterplan is being developed for Hillside Farm (Dufftown R1) in partnership with Dufftown & District Community Association. The Moray Growth Deal Housing Mix Delivery project will bring further investment to help unlock previously constrained housing land sites.

5. **KEITH LONG1 Nursery Field**

5.1 As detailed in Table 9 of the HLA, Keith HMA currently has a deficit in effective housing land. This is due to constraints including ownership, marketability and physical.

5.2 The need for early release of LONG term housing land is evaluated through the annual HLA process and monitoring report. Officers recommend that Keith LONG1 *Nursery Field* is released into the effective supply for the following reasons:

- Of the 297 units available in the Keith LHMA, 194 units are considered to be constrained;
- The shortfall cannot be met by windfall provision in the area;
- The current constrained sites are unlikely to become available for development in the relevant timeframe; and
- The release of Keith LONG1 will increase the effective housing supply by 70 units and increase the choice of available sites for developers.

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 NPF4 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 & Development section.

(f) Property

None.

(g) Equalities/Socio Economic Impact

No Equality Impact Assessment is required for this report.

(h) Climate Change and Biodiversity Impacts

NPF4 and MLDP policies seek to ensure that development proposals reduce carbon emissions and enhance biodiversity. NPF4 also places a much greater focus on brownfield redevelopment.

Work is underway on the next HNDA, which is being led by the Housing Strategy and Development Manager, and this will inform the housing land requirements for the next LDP which will set a target for brownfield redevelopment.

(i) 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 Principal Climate Change Officer, the Senior Engineer (Transportation), the Equal Opportunities Officer, Deborah O'Shea (Principal Accountant) and Lissa Rowan (Committee Services Officer) have been consulted and comments received have been incorporated into the report.

7. CONCLUSION

7.1 NPF4 requires planning authorities to carry out an annual HLA to monitor the delivery of housing land.

7.2 The 2023 HLA identified a 12 year effective supply of housing land, with a total 28 years established land supply.

7.3 Approval is sought for the early release of Keith LONG1 *Nursery Field* to address the deficit of effective housing land supply in the Keith LHMA.

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Background Papers:

Ref:

