

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR INFORMATION

Title: **Housing Policy Progress**

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Purpose

The purpose of this paper is to inform the Board of progress in developing detailed housing policy and supporting mechanisms that will be delivered through the National Park Plan and Local Plan.

Executive Summary

This Paper summarises the information gathered by CNPA staff on the factors that create the current housing issues in the Cairngorms National Park, are likely to be influential in the future, and on the potential ways that the CNPA can positively intervene in the housing market. The paper outlines some of the possible scenarios for future population change and associated household change in the Park. Features of all projections are an older population, and without policy changes, steady losses of younger adults and children, combined with a trend to smaller households which gives rise to an overall increase in the numbers of households. Significant numbers of new homes would need to be built to accommodate the new households, and mechanisms to ensure that those homes went to those who needed them would be required to avoid a continuing gap between supply and the ability of Park households to access the supply. The paper highlights this gap in ability of Park households to access the housing market by comparing incomes and house prices.

The Paper also summarises research and practice in other parts of Scotland, the UK and abroad before running through a selection of mechanisms that are considered to offer a range of practical ways in which the CNPA and housing partners, including developers, may be able to create a more sustainable balance within the housing market of the Park area. The need for further dialogue with these partners in order to select and refine the most appropriate tools for the Park area is highlighted as critical to the ability of CNPA staff to present viable options to the CNPA Board and Planning Committee throughout the first part of 2007 and leading to the deposit of the Local Plan in June 2007.

Introduction

1. This information paper summarises the information collated by the CNPA and partners to date to inform the housing policy that will be delivered through the Local Plan, the Park Plan and other organisations' work. The paper provides an overview of the key points from research and updates the Board on what needs to be done in order for the Board to consider detailed housing policies and supporting or supplementary guidance. It follows on from the Board Paper of 19 May 2006 where the Board approved the following points:

"The Board approved the recommendations of the paper as a basis for further work and consultation as follows:

- *The principle of intervention in the housing market to achieve more sustainable communities;*
- *That the focus of CNPA supported intervention should be to support the delivery of housing to meet the economic and social needs of the Park's communities in line with the statutory aims of the Park;*
- *CNPA support for the creation of significant new, publicly subsidised affordable housing;*
- *To consider how the CNPA might encourage or support the creation of new crofts;*
- *The principle of residency criteria, implemented via Section 75 agreements, to ensure that new market housing is helping to meet the aims of the Park;*
- *That the CNPA investigate other opportunities to increase private investment in the provision of affordable housing;*
- *That the CNPA should seek to influence the local authorities and Housing Associations in developing their Common Housing Registers and allocations policies, so that people can clearly identify their housing market preferences within the National Park area;*
- *That the CNPA investigate the potential for encouraging and supporting community owned low cost rented housing;*
- *That the CNPA initiate discussion with the Scottish Executive about the potential for a change in the Planning Use Classes Order to the effect that a change of use from a permanent house to a second home or holiday home would require planning permission;*
- *That the CNPA discourage the public sector from disposing of houses on the open market.*

The Board agreed an additional action: that further thought should be given to the point raised in discussion that the CNPA should investigate the proposal to set up a housing register for the National Park based on criteria particular to the Park and separate from those used by local authorities.

Action:

- a) *Further report to be brought to the Board in due course, summarising points raised during the consultation, and the outcome of work to take forward the recommendations of the paper and points raised during its discussion*

2. In following up these points, we have focussed on the need to identify realistic and practical options that contribute to the delivery of the National Park Plan's proposed "*Making Housing Affordable and Sustainable*" outcomes of:
 - There will be an increase in the supply of housing to meet communities' needs.
 - There will be a reduction in the number of businesses identifying housing as a barrier to staff recruitment.
 - There will be more good quality private rented sector accommodation available at affordable rates to meet local need.
 - New housing will be of a more sustainable design.
3. We have also been working to prepare a robust and deliverable Local Plan for the Park that can be finalised and placed on deposit during June 2007. It is inevitable that the investigation of some of the options agreed by Board will be an ongoing process that runs beyond the point at which the Local Plan is finalised and that over time new opportunities and mechanisms for ensuring a suitable housing supply will be considered.
4. Clearly, the provision of housing is only one, albeit important, part of social and economic needs of the Park's communities. The National Park Plan looks to develop improved access to further and higher education, and skilled employment opportunities within the CNP in the future that may lead improved economic opportunities, higher incomes, and the retention of and attraction to younger people in the Park. These factors may also lead to improved ability to access the housing market over time.
5. All this work is framed by the need for the CNPA, National Park Plan and Local Plan do deliver the aims of the National Park in a coordinated way. This information paper is focused on housing related issues alone and does not assess the extent to which other needs or priorities will guide our future recommendations to the Board.

Population and Household Projections

6. In order for the Local Plan to provide enough housing land, an estimate of the likely number people living in the Park area in the future, and the number of households they may form is required. The household projections, which are an estimate of the number of households likely to be formed within or move into the area, are used to inform the housing land requirement, which reflects the numbers of houses required to be built in order to meet the household projections and also to influence housing availability, population structure and economic conditions. Further detail on the population and household projections is provided in Appendix 1.
7. This paper does not recommend a particular housing land requirement or target for numbers or types of houses to be built in the future. It is simply a

summary of the range of factors and issues that will influence our future recommendations to the Board. Those recommendations will be within the context of what is appropriate as well as what can be delivered through the Local Plan and National Park Plan, and will need to take into account the coordinated delivery of all the National Park's aims.

8. This can be one of the most contentious issues for a Local Plan to consider, particularly as the provision of effective housing land to meet future needs is closely linked to long term aspirations for economic growth, both in the National Park area and outside its boundary. It is therefore important that these projections link to other partners' (and particularly other public bodies such as the local authorities, enterprise companies and Communities Scotland) expectations of future social and economic conditions in order to contribute to their aims and inform their future planning.
9. The Local Plan looks to a 10 year period for housing land supply, and the University of Manchester's Cathie Marsh Centre for Census Survey and Research (CCSR) provided the CNPA with population and household projections to inform the Local Plan. The CCSR projections suggested a small rise in population (of approximately 600 people) in the Park over the next 10 years, combined with a large rise in the number of households (approximately 900) over the same period. The projections also showed that the population of the Park was getting older, with the number of people in the 65+ age group expected to increase to 27% of the population in 2016 from 20% in 2004 (from around 3190 to 4560 people). The number of children (0-15 years old) in the Park could be expected to fall from around 17% of the population in 2004 to around 12% of the population over the same period (a total fall of about 750, with a drop of more than 400 school-age children).
10. The Highland Council have produced their own population and household projections for Badenoch and Strathspey which predict similar changes in population structure over time. The Highland Council projections use the Highland Wellbeing Alliance's baseline assumption for net in migration to the Highlands as a starting point and the projections based on this in migration suggest that population growth in Badenoch and Strathspey would be at a lower rate than the CCSR projections which assume a higher rate of in migration. Similarly, projected household growth would be smaller with the smaller rate of population growth (around 600 additional B&S households at the Highland Wellbeing Alliance in migration rate vs. around 766 extra B&S households at the CCSR rate). In an alternative projection, Highland Council looked at the what level of net in migration would be required to reduce by half the fall in numbers of children to 2016. This showed that a significantly higher rate of in migration to the CCSR projection might be required, leading to a potential increase in households in Badenoch and Strathspey alone.

11. We do not have equivalent comparisons for the other areas within the CNPA, partly due to resources in the local authorities being focused on wider issues and also because the population numbers within the other parts of the Park are not large enough to produce projections with much confidence. We are working hard to improve our own ability to model and monitor population and household changes.
12. The projections do not take into account the potential effects of migrant workers in the Park. As yet there is little direct information as to the numbers arriving and the length of time they stay. Public agencies across Scotland are trying to assess this and we hope to be able to use more detailed information in the future.
13. None of the projections reflect with any certainty what will happen in the future. They simply illustrate potential changes that may occur under different conditions. If no new housing was built in the Park, there would be fewer properties available for the increasing numbers of smaller households and the population would fall slowly at first and more rapidly over time. If the in-migration to the Park was at a lower level than has been projected but the out migration of people under 40 fell by a quarter, the population of the Park could rise by nearly 1000 people over the next 10 years, and the Park might need as many as 1500 additional homes for those people. We are using these projections and additional in-house work to develop realistic projections and housing requirements that balance the likely trends and our policy aims.

Population and Household Projections - Key Points

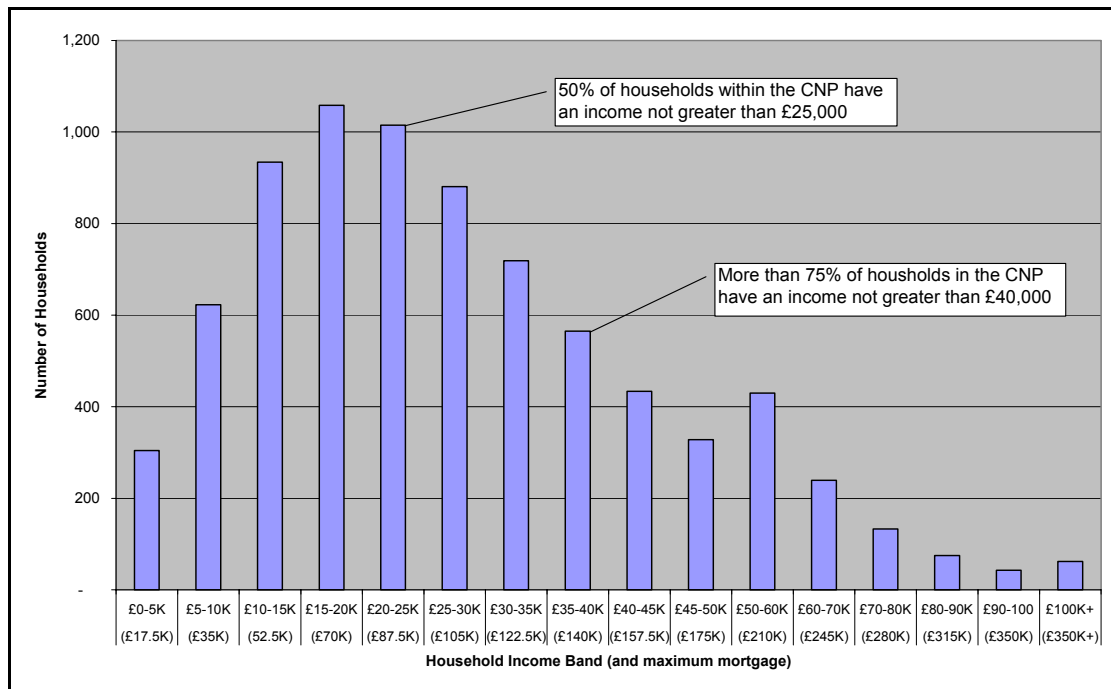
- The CNP's population is going to get older and the aging means that over time, population loss can be expected, even with low rates of net in migration.
- More young adults leave the Park area than come into it, and this means that fewer children are being born in the area, leading to a decline in the numbers of children over time.
- High levels of net in migration to the Park area lead to modest population growth;
- The greatest net in-migration is likely to be in the 40-60 age group who may be economically active, relatively affluent, but less likely to bring children.
- The inability to access housing may be a component in the loss of young adults, but access to further and higher education and skilled and well paid work is also likely to be a driver.
- The Park is likely to see an increase of between 600 and 1000 households over the next 10 years.
- In order to maintain sustainable communities in the National Park in the future, the Park will need to either stop losing young people or encourage more young people to come and live and work in the area.

- The availability of housing that is accessible and available to young people may help to reduce out migration and create conditions more attractive to young in migrants.

National Park Household Incomes

14. The average household income (this is not individual income) in the CNP is around £29,100 pa which is slightly lower than the Scottish average of £29,900 pa. Household incomes in the CNP area show similar patterns in distribution to three of the surrounding Local Authorities, with the £15-20K band being the most frequent income band, 50% or more of households having an income of not more than £25K, and 75% or more of households having an income of not more than £40K. The exception to this pattern is the Aberdeenshire Council area where incomes in the Park are consistent with the rest of the Park area but much lower than the significantly higher household incomes for the entire Aberdeenshire Council area (£33,500).

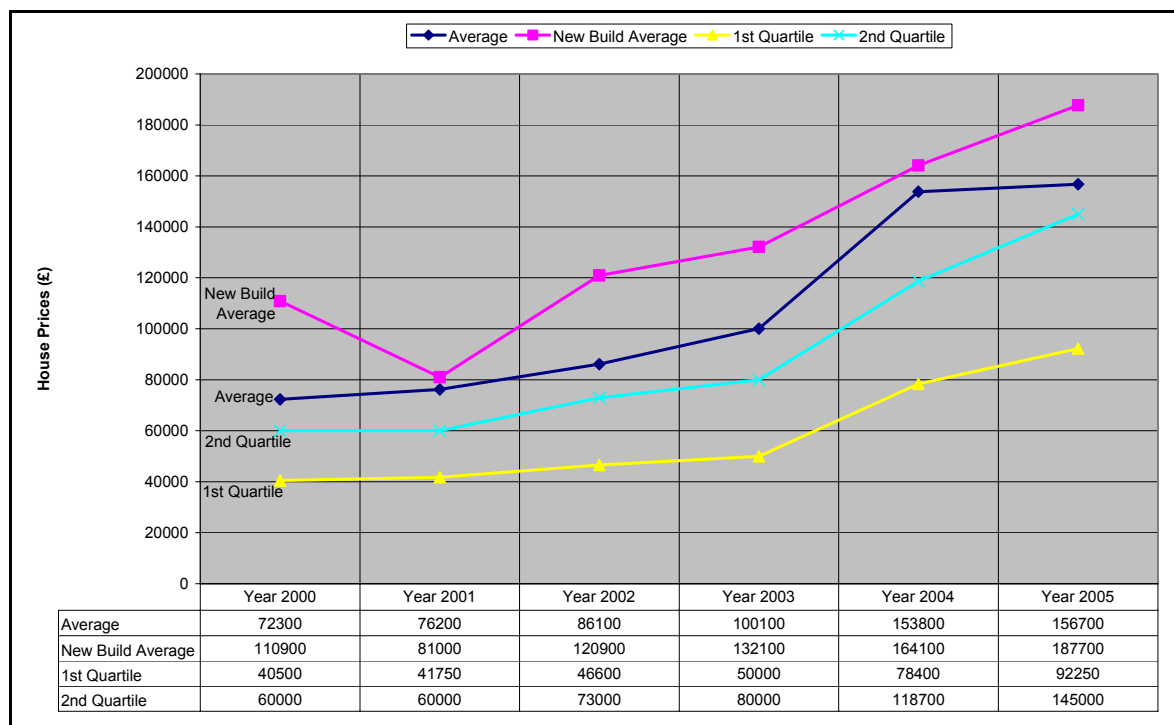
Figure 1. household incomes in the CNP



National Park House Prices

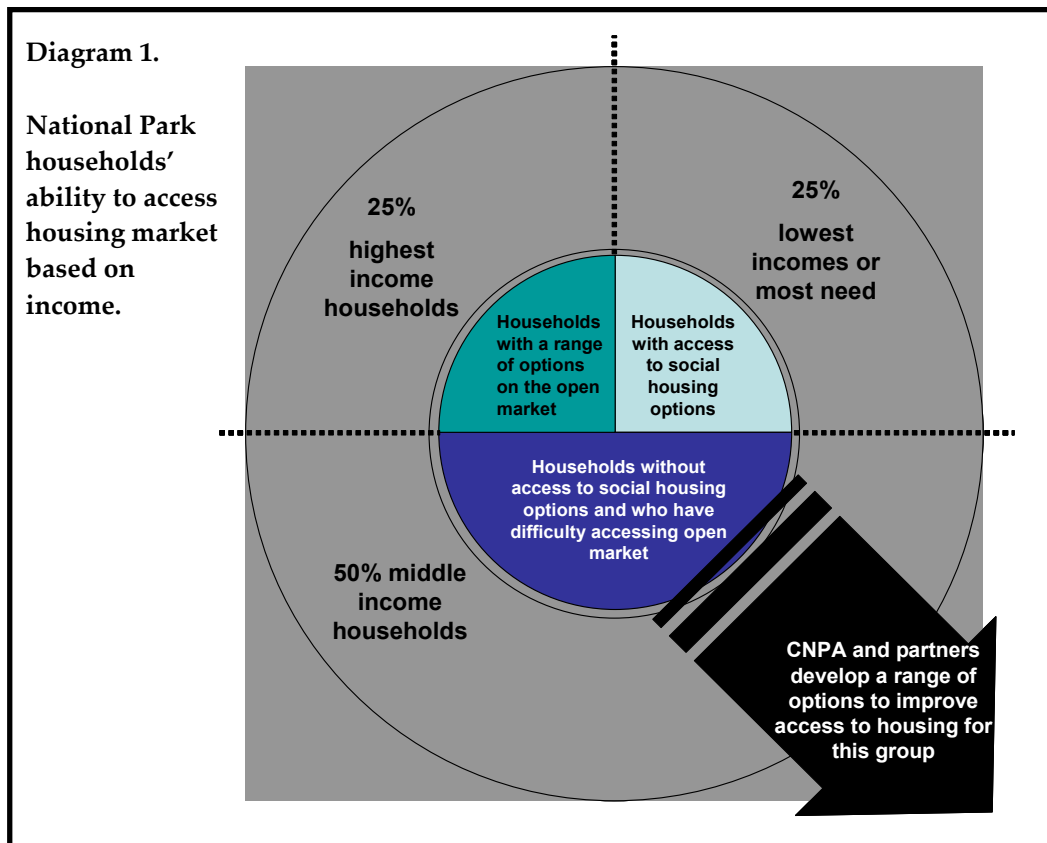
15. House prices in the CNP area have risen sharply over the past 5 years (Figure 2), reflecting the house price rises that have affected all of the UK. The particularly high rate of increase from 2003 onwards reflects the trend in many parts of rural Scotland, and it is expected that house prices will have continued to rise over 2006. As an illustration of the relative price of houses, the average price in the CNP area in 2005 (£156,700) is higher than the average prices in all four constituent local authorities, with Aberdeenshire and Highland closest at around £140K, Angus at around £118K and Moray at around £110K.
16. The price range in the housing market can be further explored by looking at different sections of the market. The 1st quartile and 2nd quartile represent the cheapest quarter of house sales and second quarter of house sales respectively. These sections of the market have risen rapidly over the past years to the point at 2005 where only half of the sales cost less than £145,000 and only a quarter of sales less than £92,250. It is also interesting to see average new build house prices rising to nearly £190,000 in 2005. We do not know to what extent this reflects the build costs or simply the prices the market is prepared to pay. Figure 2 shows that across different sections of the open market, the cost of houses within the Cairngorms National Park has more than doubled over the past 5 years.

Figure 2. CNP house prices 2000 - 2005



Accessing the Housing Market

17. The Housing System Analysis research carried out by Heriot Watt University estimated housing need in the CNP area and concluded that, based on its affordability model, around 113 units were required each year in the Park for the full range of people who could not access the open market. That estimation took into account an element of population and household projection, house price data to 2003/2004 local household incomes, and the local authority and housing association waiting lists. Since the Heriot Watt study was carried out, more information for house prices in 2004 and 2005 has become available and it is likely that due to the continued rise in house prices, the estimated housing need would have risen.
18. By comparing household incomes with house prices, it is possible to get an indication of how likely different household income groups are to be able to access the housing market. In reality, the ability to access the market will also depend on whether households have capital or equity with which to gain leverage in the market. A quick look at figures 1 and 2 shows that 75% of households within the Cairngorms National Park have an income that would not be sufficient to secure a mortgage great enough to purchase a house of average 2005 price within the Park. In addition to this, on the basis of 2005 house prices, 50% of the households within the Park have an income that would be insufficient to secure a mortgage for 79% of house sales.
19. Diagram one summarises the general difficulties that National Park households are likely to have in accessing housing. On the basis of incomes alone, only about a quarter of households are likely to have a range of choices on the open market.



20. With the average price of new build properties even higher than those of second hand properties (only 12% of households in the Park could afford an average-priced new build property on 2005 prices), it is clear that a large part of current house building within the CNPA cannot be realistically said to be for the Park's own population.

How others approach the issues

21. We have looked at practice elsewhere in the UK and overseas and considered a range of research into rural housing. A detailed summary of this work is provided in Appendices 2A to 2G to this paper.
22. Appendices 2A to 2D relate to other organisations research into rural housing provision. A common theme throughout the research is that different approaches and a range of approaches may be appropriate in different locations. International experiences provide an interesting context and comparison to the UK's problems, but, short of the state providing substantial funding for housing, do not provide clear solutions which could be used to provide significant volumes of housing.
23. Research focused into housing provision in National Parks in England and Wales tends to have a clear focus on the need to provide Affordable housing. Although the most radically restrictive policies introduced to English National Parks are relatively new and untested, our own investigations of the ways in which they have formulated and applied residency or occupancy conditions leads us to think that they would, for a number of reasons, be unlikely to provide the sorts of housing that the CNP needs in the future:
 - a. the criteria have generally been introduced in order to restrict house building rather than to facilitate more building for those who need it;
 - b. the policies have succeeded in reducing house building of open market housing but the Parks must still rely heavily on the availability of public funds to support affordable housing;
 - c. the reduced housing supply further inflates existing housing prices, but significantly, the price of housing with the restrictions does not become affordable (at around 20% cheaper than equivalent open market properties) to many of the households with 'Park' incomes, and so is only available to the better off qualifiers.
24. The Loch Lomond and the Trossachs National Park Authority also use occupancy criteria that they inherited from the local authorities and were originally raised in a 1986 subject local plan for the Loch Lomond Regional Park. The policies only apply to small parts of the Park area on west Loch Lomondside, and the villages of Drymen and Croftamie south east of Loch Lomond. Again, the policy was introduced to stop speculative development

and not to support housing for particular groups in need. The properties remain desirable due to their locations and retain high sale prices.

25. An interesting alternative approach to balancing the overall housing market of an area is being proposed by South Shropshire District Council in consultative draft interim planning guidance on Affordable Housing Solutions (summarised in Appendix 2F). The gap between incomes and house prices in South Shropshire is so great (average house prices ten times greater than average income) that a 50/50 split between open market and affordable housing has been in place for a number of years. The district council are now trying to create a framework to increase the variation in options for how the 50% affordable quota is developed. There are a range of proposals including setting price limits for properties based on multipliers of average income, limiting any increases in value of properties to increases in average incomes or house price index rises, and dictating the occupancy and type of mortgage that can be used to purchase the properties. The proposals are complicated and have not yet been tested, but illustrate that other parts of the UK are looking at new ways of influencing the housing market.

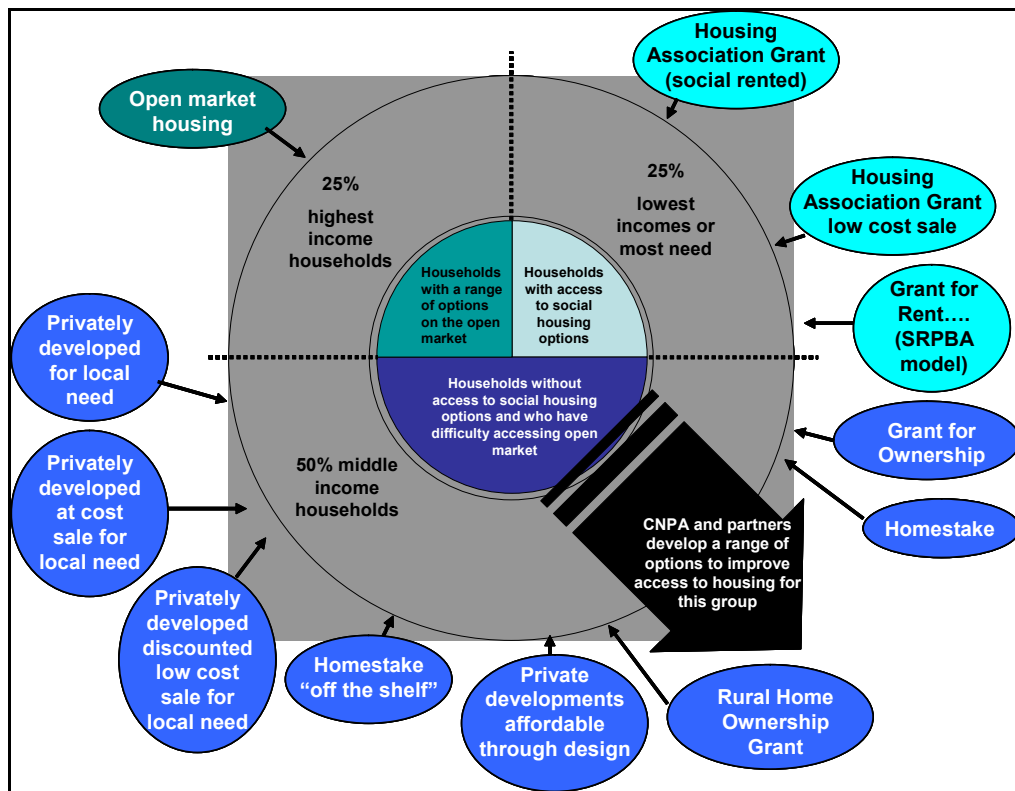
The options we are exploring as a priority:

26. As a result of the information gathering, research and discussions with partners described above, we are pursuing a range of options for improving the affordability of the Cairngorms housing market for typical Park households. We have split the options into two sets. One deals with the existing mechanisms for securing public subsidy towards housing, how to make best use of it and how to develop new mechanisms that help the Park. The other set explores options that do not involve public subsidy but involve private developers providing a broader range of housing options that more closely reflect the long term housing needs of the Park.
27. One of the most controversial points in the 19th May Board paper in terms of media and public interest was: *"The principle of residency criteria, implemented via Section 75 agreements, to ensure that new market housing is helping to meet the aims of the Park"*. Through our research into practice elsewhere, discussions with public sector partners and the development industry, we have developed a better understanding of the nature of the housing problems in the Park and the potential ways of tackling them. It has become clear that a more refined mechanism that targets more precisely the occupancy of certain properties in the market, rather than simply a residency requirement, would be more likely to have a direct impact on the availability of housing for those the Park needs to retain or attract. However, we continue to work with Communities Scotland to model what effects a range of criteria or policy options might have on the Park and surrounding areas.
28. We believe that the use of occupancy criteria, as opposed to residency criteria, through Section 75 agreements, offers a more flexible tool that could

help to more accurately deliver housing for the kinds of households that the Park needs to maintain and to attract. The occupancy criteria could retain the basic premise that the occupants would use a property as a primary residence, but could also be used to target the specific income groups, family units or types of worker the Park needs. We consider that this would allow more economical use of section 75 agreements in order to create longer term affordable housing and, as a more targeted approach, is more likely to be acceptable to developers as a proportion of an overall housing development. Significantly, we believe that this could prove a useful mechanism for ensuring that new market housing provides both commercial viability to developers as well as a balance that more closely reflects the economic and social needs of the Park’s communities.

29. There are no simple answers to providing housing for all groups of society and this is a problem common to all areas of Scotland and the UK. A range of tools are available and the CNPA must use those that will have the greatest effect in the Park. Diagram 2 summarises some of the key mechanisms that may be suitable options and we envisage that we will recommend a ‘tool kit’ with a range of these options to the Board in the future, where different options or combinations of options become the appropriate tools for delivering housing fit for the Park.

Diagram 2. Range of mechanisms for securing housing in the Park



The mechanisms involving public subsidy

30. Public subsidy provides one of the simplest routes to housing provision for those who can't access the housing market. In the past, social housing was provided on a large scale by local authorities and more recently on an increasing level by housing associations through Communities Scotland. The combination of loss of council housing to private housing and the rise in property prices has contributed to the current housing problems on a national level. There is an increasing awareness that publicly subsidised housing must be provided for not only the poorest or most in need in society but that it also needs to help people who would previously have had both better access to social rented accommodation and more choice in the open housing market. Table 1 summarises the forms of public subsidy available and their potential value to the Park area. In particular, the "Homestake" mechanisms have been suggested as having greater potential by both Communities Scotland and the Scottish Executive. We are working with Communities Scotland to investigate how Homestake could help in the Park area, how it might be tailored to the Park area, and what level of funding would be required for it to make a significant contribution to housing supply within the CNP.

<i>Table 1. Mechanisms that require public subsidy</i>	
	<i>Description and potential use</i>
<i>Increase the % of Affordable housing on developments through Local plan</i>	<i>This could be used to increase the proportion of social housing created as part of a development but relies heavily on the availability of public funds to be practical.</i>
<i>Shared Equity Homestake (for New Build) Homestake "off the shelf" (for 2nd hand)</i>	<p><i>These mechanisms allow people to purchase a minimum of 51% of a home and, assuming that the local authority has "pressured area status" a maximum of 80%. Profits from sale are split between the owner and Communities Scotland for reinvestment in affordable housing.</i></p> <p><i>The CNPA is working with Communities Scotland to identify how these grant mechanisms could be used to provide homes for more people in the CNP.</i></p> <p><i>As a guide for the CNP area, approximately half of all households have incomes that could make them eligible for Homestake. If enough money was made available, and the criteria set for the CNP market conditions, Homestake could target exactly the kinds of households the Park needs to help.</i></p>
<i>Grant for Rent or Ownership (GRO)</i>	<p><i>This grant is given to a developer to provide homes for low cost ownership.</i></p> <p><i>The SRPBA has been exploring a rent model that would allow landowners to provide homes for rent.</i></p>

	<i>This may help private landlords provide additional social rental accommodation in the future.</i>
<i>Housing Association Grant (HAG)</i>	<i>This is the basic grant to housing association to provide social rented and low cost home ownership accommodation. It will continue to play a very important role in providing social housing in the CNPA in the future.</i>
<i>Rural Home Ownership Grant (RHOG)</i>	<i>For individuals to build homes in rural areas. This Grant has not been well used but has the potential, particularly where landowners are prepared to sell land at non market prices. This could provide limited numbers of homes in the CNP area.</i>
<i>Rural Empty Property Grant (REPG)</i>	<i>This grant allows estates and individuals to reuse empty property. The grant can help where properties are not in need of significant work but otherwise the capital investment required may be too great for estate or individual.</i>

The mechanisms without public subsidy

31. Given the currently accepted costs of building houses, and the limits of public money, privately developed housing is always likely to provide the majority of homes. Given the rise in the housing market, privately developed housing, even where sold at prices affordable to a typical CNP household, has risen in price quickly to make it less affordable to many thereafter. Also, as house builders are businesses seeking profit, it is understandable that they will often seek to build for the greatest profit.

32. The need for profit in the house building industry is a reality that the CNPA must accept. It would not be possible to ask the industry to work at a loss, or to instantly alter conventional practices in order to create less costly properties. However, there should be many ways of securing greater balance in the properties built to meet the needs of the communities in the Park. We have outlined a range of these below and consider they offer a variety of mechanisms that could be applied in a range of circumstances and negotiated between the CNPA, the local authorities and developers. Some of these mechanisms could be described as planning gain while others may simply be delivered over time through negotiation with developers about changing practices and attitudes to housing supply.

33. We have not defined exactly what “local need” or “the Park’s needs” are at this stage, as they are likely to vary between different areas and communities. As a general rule, they are intended to mean the variety of housing types that are needed to house the people that the Park needs in order to sustain vibrant communities. This may incorporate social housing, housing for low cost sale, housing for at cost sale, housing that is discounted, or housing that is simply cheaper than open market rates. This range of housing will include

properties where developers still make profit from selling homes to people from the Park’s communities.

34. For some housing it would be possible to use Section 75 agreements to guarantee that the initial and even subsequent occupants were from the Park’s target groups. Aberdeenshire Council have used S75 agreements with developers and homeowners to secure discounted sale price housing for people that the council nominate and then split profits of subsequent sale between the homeowner, developer and council. It is our understanding that Aberdeenshire Council have also used this method to ensure that the selling price is the district valuer’s valuation and that they nominate subsequent buyers. We are still exploring how far this mechanism could be extended for different scenarios but consider that it is likely to become an accepted tool in the future for both targeting particular needs and delivering longer term affordability.
35. We are still investigating these routes and need to spend more time discussing with public sector partners and the development industry.

<i>Table 2. Mechanisms to provide housing for the Park’s needs without public subsidy</i>	
	<i>Description and potential use</i>
<i>Provide a clear framework for the proportion of Affordable housing, housing for Local Need and open market housing expected on developments through Local Plan</i>	<p><i>By providing a clear framework for developers that outlines the kinds of properties required and for what groups. At one end there may be justification in sites that are identified entirely for local need while at the other end some site may require a high proportion of open market housing to enable the development of important types of Local Needs housing</i></p> <p><i>This approach could be prescriptive by setting exact proportions of different types of housing, or could be negotiable with developers in order to allow them to be creative in providing homes suited to the Park’s needs. To some extent this approach could also provide flexibility to accommodate variation in the availability of public subsidy for social housing.</i></p>
<i>Private Developers agree to produce target group housing as part of development</i>	<p><i>One approach to the provision of housing for the Park’s needs would be to agree with the developer that a proportion of the development are particular house types for sale at fixed rates to particular household types.</i></p> <p><i>Alternatively, a developer may build housing for “mid-range rent” (ie rents above social rates) where the developer makes profit from the rent and a housing</i></p>

	<p><i>association manages the properties on their behalf. This option would probably require some kind of capitalisation option for the developer but might still provide opportunities for use of Homestake or other tools to retain affordability.</i></p> <p><i>The proportion of local needs to open market housing could be agreed on the basis of the profit margins on the targeted housing. The initial and subsequent occupiers could be conditioned via S75 agreements to ensure longer term affordability and housing supply for priority groups.</i></p>
<p><i>Private Developers agree to produce discounted housing as part of development – explore shared equity options</i></p>	<p><i>This is the type of agreement that Aberdeenshire Council have used successfully.</i></p> <p><i>The mechanism may be adapted to help provide housing for a wide range of households.</i></p>
<p><i>Private Developments affordable through design.</i></p>	<p><i>One of the barriers to housing that can be accessed by Park households is simply the cost of building homes. Some of these costs can be reduced, while still improving the long term sustainability and suitability of the housing.</i></p> <p><i>The sustainable design guide will address this issue but developers can also take the lead in terms of providing alternative methods and materials that reduce overall cost.</i></p> <p><i>The CNPA is involved in the Milehouse affordable project at Kincaig which is looking to deliver low cost sustainable homes and we to hope to be able to use examples such as this to develop practices in the future.</i></p>
<p><i>Landowners discounting land for local needs housing.</i></p>	<p><i>A further barrier to the provision of housing that can be accessed by Park households is the cost of land that is added to the construction costs.</i></p> <p><i>Landowners, many of whom live in the Park and understand the difficulties many people have in access housing could play an important role in helping to relieve the housing pressures by providing a flexible pricing structure for land needed for local needs.</i></p> <p><i>Clearly, such an approach would rely on the goodwill of landowners and would need to be accompanied by land developed at full market value to maintain commercial viability.</i></p>
<p><i>Open market sales for profit.</i></p>	<p><i>A key part of the overall housing supply will continue to be the building of open market housing available to those who can afford it.</i></p>

	<p><i>This housing is required to both offset the lower profitability of some of the other forms of housing required in the Park area, and to enable the development of sites with high infrastructure costs.</i></p>
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Other options being investigated

36. The options described above are the main routes that we consider have potential to make significant contributions to the housing supply in the CNP area over the next 5 years or so and particularly as mechanisms to support the delivery of housing through the Local Plan. Clearly, there are other potential routes that may be pursued over the longer term and some of these are described below:

- During discussions with partners over the National Park Plan it was confirmed that most of public sector organisations within the CNP area already have policies of not disposing of property on the open market, and many consult with a range of housing organisations on the potential uses.
- We continue to work with landowners/ the SRPBA to try to improve the ability of landowners to provide housing for Park residents, both as social housing and simply as high quality rented accommodation affordable to Park households.
- We continue to investigate community involvement in housing provision and whether there is a viable role for Community Trusts.
- We have brought up the subject of the Use Classes Order and second homes with the Scottish Executive. The initial response has been that such would unlikely to receive backing but that the review of the Use Classes Order may provide more support for affordable housing.
- The Board asked that we look at developing a housing register for the national Park based on criteria particular to the Park and separate from those used by Local Authorities. Initial discussions with local authorities, housing associations and Communities Scotland confirmed that due to the legal framework this would not be possible for social housing. However, there is a need to develop a set of CNP specific criteria for the identification of potential purchasers of **privately developed local need housing** and there may be potential for the CNP to compile such a list that could be used in addition to the common housing register for selection purposes. A similar approach is used in the implementation of GRO grants.

- We continue to work with our housing partners to develop the common housing register.
- We continue to explore what role crofting may play in providing housing for the Park's needs in the future.
- We will continue to monitor what effects the Rural Development Regulations may have on the CNPA and any linkages to rural housing.

Discussions with partners

37. Before we can present the Board with many of these mechanisms as definite options, we need to have further discussions with the local authorities, Communities Scotland, developers and landowners. We need a level of agreement about the issues and validity of potential options from some partners and need to explore the viability of some options with others.
38. For a number of the potential mechanisms, we need further information on how to implement them and for others, we need partners to agree to use or enforce them. We also need to have had enough discussion with developers in order to understand how we can work together to deliver a greater supply of housing for the Park households we want to keep and attract. While we don't expect developers to volunteer to do all we would want, we believe that we can have enough constructive dialogue to find some realistic options for the future

Next steps

39. We already have a large part of the information needed to identify the problems and to formulate policy but we need a greater level of common understanding with other public sector partners and need some supporting research to be further progressed before we recommend policy options to the Board. We will have met with the Cairngorms Housing Group on 27 September to discuss some of the issues and potential solutions with representatives from the full range of partners. We will also have met with Communities Scotland on 29 September to discuss work on Homestake and possible joint research into the modelling of policy effects inside and outside the National Park boundary.
40. The key stages of work are outlined below along with a timetable for bringing options to the Board for decision.
 - Exploring issues and range of potential housing solutions/mechanisms with local authorities, Communities Scotland and developers;
 - Compile revised Local Plan housing context, strategic options, policy options and allocation options

- Review and discuss preferred options and appropriate mechanisms with local authorities, Communities Scotland. Review and test preferred options with developers;
- Prepare finalised Local Plan housing context, strategic options, policy options and allocation options;
- 12 January 2007 Informal Planning Committee session to discuss finalised Local Plan housing context, strategic options, policy options and allocation options;
- **23 February 2007 Formal presentation of finalised Local Plan housing context, strategic options, policy options and allocation options to Planning Committee.**
- March 2007 Informal Planning Committee session to discuss finalised Local Plan – we would like to organise a special full day session;
- **4 May 2007 Formal presentation of finalised Local Plan to Planning Committee for decision to place on deposit.**
- **June 2007 Local Plan placed on deposit**

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