

Cairngorms National Park Local Plan Inquiry

Cairngorms National Park Authority Topic Paper:

Approach to Housing Land Supply and Affordable Housing

Introduction

1. The purpose of this Topic Paper is to set out the approach taken by the Cairngorms National Park Authority (CNPA) to the identification of land to provide for the housing needs of communities within the Park, including provision for affordable housing. This is done within the overarching framework described in the Statutory National Park Context Topic Paper and with specific reference to:
 - The Role of the Cairngorms National Park Plan in Housing Provision;
 - Scottish Government Planning Policy and Guidance;
 - Structure Plans for Highland, Aberdeenshire, Moray and Angus;
 - Research and statistics;
 - Consultation and the Consultative Draft Cairngorms National Park Local Plan;
 - Cairngorms National Park Authority Strategic Role in Housing
 - Approach to Housing Land Supply in the Cairngorms National Park Deposit Local Plan;
 - Approach to Affordable Housing in the Cairngorms National Park Deposit Local Plan.

Role of the National Park Plan in Housing Provision

2. The Vision in the National Park Plan for 2030 makes reference to “*an exemplar of sustainable development showing how people and place can thrive together.*” (page 4) This is the balance that the Local Plan has to help deliver.
3. Specific outcomes for 2030 include “*thriving and sustainable communities throughout the Park*” and that “*people will be able to access housing that meets their needs through rent or purchase.*” (page 6)
4. The National Park Plan has strategic objectives to help deliver the 2030 vision. These have in turn contributed to the vision and direction in the Local Plan, and those particularly relevant to the provision within the Local Plan for housing are:

Sustainable Communities (page 67)

 - a) Encourage a population level and mix in the Park that meets the current and future levels of its communities and businesses.
 - b) Make proactive provision to focus settlement growth in the main settlements and plan for growth to meet community needs in other settlements.

Housing (page 72)

- a) Increase the accessibility of rented and owned housing to meet the needs of communities throughout the Park.
 - c) Improve the physical quality, energy efficiency and sustainable design of housing in all tenures throughout the Park.
 - d) Ensure there is effective land and investment for market and affordable housing to meet the economic and social needs of communities throughout the Park.
5. A decision was made on which issues to focus early activity in delivering the National Park Plan to ensure that progress is made in tackling some of the most pressing issues and making a difference in these areas. This involved establishing Priorities for Action 2007 – 2012 and it is against these that National Park Plan delivery is being closely monitored.
6. One of the Priorities for Action is *Making Housing More Affordable and Sustainable* (page 111) which refers to the lack of access to affordable and good quality housing as a key issue for many communities in the National Park. It clearly states that provision must be consistent with conserving and enhancing the area's special qualities. There are four outcomes for 2012:
- There will be a reduction in the gap between housing need and supply in the Park to meet community needs.
 - There will be a reduction in the number of businesses identifying housing as a barrier to staff recruitment and retention.
 - There will be more good quality private rented sector accommodation available at affordable rents to meet local need.
 - New housing will be of a more sustainable design.
7. A range of actions are identified to help achieve these outcomes, including provision for effective land and policies for housing in the Local Plan. (pages 112 – 113).
8. The National Park Plan is therefore a management plan, embracing a diverse range of activity, with a view to collectively achieving the delivery of the National Park aims in a co-ordinated way. In supporting the promotion of sustainable economic and social development of the area's communities, the focus has to be on meeting the needs of these communities, but balanced against collective achievement of all four aims. In terms of housing this means identifying the amount, location and type of housing required to meet the needs of communities in the National Park, both socially and economically. This is the role of the Local Plan, taking its lead from the National Park Plan, and in line with the statutory purpose of the CNPA as set out in the Act. The policies and allocations within the Local Plan fulfil this role

Scottish Government Planning Policy and Guidance

9. SPP1: The Planning System (2002) states (para. 30) that “*for National Park areas the National Park Plan will provide a strategic context for development plans*”. This is in

line with the provisions for the role of the National Park Plan in Sections 11 and 14 of the National Parks (Scotland) Act 2000 and is the approach that has been followed in the preparation of the Cairngorms National Park Local Plan. Scottish Government officials have confirmed this in writing. Furthermore the Local Plan has been prepared in accordance with the specific requirements for local plans in paras. 37-40 of SPP1. SPP1 is still relevant to this local plan by virtue of the saving provisions in SI 2008 No. 427.

10. NPPG14: Natural Heritage (1999) gives guidance on how the Government's policies for the conservation and enhancement of Scotland's heritage should be reflected in land use planning. It clearly states in para. 25 that the presence of a national natural heritage designation (which includes National Parks), is an important material planning consideration, but development is not precluded by the presence of such a designation. Para. 25 states that "*development which would affect a designated area of national importance should only be permitted where:*
 - *The objectives of designation and the overall integrity of the area will not be compromised; or*
 - *Any significant adverse effects on the qualities for which the area has been designated are clearly outweighed by social or economic benefits of national importance*".
11. Para. 33 requires planning authorities "*to take particular care to safeguard the landscape, flora and fauna of the Cairngorms and states that while conservation of the natural heritage will be a key objective in any National Park, the Government considers that due weight must also be given to the social and economic interests of local communities*".
12. SPP15: Planning for Rural Development (2005) sets out the Scottish Government's approach, key messages and objectives that should underpin planning policies and decisions affecting rural areas. Whilst general housing policy comes under SPP3, SPP15 advances policy in respect of small scale housing developments. The objectives and principles apply to National Parks, but in ways appropriate and sympathetic to the special context under the National Parks (Scotland) Act 2000. The implementation of this approach is further articulated in PAN 72: Housing in the Countryside (2005).
13. SPP3: Planning for Housing (2003) para. 64 required "*local plans to conform to the structure plan and provide sufficient effective land to meet the housing land requirement for at least 5 years from the date of adoption, identify further sites to meet requirements in the medium term, and via the annual housing land audit to maintain sufficient effective land for at least the following 5 years at all times*". Para. 70 required "*the housing land requirement for each housing market area to be met in full, in the context of a sustainable settlement strategy*".
14. SPP3 (2003) para. 38 specifically required planning authorities to "*take care to safeguard the outstanding natural and cultural resources of existing and prospective National Parks*". SPP3 (2003) is still relevant to this local plan by virtue of the saving provisions in SI 2008 No. 427.

15. PAN 38: Housing Land (2003), still relevant to this local plan by virtue of the saving provisions in SI 2008 No. 427, reinforced the approach set out in SPP3 and advised in paras. 14-23 on the factors to take into account in assessing housing land requirements. It is, however, clearly stated in para. 14 that “*it is for authorities to come to a judgement on the weight to be given to each factor in determining overall requirements*”. When giving guidance on housing land supply para. 24 suggests a flexible approach is accepted to housing land audits in more remote rural areas.
16. PAN 74: Affordable Housing (2005) sets out how the planning system can support the Scottish Government’s commitment to increase the supply of affordable housing. Paragraphs 27 and 31- 40 are particularly relevant to the Local Plan.
17. SPP3: Planning for Homes (2008) supersedes the 2003 version, although as stated above it is still relevant to this local plan by virtue of the saving provisions in SI 2008 No. 427. It acknowledges the need for greater integration in housing delivery, a process underway in the Cairngorms National Park via joint delivery with partners of the National Park Plan, and the level of new housing to be provided for by development plans should be informed by an assessment of housing need and demand. The local authorities within the Park are currently preparing their Housing Need and Demand Assessments (HNDA). CNPA has been advised by Scottish Government that these should inform a future Local Development Plan, but not the current Deposit Local Plan as this was published before the new SPP3 and HNDA guidance were introduced. Indeed, the entire thrust of the latest SPP3 is towards the new regime of Strategic and Local Development Plans.
18. Scottish Planning Policy October 2008 sets out to underpin the modernised planning system by expressing the Scottish Government’s view of the purpose of planning and the core principles for the operation of the system. Whilst the focus and language is based on the new development plan system, it is considered that there is no conflict between the Deposit Local Plan and the message within Scottish Planning Policy.
19. The approach to housing land supply taken by the CNPA is consistent with Scottish Government Planning Policy and Guidance. It strikes an appropriate balance between conserving and enhancing the natural and cultural heritage of the area and addressing the social and economic needs of local communities. The strategic context has been taken from the National Park Plan and having due regard to the Structure Plans. A sound evidence base has been used to identify and assess the housing needs of communities, and there has been a structured approach to establishing the land supply required for the local plan period and beyond.

Structure Plans

20. As well as taking its strategic context from the Cairngorms National Park Plan the Local Plan must have appropriate regard to the following Structure Plans:
 - The Highland Structure Plan 2001
 - North East Scotland Together 2001
 - The Moray Structure Plan 2007
 - Dundee and Angus Structure Plan 2002

21. All of the Structure Plans, with the exception of the recent Moray Structure Plan, predate the National Park.
22. The Highland Structure Plan set a target of 1750 dwellings in Badenoch and Strathspey for the period 1998 – 2017 and acknowledged the provision made in the current Badenoch and Strathspey Local Plan 1997 for a new community at Cambusmore (now An Camas Mòr).
23. North East Together (NEST) 2001 – 2016 shows the Aberdeenshire part of the Park at the periphery of its rural housing market area and within the Marr area of the authority. NEST commits itself to a 5 year effective land supply, with potential for up to 100 units between 2006 – 2010 outwith the main settlements of Aboyne, Banchory, and Huntly. This area includes the Aberdeenshire part of the National Park. Provision for 2011 – 2015 is intended to be of a similar order.
24. NEST will be replaced by a strategic development plan that will not include the National Park. This strategic development plan, the Finalised Aberdeen City and Shire Structure Plan, was submitted to Scottish Ministers on 27 February 2009 to allow an eight week period for any objections or representations to be lodged with them. Once the Aberdeen City and Shire Structure Plan is approved, NEST will no longer apply to the National Park.
25. By way of information and clarification, the adopted Aberdeenshire Local Plan 2006, which post dates the structure plan, makes provision for an unspecified amount of future housing land in Ballater for the period 2011 – 2015.
26. The previous Moray Structure Plan 1999 made no provision for housing land supply within the Moray part of the National Park. The Moray Structure Plan 2007 makes provision for 20 units within the Cairngorms National Park Local Plan up until 2017.
27. The Dundee and Angus Structure Plan 2002 includes the Forfar, Kirriemuir and Angus Glens housing market areas, the latter part of which is a small sparsely populated part of the National Park containing no settlements. The Plan clearly indicates that housing provision should be focused in Forfar which is outside the National Park.
28. So far as it is relevant, it is considered that the Cairngorms National Park Local Plan has taken appropriate account of the context provided by the four structure plans and that there is conformity. None of the structure planning authorities has lodged an objection to the Local Plan.

Research

29. The Cairngorms National Park embraces parts of four different local authority areas and one of the earliest tasks for the CNPA was to begin obtaining a variety of information in a form that took account of the National Park boundaries. This is an ongoing task.

Population and Household Projections – University of Manchester 2005 (CD7.10)

30. University of Manchester was commissioned by CNPA to prepare population and household projections for the National Park to inform the National Park Plan and the Local Plan. The study used POPGROUP software owned by the University and also

used by the General Register Office for Scotland. It is reflected in the context and strategic objectives for sustainable communities in Section 5.2 of the National Park Plan that in turn provides a strategic context for the Local Plan.

31. The report dated December 2005 shows that between 2001 and 2025 the population of the Park will increase by 9% from 15835 to 17238. There is not an even spread across age groups. 0–15 and 25–39 are projected to decrease by over 30%, whilst 60–74 and 75+ increase by 85% and 103% respectively. The 60+ population is forecast to increase by 56% in the period 2002-2018. This compares with 25% and 38% respectively for Scotland and Highland.
32. The number of deaths already exceeds births and the gap is projected to significantly widen. The increasing population is attributed to in-migration exceeding out-migration. The net in-migration is predominantly between the ages of 40 and 60, particularly males between 50 and 60.
33. The report projected a 20% increase in households between 2001 and 2016. The average household size is decreasing with significant >30% increases in the number of 1 and 2 person all adult households, mainly in older age groups.
34. In summary, the population of the National Park is projected to increase as a result of in migration, it will be an older population with a reduction in numbers of young people, and there will be a marked increase in the number of 1 and 2 person all adult households. This has informed the strategic approach to communities and housing in the National Park Plan and the specific policies in the Deposit Local Plan.

The Impact of Second and Holiday Homes in Rural Scotland – University of York 2005 (CD8.13)

35. This research was funded by Communities Scotland to look at evidence of the impact of second and holiday homes on rural communities in Scotland. The study gathered a variety of statistics and opinion, and highlighted that second homes can add to the pressure in areas where access to affordable housing is restricted. The analysis of the 2001 Census by ward shows that there are several in the National Park where second and holiday homes make up either 10-20% or 20%+ of the housing stock. Upper Deeside for example has over 200 second homes. One of the case studies (p49) looked at Strathspey and the communities of Boat of Garten and Nethybridge. Houses were becoming less affordable, with prices higher than the Highland average, earnings were low and the availability of social rented housing was low. There is a high incidence of second home ownership.
36. The issue of second and holiday homes and concern at the impact they can have on the ability of communities to meet their housing needs has been reflected in consultation for the Local Plan. The findings of this study reflect that evidence is more than anecdotal and it is reflected in the 2012 priorities for action in the National Park Plan (p112). The housing land requirement calculation in Table 2 p41 the Deposit Local Plan takes account of second and holiday homes.

Cairngorms Housing System Analysis - Heriot Watt University 2006 (CD7.8)

37. Heriot Watt University was commissioned to prepare a Cairngorms Housing Systems Analysis to inform preparation of the Cairngorms National Park Local Plan. The study, published in February 2006, had objectives (para.1 p3) to produce evidence of

the nature and reasons for housing need in the Park, identify the need for affordable housing, provide robust housing need projections, define affordable housing in the context of the Park and look at the housing markets in the Park.

38. The study highlighted (paras 1.10-1.11) the wider context within which the housing system operates and the particular roles of Communities Scotland (as was) and the Local Authorities. It identified the need for information to be collected and analysed in a form that recognises the National Park geography. The role of the CNPA is an enabling one as it is not a housing authority.
39. It identified (paras 1.12-1.21) that the Housing Market Context Statements and Local Housing Strategies project growth in population and households, potential growth in the elderly population, the significant influence of second/holiday homes and the private rented sector (compared to other areas of Scotland), infrastructure issues, and the overall commonality in the need to increase the supply of affordable housing.
40. The study recognised (section 2) that the National Park is not a single housing market area and it does not exist in isolation as it relates in varying degrees to wider areas outside the boundaries. Given the new geography, it was considered necessary to construct a level of sub-area analysis that statistical information is both available for and reliable. For the purposes of the study, secondary data analysis used three sub areas based around Badenoch & Strathspey (Highland), West Gordon & Deeside (Aberdeenshire) and South Moray. The affordability analysis was based on five zones – Aviemore, Grantown on Spey, Kingussie (Highland), Upper Deeside (Aberdeenshire) and Tomintoul (Moray). The small size and population of the Angus Glens area of the National Park meant that separate analysis was not feasible. The researchers considered that four of those zones were geographically distinct enough to be considered sub-market areas in their own right. The exception to this was the Upper Deeside sub area that has strong links to Aboyne and Tarland within Aberdeenshire's Marr area.
41. The study considered the University of Manchester work and other sources and concluded (para 3.37 p29) that from 2002-2016 there would be a population growth of 7% and a 20% increase in the number of households, with a trend for growth in single person households and an ageing population.
42. The section of the study on the Cairngorms Housing System looked at key characteristics that define the system of the National Park area by looking both at the Park as a whole and at its constituent areas. It concluded (paras 4.20-4.21 p36) that there had been a growth in owner-occupancy, private rented sector static in absolute numbers (although a reduced proportion), and a significant reduction in social rented through Right to Buy and lack of new build activity. Compared to the Scottish average there are higher levels of owner-occupancy and private rented, the latter having a significant proportion of tied housing. The council house sector has declined in absolute and proportionate terms whereas the RSL sector has increased. In recent years house completions have been rising, mainly in the private sector. Projections at the time anticipated approximately 115 completions p.a. with a greater proportion of affordable housing. The greatest proportion of population and households (69%) was in Badenoch & Strathspey.
43. The study found (para. 8.39) that affordability is generally lower in the National Park area than in the rest of the relevant local authorities. Average incomes are lower and

house prices higher. The analysis concluded (para. 8.41) that there was an affordable housing need in the National Park area of 132 units per year. All of the Park areas have a level of need, relative to size of population, very much higher than in the rest of the relevant local authorities. This breaks down (Table 57 p72) into Upper Deeside 27, Aviemore 54, Grantown 23, Kingussie 18, and Tomintoul 10. When account was taken of the University of Manchester work on population and household projections the overall number for affordable housing was reduced from 132 to 114 (rounded to 115).

44. In its conclusion the report comments (para. 10.13) that the projected level of new supply would have to be fully devoted to affordable housing to meet the backlog of need and newly arising need. This is obviously unrealistic and so the most pressing policy consideration is to bolster the supply of new housing in the Park area.

Planning for Affordable Housing in the Cairngorms National Park – Heriot Watt University and Three Dragons Consultancy 2008 (CD7.9)

45. This research updated the housing need figures in Cairngorms Housing System Analysis and considered the impacts of a range of possible planning policy responses to provide affordable housing in the National Park. The study also modelled the economic impacts of developing sites with different proportions and types of affordable housing.
46. The key points from the work were:
- That affordable housing need in the National Park would be 121 units per year (Table 4, page 10) and that different forms of shared equity housing could make as great a contribution to meeting housing need as social and private rented housing (Table 5, page 11).
 - That affordability for new young households (the greatest component of projected household growth in the CNP area) is significantly lower in the National Park than in Scotland as a whole or any single local Authority area at 29% compared the national average of 43% in 2006 (para 2.10, page 6).
 - That a 20% drop in house prices would improve affordability by about 12%, leading to a reduction in housing need of 11 units per year (para 2.24, page 14).
 - That all areas within the Park were under pressure, but that it was greatest in Upper Deeside , Aviemore and Tomintoul (para 2.11, page 8).
 - That the proportion of affordable housing and the availability of public subsidy have substantial impacts on the likely economic viability of developments, and that changes in house prices would also have positive and negative effects on viability.(Table 1, page 21 and paras 3.12 – 3.22, pages 20-22).
 - That 25% affordable housing is likely to be economically viable on most developments, with or without public subsidy, at base prices (Table 1, page 21 and para 3.21, page 22).
 - That higher proportions of affordable housing could be viable with, and in some cases without, public subsidy at base house prices or a rising market, but also that falling house prices will significantly reduce the proportion of

affordable housing that could be sought without adversely affecting the economic viability of development (Table 1. Page 21).

- That the size of development does not automatically have a significant economic effect on the viability of the development or the effect of different levels of affordable housing contribution (Table 2, page 23 and paras 3.23-3.25, pages 23-24).

47. The results of this study were presented at a workshop and discussion session with house building industry representatives in Tomintoul on 15 October 2008

Population and Household Projections for Scotland's National Parks (2006-based) - General Register Office for Scotland 2008 (CD8.12)

48. This is the first set of projections prepared by GROS for Scotland's National Parks covering the period 2006-2031. They used the POPGROUP software owned by University of Manchester. Between 2001 and 2026 the population of the Cairngorms National Park is projected to rise by 20% from 15410 to 18510. Over the period 2006-2026 the number of children under 16 is projected to rise by 14%, the number of working age by 10% and the number of pensionable age by 40%. There will continue to be more deaths than births with the population increase driven by in-migration. (para. 1.1 p4 and Tables 1.1 and 1.2a p27).

49. The GROS figures share the same trend as the University of Manchester model in terms of an increasing and ageing population. The GROS figures do however show an increase in younger age groups rather than the decrease projected by University of Manchester. The explanation given is that GROS had access to more up to date information on fertility, mortality and migration. The GROS data on migrants showed a younger age pattern and because of changes in recent trends they also projected more births.

50. Between 2006-2031 the number of households is projected to increase by 23% and between 2006-2026 by 20%. The average household size will decrease. Single adult households make up 34% of the total in 2006 and this will rise to 43% by 2031. The number of households with two or more adults is projected to decrease in the 35-59 age groups and increase in others. There will be a decrease in the number of households with 2 or more adults with children and a smaller increase in the number with one adult with child. Between 2006-2031 there will be a 52% increase in the number of households headed by people aged 60 and over, with only a 5% increase in the number headed by those less than 60. (para 2.1 p13, Table 2.1b p30, Table 2.2b p31)

Consultation

51. Prior to writing the Local Plan the CNPA carried out a full community consultation during October-December 2004 with questionnaires delivered to every household and 44 meetings covering all areas of the National Park. The consultation report was published in March 2005. Over 1400 questionnaires were returned and the meetings were attended by some 1600 people, approximately 10% of the population within the Park. The majority of those responding to the questionnaire identified a need for open market housing in their area, affordable housing of all tenures, and located within or

around villages. The need for affordable housing was the common theme emerging from the community meetings.

52. The CNPA Planning Committee agreed in July 2005 to publish a Cairngorms National Park Local – Consultation Draft for formal consultation in order to obtain views and comments from local communities and a wide range of interested parties all of which would inform the eventual position that Members take on policies and proposals for the Finalised Deposit Version.
53. The Consultative Draft Local Plan was published in October 2005. It was clearly stated that the document had simply been endorsed for publication, but did not represent the formal views of the authority as the CNPA wished to consult further before taking a position on any of the issues.
54. The document did not contain population or housing need projections as they were still being prepared to inform the Finalised Version. It contained a number of suggested housing allocations in and around settlements as well as possible policy options depending on the approach that would be taken to deliver strategic housing objectives in the emerging National Park Plan. As well as a focus on affordable housing, consideration was also given to the possibility of restricting occupancy of some housing to local need based on set of criteria.
55. The Consultation Report on the Consultative Draft Local Plan was published in July 2007. Consultation took place between September and November 2005 with each community are having at least one meeting with the format tailored to local requirements. A total of 924 people attended meetings and there were 204 written responses from individuals, public bodies, a variety of organisations, estates and community groups.
56. Housing was the biggest issue raised in the consultation, with the majority of comments focusing on the problems faced by local people trying to get houses at an affordable price within the Park, both within settlements and in the countryside. In allocating land some comments raised the need to ensure that housing provision did not conflict with the overall character of the Park. Many comments were received looking at individual settlements, site allocations, and ensuring that the policies and proposals were suitably supportive of local community aspirations for growth and development.

CNPA Strategic Role in Housing

57. In October 2000 the former Cairngorms Partnership established a Cairngorms Housing Forum. The Forum adopted a Cairngorms Housing Strategy in 2002 with three strategic themes, seven objectives and a series of goals and actions. In terms of the Local Plan approach to housing land supply it is the Access to Housing Theme that is most relevant. Objectives 1 and 3 in particular:
 - To ensure that all groups of the population, who require to live in the Partnership Area, have equal access to an adequate range and choice of housing to rent or buy that is affordable to them.

58. To ensure the availability of sufficient, 'effective' land to meet housing need and demand for housing within the Partnership Area, whilst taking account of wider community needs.
59. This Strategy formed the basis of the new Park Authority's approach to housing when it came into being in 2003 and the CNPA has been defining its role since then. A Briefing Paper to the CNPA Board in August 2004 highlighted the role of the Strategy and the additional work that was being taken forward in terms of the National Park Plan and Local Plan to build on it in the new statutory context for the National Park.
60. The CNPA Board considered a paper on 11 March 2005 on the "The CNPA's Strategic Role in Housing Development". The Board accepted the assessment of the CNPA's role as set out in the paper, namely that the CNPA should focus upon co-ordinating partner activity and sharing best practice, setting the strategic framework via the Park Plan, Local Plan and Housing Strategy, building the evidence base, piloting new approaches in policy and practice, and development control. The Board also saw a role in looking at how good practice could be embedded across the National Park on the range of issues concerning sustainability, energy efficiency, and the environmental footprint of housing in the Park. The Board also approved a number of possible Local Plan policy options to be tested including definition of "affordable", setting aside a percentage of developments for affordable housing, restricting all or a proportion of development to local needs, make representations to bring second homes under planning control, and restrict new houses to principal residence. In addition the Board wanted consideration of other issues including, further analysis of different types of second/holiday homes, criteria for second home numbers, rented to have equal consideration to owner occupancy, level of population compatible with special qualities, and maintaining affordability in perpetuity.
61. The CNPA Board considered a paper on 19 May 2006 on a "Preferred Strategic Direction for Affordable Housing". The paper contained some key findings from the Heriot Watt work on the Housing System Analysis. The Board approved a number of recommendations as a basis for further work and consultations, including inter alia:
- 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;
 - 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 initiate discussion with the Scottish Executive about the potential to change the 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.

62. The CNPA Board considered a paper on 6 October 2006 on “Housing Policy Progress”. This was a discussion paper 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. Although not recommending a particular housing land requirement, the paper sought to give a summary of the range of factors and issues that would influence future recommendations. There was particular focus on the University of Manchester work on Population and Household Projections, data on household incomes and house prices, and an assessment of the ability of households to access the housing market. There was also an assessment of practice elsewhere in addressing these issues and details of the options that were being investigated for the Cairngorms National Park. As the paper was for discussion there was no Board decision.
63. It is within the context of the preceding process that the CNPA Planning Committee resolved on 4 May 2007 to formally approve the Local Plan for deposit, a decision that was endorsed by the CNPA Board on 15 June 2007.

Approach to Housing Land Supply in the Deposit Local Plan

64. Section 1 of the National Parks (Scotland) Act 2000 sets out the 4 National Park aims. The Act requires that the general purpose of a National Park authority is to ensure that the National Park aims are collectively achieved in a co-ordinated way and in exercising its functions the authority must act with a view to accomplishing this purpose. The Designation Order established the CNPA to fulfil this purpose within the Cairngorms National Park and made it the sole authority in respect of functions in relation to local plans.
65. The accomplishment of this purpose is therefore the starting point for all CNPA activity including the discharge of its local plan function.
66. The Act requires the CNPA to prepare a National Park Plan to co-ordinate the exercise of the functions of the authority and other public bodies/officeholders in relation to the National Park with a view to accomplishing the purpose. The Cairngorms National Park Plan was approved by Ministers and adopted by the CNPA in 2007.
67. Section 264A has been inserted into the 1997 Planning Act with a view to planning powers being exercised consistently with the adopted National Park Plan.
68. The exercise of the local plan function by the CNPA is therefore co-ordinated by the adopted National Park Plan and in line with Section 264A of 1997 Planning Act. SPP1 clearly states that the National Park Plan will provide a strategic context for development plans. Wider consideration as part of the Local Plan Inquiry process will also need to have regard to this statutory and national policy context.
69. The Local Plan is therefore taking part of its context from the National Park Plan and is seeking to deliver one of the specific actions in the National Park Plan by including provision for effective land and policies for housing. This contributes to the achievement of the Priorities for Action 2007-2012 which in turn help meet the strategic objectives that collectively deliver the 2030 Vision. The Local Plan is

consequently an important link in the chain leading to delivery of the adopted National Park Plan.

70. The preparation of the National Park Plan included considerable consultation. The adopted National Park Plan has a clear focus on housing to meet the needs of communities throughout the Park. In the period 2007-2012 there is a specific outcome in respect of reducing the gap between housing need and supply to meet community needs.
71. This reflects the message that has consistently come across in consultation throughout the local plan process. There is support for additional housing in the National Park, but it has to be focused on providing for the needs of communities.
72. The Deposit Local Plan therefore has a sound and defined strategic context for housing policies and allocations, but it also has to have regard to Scottish Planning Policy and Guidance, albeit within the National Park's statutory framework.
73. The overall thrust of Scottish Planning Policy and Guidance is that account has to be taken of the special context of the National Park, balancing conservation and enhancement of natural and cultural heritage and the social and economic needs of the area's communities. This is what the National Park Plan also seeks to do. It has therefore been possible to prepare a Cairngorms National Park Local Plan that complies with both the CNPA's specific statutory obligations and national planning policy/guidance.
74. The CNPA has worked with others to provide an evidence base to identify needs of communities based on the geography of the National Park. The University of Manchester 2005 Projections identify a population increase between 2006 and 2016 of some 600 persons. Over the same period the number of households is projected to rise by 938. The recent GROS 2008 Population and Household Projections for the same period are 1360 and 690 respectively. Both pieces of work show the same general trend in terms of increase in population and households over the longer term. An explanation has been given for differences in detail.
75. The Heriot Watt 2006 Study used the University of Manchester projections and concluded that 115 affordable houses would have to be built each year to meet the need across the Park. As this equates with the total number of annual completions in recent years the whole new supply would have to be devoted to affordable housing. This is unrealistic and so the supply of new housing across the Park area has to be boosted. The 2008 Heriot Watt/3 Dragons work reinforced this conclusion and produced a model to demonstrate the impact of varying percentages of affordable housing on the viability new housing developments.
76. The housing land requirement calculation is set out in Table 2 of the Deposit Local Plan. The CNPA has taken the University of Manchester figure rounded up to 950 as the household projection until 2016. The GROS figures were not available until after the Local Plan had been prepared and gone through the formal deposit process. Given that projections are not an exact science the CNPA is adhering to the initial figure of 950, thus giving additional flexibility if the GROS projection proves to be more accurate. This is preferable to taking the lower figure and ending up with a shortfall.

77. In developing the housing land requirement calculation, other factors were considered. The National Park Plan encourages a population that can continue to support thriving communities in the long-term, with an emphasis on retaining and attracting young people. The National Park Plan also reflects the objective of growing the population of the Highlands shared by the Highland Council and Highlands and Islands Enterprise. In addition, the CNPA was aware that need for affordable housing was projected to be high and that increasing the supply of affordable housing to better meet that need could be achieved through increased housing supply.
78. Two components of the housing requirement in the deposit Local Plan (Table 2) reflect these factors:
- a) A 50% additional allowance was made ensure the land requirement reflected the growth component, vacant homes, second homes (an important factor identified in University of York Study), and houses rented for holiday accommodation. No allowance has been made for demolitions as this is not considered to be a significant factor within the National Park.
 - b) A 15% flexibility allowance was made on top of the household projection figure to allow for uncertainty in the projections.
79. The total 1568 units to 2016 is considered sufficient to meet the housing requirement in line with Para.17 of PAN38. The 1568 referred to here are taken from the revised Table 2 of the proposed post inquiry modifications.
80. Table 3 in the Deposit Local Plan shows the phased land supply by local authority. Account is taken of extant planning permissions. A number of sites with planning permission for housing have raised subsequent issues and constraints that mean that there is significant doubt over whether they will prove effective in the short term. For that reason, the new land supply has been selected to provide a surplus over the housing requirement. It is based on the relative growth expected in different local authority areas in the National Park.
81. Table 4 in the Deposit Local Plan shows the phased land supply by settlement for the periods 2006-2011 and 2011-2016. It has been simplified in the proposed post inquiry modifications. It is based on the relative growth expected in different local authority areas in the National Park, the availability of effective housing land, and the capacity of different settlements to absorb new housing. It summarises the allocations contained within the Settlement Proposals section of the Deposit Local Plan
82. Policy 22 in the Deposit Local Plan applies to housing development within settlement boundaries which include all of the site allocations. This covers the identified housing land supply. The CNPA has not quantified the level of housing on windfall sites that can be provided over and above this amount under Policy 22, Policy 23 Rural Building Groups, and Policy 24 Housing Development Outside Settlements. Para. 34 of PAN 38 states that “*where there is a past pattern of windfalls making a significant contribution...planning authorities may wish to take account of such sites in their calculations.*” It is not considered that there has been a significant contribution. This provides an element of additional flexibility to the identified land supply.
83. The Deposit Local Plan identifies a hierarchy of strategic, intermediate and rural settlements. The approach taken in the Plan is that, in line with the strategic

objectives of the National Park Plan, the majority of development and facilities should be provided within strategic settlements and most of the remainder in intermediate settlements. The hierarchy takes account of the existing characteristics of a settlement, its infrastructure capacity and environmental capacity with a view to accommodating future growth. It complements the approach adopted in the Heriot Watt Housing System Analysis 2006. Allocated development to deliver the identified housing land requirement will be distributed in accordance with this hierarchy.

Strategic Settlements

Aviemore is the largest settlement in the National Park. There are current significant unimplemented planning permissions for 265 units on allocations H1, 2 & 3. Once these have been developed the village will have limited potential for additional development as it will have reached its logical limit of growth to the north in landscape terms and is constrained by the A9 to the west, River Spey to the east, and the pinch point of the River Spey/Railway/B9152/A9 to the south. The Local Plan brings forward the new sustainable community of An Camas Mòr on the east side of the River Spey opposite Aviemore. This was identified in the existing Badenoch & Strathspey Local Plan and the Highland Structure Plan. The new settlement has provision for 100 homes within the plan period and long term capacity for up to 1500 homes.

Grantown on Spey has allocated sites H1 & 2 with potential capacity for up to 250 houses. H1 is the subject of a current planning application.

Kingussie has a single allocation H1 with capacity for 75 houses in the plan period and up to 225 in the longer term.

Newtonmore has a large allocation H1 with capacity for around 120 dwellings. Planning permission has been granted for 81 subject to a Section 75 Agreement. Another site H2 provides land for around 100 dwellings.

Ballater has a single allocation H1 with capacity for 250 units with 90 envisaged during the lifetime of the Plan.

Intermediate Settlements

Boat of Garten has an allocation H1 with capacity for 70 units, 50 of them during the Plan period.

Braemar has allocations H1 & H2 with consent for 50 units (with another 11 affordable off site) and there is permission for 12 on another site. Provision has been made for 40 in the Plan period and 27 in the future.

Carrbridge has an allocation H1 with outline planning permission for 117 dwellings.

Cromdale has allocations H1 & 2 with capacity for around 80 dwellings.

Dalwhinnie has allocation H1 suitable for around 6 dwellings and H2 with permission for around 12 dwellings.

Dalnain Bridge has allocation H1 suitable for around 30 dwellings and H2 with permission for 10 dwellings.

Kincraig has allocation H1 for around 40 dwellings.

Nethybridge has allocation H1 with permission for 13 dwellings and H2 with outline permission for 40 dwellings.

Tomintoul has allocations H1 – H4 with capacity for 40 dwellings, 12 in the Plan period.

Rural Settlements

Bellabeg, Dinnet and Insh are designated as Rural Settlements. They have no housing allocations and consequently will not contribute to the formal housing land supply. They will however provide additional unspecified opportunities for housing provision within the scope of Policy 22.

Consultation on the Deposit Local Plan

84. The CNPA has consulted on 3 separate occasions, the original Deposit Local Plan, 1st Modifications and 2nd Modifications. Careful consideration was given to the responses to each consultation and changes have been made where considered to be justified. The Local Plan as it currently stands is considered to both reflect the needs of communities in the area and fulfil its obligations with regard to delivery of the National Park Plan.

Approach to Affordable Housing the Deposit Local Plan

85. During the development of the Cairngorms National Park Local Plan two different approaches to the supply of affordable housing were considered:
- a. To follow examples of some other UK National Parks and introduce restrictions on the occupancy of new dwellings in some or all circumstances; or
 - b. To increase the rate of creation of new affordable housing by increasing the supply of land and/or the % of house building that was affordable.
86. The first option, of restricting the market by only permitting housing to be occupied by those living in the National Park, was proposed in the Consultative Draft Cairngorms National Park Local Plan of October 2005, prior to the results of the Cairngorms Housing System Analysis study being known. The approach was criticised for a number of reasons including:
- It would distort the housing market within the National Park and relative to surrounding areas;
 - It would be a disincentive to developers leading to stagnation of development, thereby reducing the supply of both open market and affordable housing;
 - It would divide the existing and new housing markets within the Park, but make progression from the new to the existing market difficult to achieve.
 - It would lead to increased housing need;

- It would have adverse effects on the house building industry and could have a range of associated economic effects from reduced spending.
87. The CNPA acknowledged the criticism of the restrictive approach being applied in anything other than particular local circumstances. As more detailed information on the scale and nature of housing need within the Park was understood, the CNPA sought a more conventional approach with partners that would increase the supply of affordable housing.
 88. The approach to affordable housing in the Deposit Local Plan reflects the guidance set out in PAN 74 (paras 29-40).
 89. The Cairngorms National Park Local Plan has a role to play in meeting affordable housing need. Unlike most local plans, it applies in four different local authority areas, and in the context of four different local housing strategies. The administrative differences between these areas mean that the local plan policy needs to balance prescription and flexibility to allow for variation in administrative objectives between different areas while applying the same principles across them.
 90. Each of the four local authorities that make up parts of the National Park have local housing strategies for the period 2004 -2009. All the local housing strategies place an emphasis on providing more affordable housing, with some variation in the key target groups. These housing strategies were prepared before the National Park Plan was prepared and approved by the Minister in 2007. Replacement local housing strategies will be submitted to Scottish Ministers between 2009 and 2011. Nevertheless, the current local housing strategies provide relevant information for the Deposit Local Plan.
 91. Information on future affordable housing need is contained in the local authority housing strategies and has been updated for the National Park area through the “Cairngorms Housing System Analysis” and “Planning for Affordable Housing in the Cairngorms National Park” outlined in paragraphs 37-47 above. There are small differences in the numbers of need projected for the future between studies, but each study identifies high levels of affordable housing need, at a similar scale to historic and projected future build rates of all housing.
 92. The most recent estimates of future housing need are from Planning for Affordable Housing in the Cairngorms National Park (Figure 3 & Table 5, page 11 of that report). That work shows both the likely scale of affordable housing need and also that different forms of low cost home ownership could make a significant contribution to meeting part of that need. This is significant because low cost home ownership housing can cost less per unit to provide than equivalent social rented housing.
 93. The nature of the housing land supply in the National Park is a further relevant consideration. As a rural area, the National Park’s housing land supply is almost exclusively on green field sites. Many sites have capacity for (in the context of the National Park) relatively large developments of 40+ units. In addition, infrastructure and other constraints on sites vary considerably, meaning that few sites are directly comparable in terms of likely development costs.
 94. The potential ability of sites to provide different levels of affordable housing contribution was examined in Planning for Affordable Housing in the Cairngorms

National Park, summarised in paragraphs 46-47 above. This work demonstrated that different levels and different types of affordable housing contribution could be made in different circumstances while retaining financial viability in the development.

95. The affordable housing policy in the local plan has been developed to do a number of things:
- Increase the supply of affordable housing in the National Park in the future;
 - Respond to the particular housing needs of the National Park, as expressed by “Planning for Affordable Housing in the Cairngorms National Park” and with appropriate regard to the local housing strategies that apply to the Park.
 - Provide flexibility to adapt to different sites with different constraints
96. These objectives have led to the policy seeking a target of 25-40% affordable housing contribution from housing developments of 4 or more units (as set out in the proposed post inquiry modifications). The CNPA considers that this approach is justified through the high affordable housing need that has been identified in the Park, and the testing of financial viability that informs the policy and will be applied in implementing the policy.
97. The policy is intended to be implemented in the context of the local authority housing strategies that apply within the Park. This allows the policy to adapt as appropriate to areas where there is potential for need to be met outside the Park Boundary.

Conclusion

98. In preparing the Cairngorms National Park Local Plan, and the provision for housing land supply within it, the CNPA has followed a sound and logical process all within the context of its purpose and duties of regard under the National Parks (Scotland) Act 2000.
99. The National Park Plan 2007 requires effective land for market and affordable housing to meet the economic and social needs of communities throughout the Park. These needs were identified through the population and household projections prepared by the University of Manchester and the work carried out by Heriot Watt and Three Dragons. The particular needs for affordable housing in different parts of the Park were assessed in this work.
100. Regard was also had to relevant Scottish Planning Policy and Guidance in writing the Local Plan. The need for consideration to be given to the circumstances of National Parks is reflected in many of these documents. Within this context the CNPA has provided sufficient effective land for the Local Plan period and the following 5 years in line with SPP3 (2003).
101. The 4 Local Authorities are in the course of preparing their Housing Need and Demand Assessments and these will be considered in the preparation of the forthcoming Cairngorms National Park Local Development Plan under the Planning etc. (Scotland) Act 2006. This follows advice given directly to the CNPA by Scottish Government. It is however considered that provision in the current Deposit Local Plan is not at odds with SPP3 (2008).

102. In Scottish Planning Policy terms the Deposit Local Plan therefore strikes an appropriate balance in terms of safeguarding the interests that led to the designation of the National Park and the provision of housing land to meet the needs of the communities within it.
103. Appropriate regard has been had to the existing Structure Plans. The Local Plan has been prepared in consultation with the 4 Structure Plan authorities, they have not objected, and the Plan is considered to be in conformity.
104. This is the first Cairngorms National Park Local Plan and provision has been made for a housing land supply on the basis of the information that has been assembled for the new geography that the National Park represents. The future provision of housing land supply will be increasingly sophisticated and informed by:
 - the series of individual Community Need Assessments initiated by the CNPA which will give detailed information at settlement level;
 - an annual Cairngorms wide housing land audit will be carried out to monitor the continued effectiveness of the provision within the Local Plan;
 - ongoing and enhanced collection of statistics on the basis of the National Park geography with increasing ability to make meaningful comparisons over the Plan period and beyond.
105. For the time being, however, it is considered that a logical and consistent approach has been taken, with both the level and distribution of housing land within the Deposit Local Plan based on sound evidence and always within the statutory National Park context.