

<b>Date:</b>		
<b>Issue:</b>		<b>Policy 21</b>
	<b>Objection ref:</b>	<b>Objector</b>
1	037j	D.W. & I. M. Duncan
2	089	Mrs Fiona Powell
3	385a	Donald Lockhart, Albyn Housing Association
4	385c	Donald Lockhart, Albyn Housing Association
5	391a	David Horsfall, Homes for Scotland
6	391b	David Horsfall, Homes for Scotland
7	391c	David Horsfall, Homes for Scotland
8	391d	David Horsfall, Homes for Scotland
9	391e	David Horsfall, Homes for Scotland
10	408b	Inverburn Ltd
11	409b	William Stuart Paterson
12	409c	William Stuart Paterson
13	409j	William Stuart Paterson
14	418l	John Forbes-Leith Esq, Dunachton Estate
15	419l	The Crown Estate
16	426	Barbara Paterson
17	439s	Jamie Williamson, Alvie & Dalraddy Estate
18	440	Hamish Jack
20	490a	Mr & Mrs MacAllister
21	491a	Mr & Mrs McKechive
22	492a	Mr & Mrs Hempseed
23	493a	Heidi Rattray
24	494a	Susan Donald
25	495a	Mary Mischie
26	496a	Katrina Wimbush
27	499a	E. J. Proctor
28	500a	J. Adams
29	501a	Peter Gray
30	502a	Aileen Mutch
31	503a	Anna Hauley & Gavin Hedges
32	504a	Mr Ian Duncan
33	505a	Robert Moir
34	506a	Lesley McL...
35	507a	Mane Fraser
36	509a	A. Esson
37	510a	Linda Johnston
38	511a	James Clark
39	512a	Fred Vincent
40	513a	Ian Black
41	515a	Allyson Meechan
42	517a	Helen Murray
43	518a	Alan Henderson
44	520a	Mr A. Myddleton
45	521a	Mrs A. Redland

46	522a	Mr & Mrs Taylor
47	523a	Mr J. Cooper & Ms M. Majzlikova
48	524a	The Occupier, Roaring Stag, Braemar
49	525a	The Occupier, Mar Cottage, Cambus o May, Ballater
50	526a	Jane Reynard
51	527a	Mr W. Sim
52	529a	E Black
53	530a	The Occupier, Rinelen, Glen Gairn
54	535a	Gordon Chaplin

<b>Reporters</b>	Mrs Jill Moody / Mr Hugh Begg
<b>Procedure</b>	Written representation

## **I Overview**

- 1.1 This statement sets out the Cairngorms National Park Authority response to the objections raised to the Deposit Local Plan (CD6.11) as modified in respect of Policy 21 : Contributions to Affordable Housing, and supplements the response made to those objections by the Cairngorms National Park Authority in its reports to Committee (CD7.3,4 and 5).
- 1.2 Further changes are now proposed for this policy (CD7.28, page 43). The effect of these changes is to increase the threshold (in terms of house numbers) where the policy will seek a physical affordable housing contribution, from 3 units to 4 units. The changes also simplify the way that the percentage target of affordable housing will be sought, and add clarity over the factors considered. This statement assumes these changes will go forward as post inquiry modifications, and is based on that assumption.

### **1.1**

## **2 Provision of the Local Plan**

- 2.1 Policy 21 (previously Policy 24 within the Deposit Local Plan (CD6.1, page 46)) as modified gives policy guidance on how contributions to affordable housing will be made through housing development proposals. The policy is intended to ensure an increased supply of affordable housing to meet the needs of communities in the National Park, to provide an appropriate level of guidance to meet the requirements of SPP3 (CD2.4) and ensure contributions towards affordable housing are sought in a transparent and equitable manner across the Park.
- 2.2 The Policy was modified in the 1<sup>st</sup> modifications to the Deposit Local Plan (CD6.12) with word changes within the policy to draw the policy to clarify the requirements on developers to make contributions towards affordable housing. Background text was also modified to clarify the justification for the policy and the way it would be applied.
- 2.3 2<sup>nd</sup> modifications (CD6.13) to the policy were included to respond to new information on the effects of affordable housing contributions on the economic viability of developments. Background text was modified to ensure clarity.
- 2.4 Through assessment of outstanding objections and increasing evidence of wider economic pressures on the housing market, further modifications to the policy and background text are now proposed, (CD7.28, page 43). The modifications to the policy are intended to add flexibility to respond to different economic conditions, sites and constraints, and to provide clarity over

the requirements to contribute to affordable housing. Changes to background text are intended to clarify the justification for the policy and the way it will be implemented in practice.

- 2.5 If accepted through the Inquiry report, these changes will be included within post inquiry modifications advertised and the statement has been drafted on this basis.

### **3 Summary of objection(s)**

- 3.1 There are 54 objections to Policy 21 who wish to be considered by written representation:

- Those who claim that the policy seeks too much affordable housing from developments because the proportion of affordable housing sought through the policy is too high. **385c, 391a, 391b, 391c, 391e, 418l, 419l, 439s.**
- Those who claim that the policy seeks too much affordable housing from developments because the thresholds (size of development) at which the policy applies are too high. **089, 391a, 418l, 419l, 439s.**
- Those who claim that the policy seeks too much affordable housing from developments because the policy will prevent housing development by making it unviable. **089, 385c, 391c, 418l, 439s.**
- Those who claim that the policy seeks too much affordable housing from developments because it will restrict the market and be a form of social engineering. **439s.**
- Those who claim the policy seeks too little affordable housing. **037j, 385c.**
- Those who require a housing needs assessment to be carried out jointly by the (four) local authorities currently part of the Cairngorms National Park. **391d, 418l, 419l.**
- 47 identical objections that consider the policy seeks too little affordable housing with respect to Ballater because of a burden UK on tax payers, and the aspirations of local people to access affordable housing. **490a, 491a, 492a, 493a, 494a, 495a, 496a, 499a, 500a, 501a, 502a, 503a, 504a, 505a, 506a, 507a, 509a, 510a, 511a, 512a, 513a, 515a, 517a, 518a, 520a, 521a, 522a, 523a, 524a, 525a, 526a, 527a, 529a, 530a, 535a.**
- Those objecting to clarity, detail, and definitions in the policy. **385a, 391d, 408b, 409b, 409c, 409j, 426, 439s.**
- One objector seeks a particular allocation for housing on croft land. **440.**

### **4 Summary of Cairngorms National Park Authority Response**

- 4.1 The CNPA has proposed further changes for this policy (CD7.28, page 43) that set out a reasonable and justifiable approach. The CNPA considers that evidence of high levels of affordable housing need outlined through CD7.8 and CD7.9 justify the target the policy seeks. The policy explicitly considers the financial effects of different levels of affordable housing contribution and can adapt to different sites with different constraints. The CNPA considers this approach is likely to increase the provision of affordable housing and better meet affordable housing need than any alternative approaches proposed. No further changes to the policy are considered necessary.

### **5 CNPA Commendation to Reporter**

- 5.1 It is commended that the Reporter rejects all objections. The Cairngorms National Park Authority considers that the proposed modifications have resolved issues of justification, clarity and the economic impacts of Policy 21. It considers the policy and background text should be retained as proposed (CD7.28, page 43).

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## 6 Assessment / Scope of Evidence

- 6.1 **385c, 391a, 391b, 391c, 391e, 418I, 419I, 439s**, object to the policy because of the level of affordable housing it seeks to secure from developments, noting it is greater than the benchmark suggested in SPP3 and PAN74, that there is not justification for the level proposed, and that the policy is inflexible.
- 6.2 **CNPA Response:** The CNPA considers that sufficient evidence of affordable housing need is provided through studies by Heriot-Watt University (CD7.8, CD7.9) to justify the targets identified in the policy, and that the proposed modifications (CD7.28, page 43) to the policy make it explicitly flexible enough to deal with economic constraints. Topic Paper 3 (CD7.23) provides further justification for the policy and its targets. No further changes to the policy are considered necessary.
- 6.3 **089, 391a, 418I, 419I, 439s** object that the policy seeks too much affordable housing from developments because the thresholds (size of development) at which the policy applies are too high and would adversely affect the economic viability of such developments.
- 6.4 **CNPA Response:** The CNPA response is that the proposed modifications (CD7.28, page 43) have further increased the threshold at which the (physical) contribution will be sought. However, research that helped to inform this policy by the 3 Dragons Consultancy for the local plan suggests that the size of development is only one factor affecting the financial viability of the development (CD7.9, page 23 and Appendix 4, page50). Policy 21 has been revised to explicitly take account of the effects of any contributions sought on financial viability. No further changes to the policy are considered necessary.
- 6.5 **089, 385c, 391c, 418I and 439s** object that the policy seeks too much affordable housing from developments and will prevent housing development by making it unviable.
- 6.6 **CNPA Response:** The CNPA considers the proposed modifications (CD7.28, page 43) deal with this point by explicitly considering the financial impacts of different levels of affordable housing in discussions with developers and the determination of applications. No further changes to the policy are considered necessary.
- 6.7 **439s** objects that the policy seeks too much affordable housing from developments, will restrict the market and be a form of social engineering.
- 6.8 **CNPA Response:** The CNPA considers that sufficient evidence of affordable housing need is provided through studies by Heriot-Watt University (CD7.8, CD7.9) to justify the targets identified in the policy and that the provision of affordable housing through planning policy is a normal element of the planning system.
- 6.9 **037j and 385c** object that the policy seeks too little affordable housing.
- 6.10 **CNPA Response:** The CNPA considers that work by Heriot-Watt University and the Three Dragons Consultancy (CD7.9) demonstrates that the policy seeks as much affordable housing as is likely to be economically viable in most cases. There is no programming of significant

additional public subsidy that could increase the level of affordable housing that could be sought. Further, the policy does not exclude the provision of higher levels of affordable housing should the market seek it. No further changes to the policy are considered necessary.

- 6.11 **391d, 418l and 419l** object to the policy and require a housing needs assessment to be carried out jointly by the (four) local authorities currently part of the Cairngorms National Park.
- 6.12 **CNPA Response:** The CNPA considers that sufficient evidence of affordable housing need is provided through studies by Heriot-Watt University (CD7.8, CD7.9) to justify the targets identified in the policy, and that the proposed modifications (CD7.28, page 43) to the policy make it explicitly flexible enough to deal with economic constraints. Topic Paper 3 (CD7.23) provides further justification for the policy and its targets. No further changes to the policy are considered necessary.
- 6.13 **490a, 491a, 492a, 493a, 494a, 495a, 496a, 499a, 500a, 501a, 502a, 503a, 504a, 505a, 506a, 507a, 509a, 510a, 511a, 512a, 513a, 515a, 517a, 518a, 520a, 521a, 522a, 523a, 524a, 525a, 526a, 527a, 529a, 530a and 535a** are 35 identical objections the 2<sup>nd</sup> modifications (CD6.13) that consider the policy seeks too little affordable housing with respect to Ballater because of a burden UK on tax payers, and risks the aspirations of local people to access affordable housing.
- 6.14 **CNPA Response:** The CNPA considers the 2<sup>nd</sup> modifications to the policy, combined with the proposed post inquiry modifications (CD7.28) to provide a reasonable and justifiable approach to affordable housing that has potential to increase the supply of affordable housing, including in Ballater. Research by Heriot-Watt University and the Three Dragons Consultancy (CD7.9) demonstrates that the policy seeks as much affordable housing as is likely to be economically viable in most cases, but the policy does not preclude developments of greater proportions of affordable housing.
- 6.15 **385a** objects that the policy and supporting text lack clarity.
- 6.16 **CNPA Response:** The CNPA considers that the 1<sup>st</sup>, 2<sup>nd</sup> modifications (CD6.12, 6.13) and proposed modifications (CD7.28) to the policy have provided clarity about the policy and that supporting information is available from the CNPA or via its website. No further changes to the policy are considered necessary.
- 6.17 **408b** objects on the basis that they consider developments with circa 75% affordable housing should be permitted on existing community areas and areas adjacent to them.
- 6.18 **CNPA Response:** The CNPA points out is that specific proposals and sites will be determined using all relevant policies in the Local Plan. Policy 21 is relevant to proposals for housing developments and developments with circa 75% affordable housing may comply with the policy. However, other policies in the plan deal with other issues. No changes to Policy 21 are considered necessary.
- 6.19 **409b, 409c, 409j, 426** object to the policy because of the way affordable housing is defined, because of allocations policies of local authorities/housing associations, and that the CNPA does not create its own list of people seeking housing.

- 6.20 **CNPA Response:** The CNPA points out: that affordable housing is defined through SPP3 (CD2.4, paragraph 91) and PAN74 (CD4.20, paragraphs 1 and 11); that the Local Plan uses the same interpretation of the term; that allocations policies of others are not a matter for the Local Plan; and that local authorities and housing associations have the resources and expertise to manage waiting lists for affordable housing. No changes to the policy are considered necessary.
- 6.21 **439s** objects to the policy because it seeks contributions from single house developments, and because the policy does not provide incentives for the private sector to build houses for rent.
- 6.22 **CNPA Response:** The CNPA considers that Policy 21 (as modified) provides a flexible mechanism to allow a range of affordable housing needed in the Park. It does not prevent private rented accommodation or any other form of affordable housing from being created. No changes to the policy are considered necessary.
- 6.23 **440** objects to the policy because he seeks a particular allocation for housing on croft land.
- 6.24 **CNPA Response:** The CNPA notes that proposals for housing and for affordable housing would be considered under Policy 21 and other relevant policies in the Local Plan. The combination of other allocated sites within Nethy Bridge are considered to provide sufficient land for housing for this plan period. No changes to the policy are considered necessary.

## **7 Strategic Issues**

- 7.1 The National Park Plan's strategic objectives for Sustainable Communities and Housing (CD7.1, page 67 and 72-73) provide a clear context for the Local Plan.
- 7.2 Each of the four local authorities that make up parts of the National Park have local housing strategies for the period 2004 -2009 (CD8.15). These housing strategies were prepared before the National Park Plan was prepared and approved by the Minister in 2007. All the local housing strategies place an emphasis on providing more affordable housing, with some variation in the key target groups.

## **8 Other material considerations**

- 8.1 The local housing strategies were prepared prior to the preparation of the National Park Plan and so could not fully reflect the strategic context it provides for the National Park area. Those local housing strategies were prepared with the help of housing needs assessments carried out prior to 2004 and prior to some of the more rapid house price inflation from the mid-1990s onwards. For those reasons, the CNPA, with the agreement of its partners, commissioned Heriot-Watt University to draw together the four housing needs assessments in the context of the National Park and update information on housing needs in the National Park to reflect the ongoing changes in the housing markets. This is reported in *The Cairngorms Housing System Analysis* (CD7.8).
- 8.2 The housing needs figures were updated in 2008 in further work by Heriot-Watt University and the Three Dragons Consultancy and reported in *Planning for Affordable Housing in the Cairngorms National Park* (CD7.9). The study modelled the economic impacts of developing sites with different proportions and types of affordable housing and considered the impacts of a range a range of possible planning policy responses to provide affordable housing in the National Park.

## 9 List of documents (including Core Documents)

- CD1.1 The Town and Country Planning Act (Scotland) 1997
- CD1.2 The Planning etc. (Scotland) Act 2006
- CD1.3 The National Parks (Scotland) Act 2000
- CD1.18 The Cairngorms National Park Designation, Transitional and Consequential Provisions (Scotland) Order 2003
- CD2.4 SPP3 Planning for Housing 2003 & 2008
- CD4.20 PAN74 Affordable Housing
- CD6.9 Cairngorms National Park Local Plan Consultative Draft October 2005
- CD6.10 Cairngorms National Park Consultative Draft Local Plan Consultation Report July 2007
- CD6.11 Deposit Local Plan
- CD6.12 Deposit Local Plan 1<sup>st</sup> Modifications
- CD6.13 Deposit Local Plan 2<sup>nd</sup> Modifications
- CD7.1 Cairngorms National Park Plan 2007
- CD7.4 CNPA Committee Report 1<sup>st</sup> Modifications October 2008
- CD7.5 CNPA Committee Report 2<sup>nd</sup> Modifications February 2009
- CD7.8 Cairngorms Housing System Analysis 2006 (HWU)
- CD7.9 Planning for Affordable Housing in the Cairngorms National Park 2008 (Communities Scotland)
- CD7.23 Topic Paper 3 Approach to Housing Land Supply and Affordable Housing
- CD7.28 Proposed Post-Inquiry Modifications Committee Report 3 April 2009
- CD8.12 Population and Household Projections for Scotland's National Parks – GROS 2008
- CD8.15 Local Authority Housing Strategies: Aberdeenshire Local Housing Strategy 2004-2009, Aberdeenshire Council; Angus Local Housing Strategy 2004-2009, Angus Council; Highland Housing Strategy 2003/04 – 2008/09, Highland Council; Moray Local Housing Strategy 2004-2009, Moray Council