

Appendix 2 – Affordable Housing

Affordable Housing

For the purposes of the Local Plan, affordable housing is defined as housing of a reasonable quality that is affordable to people on modest incomes. [Where houses are for purchase, savings and existing equity may also impact on this.](#) To achieve this affordable housing will be offered to households in housing need who are unable to afford to buy or rent a home on the open market, and will cost less than market sale price or rent in perpetuity to the owner/tenant and subsequent owners/tenants.

There are a wide range of delivery options available. The following list is extensive but not exhaustive as changing funding streams, and innovative forms of delivery are being developed continually, and the National Park Authority are keen to ensure that no realistic mechanism is excluded. For the purposes of the Local Plan affordable housing can therefore include:

- I. **Social housing for rent** provided by Registered Social Landlords and/or local authorities;
- II. **Low cost home ownership properties funded by public subsidy** (eg [Shared Equity](#), Rural Home Ownership Grant, Grant for Ownership);
- III. **Housing rented at affordable levels** agreed with Scottish Government and based on local income levels (eg proposed Scottish Rural Property and Business Association – SRPBA – rent model) as well as property condition, management arrangements and allocation policies;
- IV. **Low cost home ownership properties funded by developers.** The homes will be built to an agreed standard and sold at fixed prices (agreed with the local authorities to be affordable to a particular group and in line with local housing strategies) to buyers nominated by local authorities or bodies appointed by them. The discount in the property is the difference between the fixed sale price and the market price of an identical property. Future sale of such properties will be retained as affordable through the use of legal agreement or burden placed on the property;
- V. Housing built **on serviced plots that have been discounted** so that the gross cost of land and a completed house would be less than or equal to the Scottish Government benchmark costs for an equivalent house – plots of this type would normally be sold to self-builders. Future sale of such sites will be retained as affordable through the use of legal agreement or burden placed on the property.

In addition any other housing that costs less than the market rate to the first buyer/tenant will be considered by the Cairngorms National Park Authority in conjunction with the local authority and Scottish Government, as an alternative form of affordable housing delivery.

How we plan to identify those in need of affordable housing:

Policy 21 aims to increase the total supply of affordable housing for rent and for purchase. This means that more people will be able to rent or buy affordable homes. The most effective way of ensuring a fair selection of potential tenants and owners of affordable houses within the National Park is by using the existing housing waiting lists or common housing register. Anyone can put their name on to the housing waiting list, and it is proposed that all potential tenants and buyers of affordable housing in the Park do so in order to be nominated into an appropriate form of housing developed through the Local Plan's policies.

Potential tenants and buyers are then ranked in accordance with local authority housing allocation policies or other criteria for low cost home ownership set by them.

How we established the need for affordable housing

To work out how many houses to provide for in the Local Plan, the Cairngorms National Park Authority commissioned Heriot-Watt to look at both need for housing and, in particular, how much of that should be affordable housing. The study considered a wide variety of influences including economic and demographic changes. Population and household projections based on local authority figures and a

separate study undertaken for the National Park Authority by the University of Manchester indicate significant growth in the period to 2016, with the number of households growing by 20% between 2002-2016. Particular growth is expected in single person households and the population is expected to be an ageing one.

The supply within the existing stock is affected by two key influences. Second or holiday homes make up approximately 20% of the housing stock which cannot be considered effective as it does not provide permanent housing to meet the local demand. Secondly the area has a high proportion of owner-occupiers who own their properties outright. This affects the amount of houses that come onto the open market, as such owner-occupiers are less inclined to move as they are not normally seeking advancement on the housing ladder. The private rented sector is relatively large, but, as in other areas, the council house sector is in continual decline.

In summary therefore the housing needs results showed the net need per annum of 132 units across the area. This figure is fairly large, particularly when compared to current house completion projections are looked at. These stand at 115 completions a year, which could indicate that all new houses would need to be affordable to meet the need. However, clearly this would not be achieved as public funding would not stand such subsidy, and without it some level of open market housing must therefore subsidise affordable provision.

How we set the requirement for affordable housing

Two standards have been set as a requirement for affordable housing. The first, where less than a third of the necessary funding for the development is available through public subsidy a 25% requirement is in line with the standards set by the Scottish Government in Planning Advice Note 74.

On sites where more than one third of the necessary funding for the development is available through public subsidy a 40% requirement is set. This is based on a study commissioned by Communities Scotland and the Cairngorms National Park Authority and undertaken Heriot-Watt University and Three Dragons Consultancy. The work used a model based on residual land values, or the bottom line for discussing the viability of development. In very simplistic terms, the study supports the standard of 25% where no grant or public subsidy is available. If a higher level is set, public subsidy must be assured. The study considered two alternative standards, 40% and 50% and concluded that neither would be realistic without grant. Even with grant in place, a 50% requirement would not normally be a realistic option. This scale of affordable provision would therefore only work in cases where normal costs did not apply, such as situations where land is provided at less than market value for example. Where the requirement is set at 40% the provision on site does however remain viable, as long as grant funding is in place.

These standards have therefore been incorporated into the policy. There is however a recognition that the model and the calculations were based on a particular set of economic conditions, and where it alters, for example a fall in house prices, some adjustment may be required. To this end, the Cairngorms National Park Authority is commissioning a toolkit based on the model used, and it will be used internally to ensure that the requirements set reflect the most up to date information regarding economic conditions. The model will allow for a more detailed consideration of development economics and will also be used in the monitoring of the policy and will influence any review of policy for future local plans.

A full version of the study 'Cairngorms Housing System Analysis' February 2006 is available on request. A full version of the study 'Planning for affordable housing in the Cairngorms National Park' March 2008 can be viewed at www.communitiesscotland.gov.uk as Report 99 in the research publications section.

Appendix 3- Glossary

Name or Word	Description
Ancient Woodland	Woodland that is recorded on the inventory of ancient and long established semi natural woodland held by SNH, and has been established for many hundreds of years.
Ancient Woodland Inventory	An Inventory of woodland sites that are thought to have been (AWI) continuously wooded since 1750 or 1860.
Article 4 Directions	An Article 4 Direction can be sought by a planning authority in circumstances where specific control over development is required, primarily where the character of an area of acknowledged importance would be threatened by development that would normally not require planning permission.
Brownfield	land previously used for industrial or commercial uses that has the potential to be reused once any contamination, waste or pollution has been cleaned up. Reuse of abandoned rural dwellings will not be considered as brownfield.
Development	The carrying out of building, engineering, mining or other operations, in, on, over or under land, or the making of any material change in the use of any building or other land.
Development Brief	A document prepared to show in some detail, how best to develop a site, and can include details of access and other infrastructure, sub division of larger sites, proposed stages of development, design proposals.
EIA	Environmental Impact Assessment. A process by which information about the effects of a proposed development is collected, assessed and used in reaching a decision on whether development should go ahead or not.
European Charter for Sustainable Tourism in Protected Areas	A charter that was developed by the EUROPARC Federation of protected areas. The Cairngorms National Park was the first UK National Park to achieve the charter.
European Protected Species	Species listed on Annex IV of the Habitats Directive as species of European Community Interest and in need of strict protection.
Gardens and Designed Landscapes	Significant historic gardens and designed landscapes identified by Historic Scotland for their natural heritage and cultural importance. Inclusion in the Inventory confers a measure of statutory planning control in relation to the sites concerned and their setting.
Geological Conservation Review	The GCR identifies those sites of national and international importance needed to show all the key scientific elements of the Earth heritage of Britain. The sites identified form the basis of statutory geological and geomorphological conservation in Britain.
Historic Environment Record (HERs).	Dataset maintaining records of monuments, heritage sites, events and archives which can be used to give a comprehensive historic record.

Historic Scotland	Historic Scotland safeguards the nation’s built heritage and promotes its understanding and enjoyment on behalf of Scottish Ministers.
Housing Association	A non-profit making organisation committed to meeting specific housing needs.
Housing Market Area	A geographical area which is relatively self-contained in terms of housing demand; ie a large percentage of people moving house or settling in the area will have sought a dwelling only in that area.
Listed Buildings	Buildings are ‘Listed’ because they are considered to be of special architectural or historic interest and as a result require special protection.
National Nature Reserves (NNRs)	NNRs contain examples of some of the most important natural and semi-natural eco-systems in the United Kingdom. They are managed to conserve their habitats or to provide special opportunities for scientific study of the habitats’ communities and species represented within them. NNRs are declared by the statutory country conservation agencies under the National Parks and Access to the Countryside Act 1949 and the Wildlife & Countryside Act 1981.
National Parks	The National Parks (Scotland) Act 2000 enables the establishment of National Parks in Scotland.
National Planning Policy Guidance (NPPG)	See Scottish Planning Policy (SPP)
National Scenic Area	Areas of land designated as being of national significance on the basis of their outstanding scenic interest which must be conserved as part of the country’s natural heritage.
Natura 2000	Natura 2000 is the name of the European Union-wide network of nature conservation sites established under the EC Habitats Directive. This network will comprise Special Areas of Conservation (SACs) and Special Protection Areas (SPAs).
NEST	North East Scotland Together – The Aberdeen & Aberdeenshire Structure Plan 2001-2016
Open Market Housing	Housing which is bought and sold on the open market.
Open Space	Greenspace consisting of any vegetated land or structure, water or geological feature in an urban area and civic space consisting of squares, market places, playgrounds and other paved or hard landscaped areas with a civic function.
Planning Advice Notes (PANs)	Planning Advice Notes are the Scottish Government’s publications on best practice and other relevant planning information.
Population Equivalent	A measure of the organic biodegradable load of an effluent prior to treatment. One population equivalent (1 pe) has a five-day biochemical

	oxygen demand (BOD5) of 60 grams of oxygen per day (as defined by SEPA)
Public Subsidy for Housing	Money from the public purse in the form of subsidy schemes (eg housing association grants) which is made available to help provide affordable housing.
Ramsar Convention Site	A designation of globally important wetland areas that are classified to meet the UK's commitments under the Ramsar Convention.
Royal Commission on the Ancient and Historical Monuments of Scotland (RCAHMS)	The Royal Commission on the Ancient and Historical Monuments of Scotland is responsible for recording, interpreting and collecting information about the built environment.
RSLs	Registered Social Landlords.
Scheduled Ancient Monument Record (SMR)	A record of scheduled monuments which are considered to be of national importance that Scottish Ministers have given legal protection under the Ancient Monuments and Archaeological Areas Act 1979.
Scottish Natural Heritage (SNH)	The public body with a remit to secure the conservation and enhancement of Scotland's unique and precious natural heritage, ie wildlife, habitats, geology and landscapes.
Scottish Planning Policy (SPP)	Scottish Planning Policies (SPPs) provide statements of Scottish Government policy on nationally important land use and other planning matters, supported where appropriate by a locational framework. SPPs are replacing National Planning Policy Guidance (NPPGs). Some NPPGs are used as SPP until they are replaced by a new SPP.
Scottish Water	Scottish Water is a publicly owned business, answerable to the Scottish Parliament, that provides water and wastewater services in Scotland.
Scottish Environment Protection Agency (SEPA)	The public body with a remit for environmental protection.
Section 75 agreement	Legal agreement regulating the future use of land, recorded in the Land Register and legally binding on future owners of the land.
Sites of Special Scientific Interest (SSSI)	The SSSI/ASSI series has been developed over the last 50 years as the national suite of sites providing statutory protection for the best examples of the UK's flora, fauna, or geological or physiographical features. These sites are also used to underpin other national and international nature conservation designations.
Special Areas of Conservation (SAC)	SACs are designated by the UK Government to meet its obligations under the EC Habitats Directive. They are areas that have been identified as best representing the range and variety within the European Union of habitats and (non-bird) species listed in Annexes I and II to the Directive.

Special Protection Areas (SPA)	SPAs are classified by the UK Government to meet its obligations under the EC Birds Directive. These are areas of the most important habitat for rare (listed in Annex I to the Directive) and migratory birds within the European Union. SPAs are classified under the Wildlife and Countryside Act 1981. SPAs, together with SACs, form the Natura 2000 network.
Strategic Environmental Assessment (SEA)	SEA is a process to ensure that significant environmental effects arising from policies, plans and programmes are identified, assessed, mitigated, communicated to decision-makers, monitored and that opportunities for public involvement are provided.
Tree Preservation Order (TPO)	A TPO is made by the local planning authority (usually a local council) to protect specific trees or particular woodland from deliberate damage and destruction.
Water Environment and Water Services (Scotland) Act 2003	The Act of the Scottish Parliament that introduces the EC Water Framework Directive into Scottish law.
Windfall sites	Sites which become available for development unexpectedly and are therefore not included as allocated land in the local plan.