
**CAIRNGORMS NATIONAL PARK
AUTHORITY
LOCAL PLAN INQUIRY**

**WRITTEN SUBMISSIONS
STATEMENT
POLICY 21
CONTRIBUTIONS TO
AFFORDABLE HOUSING**

APRIL 2009

On behalf of Glenmore Properties Ltd
Objector ref 453j



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PLANNING

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1. INTRODUCTION

This Written Submissions Statement has been prepared by Halliday Fraser Munro on behalf of our Client – Glenmore Properties Ltd. Halliday Fraser Munro Planning are a professional planning consultancy covering the north east of Scotland. All of our Consultants are Members of the Royal Town Planning Institute with the majority of those having been employed within a Local Authority Planning team. We have significant experience of policy formulation, the interactions of these policies with local authority development control functions and their effect on development scenarios.

Our aim, during this process, is to create policies and land allocations that are realistic and work for everyone. We will, therefore, identify both relevant issues and potential solutions within this Statement. The following Statement will summarise our objection, the Cairngorms National Park Authority's (CNPA) position including any Modifications or Agreement on particular issues, and then set out what we believe to be the key issues. We will conclude by recommending a course of action that would enable the objection to be resolved.

2. OBJECTION SUMMARY

Policy Reference & Title: Policy 21: Contributions to Affordable Housing
Objector Reference: 453j

Objection Summary:

Our Client's objection raised the following concerns about Policy 21 (originally Policy 24):

- Policy is too onerous and unworkable, it will discourage development;
- At the levels of affordable housing suggested, Government funding will not be forthcoming, RSLs will not be able to deliver and developers will not accept such an onerous requirement;
- The housing figures that support the Policy are not accurate;

- No reason to suggest that the nationally suggested target of 25% should not be adhered to in the CNPA;
- CNPA should consider allocating land for affordable and key worker housing.

3. THE CAIRNGORMS NATIONAL PARK AUTHORITY'S POSITION

3.1 DEPOSIT LOCAL PLAN (Document CD6.11)

In July 2007, the Cairngorms National Park Authority published its Deposit Local Plan (**Document CD6.11**). Policy 24: Contributions to Affordable Housing within the plan provided guidance on delivering affordable housing in the CNP, particularly in regard to contributions expected from developers. The policy stated that:

'Proposals for housing developments of two or more units will be required to incorporate a proportion of the total number of units as affordable housing. This housing will include social rented housing provided through Communities Scotland grants as well as low cost home ownership and/or rent options provided through public subsidy or by the developer.'

'Where public subsidy is available to help fund affordable housing, the overall affordable contribution of the development will be expected to be 50 per cent, with any shortfall between the public subsidised element and 50 per cent target made up by the developer.'

'Where no public subsidy is available, the developer will be required to provide all of the affordable housing on a site to a target of 30 per cent.'

'Proposals for single open market houses will also be required to make a contribution towards affordable housing in the Cairngorms National Park area. This will be a cash payment towards the development of affordable housing in the local area.'

3.2 RESPONSE TO OBJECTION - PROPOSED MODIFICATIONS

In response to our client's objections (**Document GP 5**), the Cairngorms National Park Authority stated that the research work undertaken by the 3Dragons consultancy will influence the modified policy and ensure appropriate statistical support for the approach. It was also suggested that the contribution would be reduced to 25% typically and 40% in exceptional circumstances.

3.3 DEPOSIT LOCAL PLAN – FIRST MODIFICATIONS

In June 2008, the Cairngorms National Park Authority produced the Deposit Local Plan – First Modifications (**Document CD6.12**). The policy on Contributions to Affordable Housing became Policy 21 following the introduction of a number of new Policies. The revised Affordable Housing Policy stated:

'Developments of three or more dwellings will be required to incorporate a proportion of the total number of units as affordable housing.

Where public funding is available to help fund affordable housing, the overall affordable contribution of the development will be expected to be 40%, with any shortfall between the public subsidised element and 40% target made up by the developer.

Where less than one third of the total cost of the development is available through public funding, the developer will be required to provide all of the affordable housing on a site to a target of 25%.

Proposals for one and two open market dwellings will also be required to make a contribution towards affordable housing. This will be a cash payment towards the meeting of housing need in the local area.

Proposals for off site contributions will be considered where community needs assessments, or similar assessments, support this as a better way of meeting the housing needs of the community.'

The amended policy wording increased the threshold for on site contributions from two to three units, reduced the contribution from 50 to 40% where public subsidy is available and from 30 to 25% where only partial public funding is

available. The option of off site affordable housing contributions were also suggested as an option in some circumstances.

Although the proposed modification resulted in an improved policy, the changes did not go far enough to make the proposals workable and capable of realistically delivering affordable housing. They still represented an onerous burden that could make proposed developments economically unviable. The objection was therefore maintained.

3.4 FURTHER MODIFICATIONS

Policy 21 was amended further in the Deposit Local Plan – Second Modifications (**Document CD6.13**).

The following principal modifications were proposed:

- Development solely for affordable housing will be favourably considered;
- Where public funding is available, the expected contribution will be between 25 and 40%;
- Where less than one third of the total development cost is available through public funding a contribution of 25% of affordable housing on site is required.

Again, this further improved the policy, but still did not go far enough to allow our Client's objection to be removed.

Policy 21 was entirely re-written in the Officer Proposed Post Inquiry Modifications (**Document CD7.28**).

The main changes from the second modifications can be summarised as follows:

- Developments of four or more dwellings will be required to include a proportion of affordable housing;
- The proportion of units sought will be between 25% and 40% depending on the types of affordable housing required and the development's economic viability;

- A contribution of less than 25% may be accepted where it is demonstrated that a contribution of 25% or more would adversely affect the economic viability of the development

As these further Modifications do not fully address our client's concerns, the objection still stands.

3.5 CNPA STATEMENT OF CASE

The CNPA Statement of Case on Policy 21 (**Document GP 6**) provides further clarification on the Authority's position. This states that in response to our Client's objection:

- Sufficient evidence of affordable housing demand exists in the CNP, this is supported by **Core Documents 7.8 & 7.9**;
- The Officer Proposed Post Inquiry Modifications (**Document CD 7.28**) offer sufficient flexibility in the Policy.

No further changes to the Policy are commended to the Reporter.

4. PLANNING ISSUES AND PROPOSED SOLUTIONS

The modifications to Policy 25 suggested by the CNPA do not fully address the issues raised in our client's objection. The unresolved issues relate to the required affordable housing contributions suggested in Policy 21 being unworkable, not being able to deliver the required affordable housing in the CNP and potentially making smaller development schemes unviable.

The report: Planning for Affordable Housing in the Cairngorms National Park 2008 (**Document CD 7.9**) states that 121 affordable homes are required in the CNP every year. It is also stated that 130 new open market units are required every year. It is therefore infeasible to rely on affordable housing being delivered as a proportion of open market schemes.

PROPOSED SOLUTION

As a solution to address our Client's objection, we would suggest that Policy 21 be amended as follows:

- Increase the threshold at which a development has to incorporate affordable housing on site from four to ten units.

This would minimise the impact that an affordable housing contribution might have on smaller residential schemes. The development would still however contribute to the delivery of affordable housing through a financial contribution. This would assist the realistic delivery of affordable housing schemes.

- Reduce the percentage contribution required.
- Allocate land in the Local Plan specifically for affordable housing developments.

This would prevent the CNPA relying on private developers to deliver required affordable housing. This approach is advocated in PAN 74 (**Document CD 4.20**). PAN 74 states: 'The requirement for affordable housing should be seen as part of the overall housing requirement, not a separate element. Local plans should therefore allocate sufficient land to meet the requirement identified in the structure plan including affordable housing...One means through which local authorities may seek to influence the delivery of affordable homes is by allocating sites in local plans specifically for affordable housing.' (para 29). Additionally, the report: Planning for Affordable Housing in the Cairngorms National Park 2008 (**Document CD 7.9**) states that 121 affordable homes are required in the CNP every year. It is also stated that 130 new open market units are required every year. It is therefore infeasible to rely on affordable housing being delivered as a proportion of open market schemes.

The above amendments to Policy 21 would allow our Client's objection to be removed.