
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DECISION

**Title: HOUSING AND DEVELOPER OBLIGATIONS
SUPPLEMENTARY GUIDANCE**

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Purpose of Report:

To ask the Planning Committee to approve for consultation Housing and Developer Obligations Guidance to support the Local Development Plan 2021.

Recommendation:

That the Planning Committee approve the publication of the following Supplementary Guidance for a six week period of public consultation:

- a) Housing
- b) Developer Obligations

Background

1. The Cairngorms National Park Local Development Plan 2021 was adopted by the National Park Authority on March 26th 2021. The Plan states that it will be supported by two pieces of Supplementary Guidance covering Policy I: Housing and Policy II: Developer Obligations. The Supplementary Guidance is limited to providing further detail on the policies in the LDP and cannot introduce new policy requirements not already set out in the LDP. The draft Supplementary Guidance must undergo public consultation prior to being adopted and the Authority must consider any timeous representations made to it during the consultation period..
2. Following the consultation and the incorporation of any changes arising from it, the CNPA must submit a copy of the guidance it wishes to adopt to Scottish Ministers. At that time the Authority must also send Ministers a Statement setting out the publicity measures they have undertaken, the comments they received, and an explanation of how these comments were taken into account. After 28 days have elapsed, the Authority may adopt the Supplementary Guidance unless Scottish Ministers have directed otherwise.
3. It is therefore proposed that Supplementary Guidance on Housing and Developer Contributions be published for consultation for a period of six weeks:

Housing Supplementary Guidance

4. The main focus of this guidance is affordable housing. The shortage of affordable housing has been identified as a major issue and one of the greatest challenges facing the communities within the Cairngorms National Park and the LDP has been prepared to help increase its delivery.
5. This guidance defines affordable housing and explains where on-site delivery is required as well as where exceptions to this might be made. It also sets out the expected level of financial contribution that is required for smaller developments (of fewer than 4 dwellings) and where on-site delivery is not possible. The Cairngorms National Park Local Plan of 2010 introduced a requirement for financial contributions from these small developments (£1,250-£3,750 per unit)¹ that has remained unchanged for the past ten years. At the time of implementation, that approach was considered bold, but in the intervening years many planning authorities have introduced such contributions.
6. A valuation study has been carried out by the District Valuation Service in order to determine the appropriate commuted sum for each Housing Market Area within the National Park, based on the land values in each area. The study is provided in Appendix 3.
7. The level of contributions proposed are shown in Table I below. The final column has the recommended full contributions rates which are very significantly greater than those currently sought. Because of this, we propose a staggered introduction starting at 25% of the full amount and increase by the same number each year to the fourth year of the LDP. The levels may be reviewed during the Plan period and should significant change be identified, updated figures will be published on the National Park Authority's website.

Table I Cairngorms National Park Commuted sum per unit

	From adoption to 31 Mar 2022	1 Apr 2022 – 31 Mar 2023	1 Apr 2023 – 31 Mar 2024	1 Apr 2024 - end of Plan
Aberdeenshire	£8,125	£16,250	£24,375	£32,500
Angus	£4,000	£8,000	£12,000	£16,000
Highland	£4,625	£9,250	£13,875	£18,500
Moray	£4,250	£8,500	£12,750	£17,000
Perth & Kinross	£7,500	£15,000	£22,500	£30,000

8. For comparison, Table 2 below shows the rates applied in the four local authority areas around the Cairngorms National Park where contributions are sought from small developments and the rates applied in Loch Lomond and the Trossachs National Park. Highland Council do not currently seek affordable housing contributions from development of fewer than four houses in areas outside the National Park.

¹ See <https://cairngorms.co.uk/wp-content/uploads/2015/09/Policy1NewHousingDevelopmentFinal1.pdf>

Table 2 Aberdeenshire Commuted sum per unit

Local Authority	Location	Commuted sum (per plot)
Aberdeenshire ²	Portlethen, Banchory, Inverurie Stonehaven	£48,000
	Ellon, Oldmeldrum, Aboyne, Alford	£40,000
	Fraserburgh, Turriff, Huntly, Banff, Macduff	£27,000
Angus ³	North Angus	£28,000
Moray ⁴	All Moray	£16,000
Perth and Kinross ⁵	Highland Perthshire	£19,000
Loch Lomond and Trossachs National Park ⁶	Accessible Rural – Loch Lomondside	£27,500
	Accessible Rural – Stirling towns and villages	£25,000

9. A quick comparison of the tables demonstrates that the sums proposed for the housing market areas within the National Park are broadly comparable and often lower than for neighbouring areas outside the National Park. However, the premium on housing land within the National Park is apparent in the National Park figures for Moray and Perth and Kinross. We expect that if a similar exercise was undertaken for parts of Highland Council area outside the National Park the numbers would be similar to those identified for the Highland Council area within the National Park.
10. All sites and projects will differ in terms of their context, characteristics and the delivery methods for affordable housing. In some cases, abnormal costs may justify flexibility or exemption from the % of affordable housing requirements, both in terms of on-site delivery and commuted sums. Policy I also contains a clause on viability and further information on how this is considered is provided in the Supplementary Guidance. It should however be noted that the cost of the land is not accepted as a valid reason.
11. The Housing Supplementary Guidance is also provided on house building in settlements, in the countryside and in rural groups. It also provides guidance on alterations, conversions, replacement houses and housing provision for gypsies, travelers and travelling show people.

Developer Obligations Supplementary Guidance

² See <https://aberdeenshire.gov.uk/media/20027/1-affordable-housing.pdf>

³ See https://www.angus.gov.uk/housing/information_for_developers/commuted_sums

⁴ See http://www.moray.gov.uk/moray_standard/page_94665.html

⁵ See https://www.pkc.gov.uk/media/46298/Developer-Contributions-Affordable-Housing-SG-adopted-2020/pdf/DC_AH_SG_July_2020_Mastercopy.pdf?m=637332528707030000

⁶ See <http://www.lochlomond-trossachs.org/wp-content/uploads/2016/07/SG-Housing-2017-adopted-1.pdf>

12. This Supplementary Guidance provides additional information to support Policy 11 of the Local Development Plan, which provides the framework for developer contributions that may be secured by legal obligations.
13. New development can give rise to impacts on existing infrastructure or services or a need for new infrastructure and services for the people who will use the development. For example, infrastructure may include roads and footpaths, and facilities may include schools and health centres. Depending on the scale and location of new development, the necessary infrastructure and facilities may already exist in the surrounding area and have with sufficient capacity. However, where they do not exist or are already near capacity, then developer contributions are likely to be required.
14. The guidance provides additional information on:
 - a) The types of developments that may require contributions,
 - b) The level of contributions required,
 - c) Education contributions,
 - d) Healthcare contributions,
 - e) Community and leisure facilities contributions,
 - f) Transport and related infrastructure contributions,
 - g) Viability, and
 - h) How contributions are calculated.

Next Steps

15. It is proposed that the Draft Supplementary Guidance be published for a six week period of public consultation, which is expected to commence in May 2020. The consultation will be publicised on the CNPA's website and social media platforms.
16. All consultation comments will be summarised and used to inform the final Supplementary Guidance. The consultation comments and a proposed final Supplementary Guidance will be reported back to the Planning Committee who will be asked to agree to submit the guidance as modified to Scottish Ministers.
17. Along with the Supplementary Guidance, the Authority will also send Ministers a Statement setting out the publicity measures we undertook, the comments we received, and an explanation of how these comments were taken into account.
18. Given that the principle of the Policies has already have been established, scrutiny by Scottish Ministers is likely to focus more on ensuring that the principles of good public involvement and a proper connection with the LDP have been achieved consistently, rather than on detailed policy content. However, Ministers will not wish to allow supplementary guidance to be adopted which they consider to be significantly contrary to Scottish Planning Policy.
19. After 28 days have elapsed, the Authority may adopt the Supplementary Guidance unless Scottish Ministers have directed otherwise.

20. Once adopted, the guidance will support the implementation of the LDP and will be a material consideration for the future planning applications

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Appendices:

1. Draft Housing Supplementary Guidance
2. Draft Developer Obligations Supplementary Guidance
3. Valuation Report for Cairngorms National Park Authority: Affordable Housing Land Valuations and Commuted Sum Payments