Planning and Building Standards Services

Focussing on South Lanarkshire

Proposed South Lanarkshire
Local Development Plan

Housing
Technical Report

May 2013

SOUTH LANARKSHIRE COUNCIL

Community and Enterprise Resources

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1.0 Introduction

1.1 One of the key issues to consider when developing a Local Development Plan (LDP) is the requirement to provide housing of the right size and type, in the right location to meet the needs and demands of communities. The LDP must ensure that a generous five year supply of effective housing land is available and that this is updated and reviewed annually.

1.2 This technical report considers a number of elements including Government policy and guidance, the Housing Need and Demand Assessment (HNDA), the strategic requirement for housing land as contained in the Glasgow and the Clyde Valley Strategic Development Plan (GCVSDP), the Local Housing Strategy (LHS) and the housing land audit process.

1.3 The information contained within this technical report supports both the Main Issues Report (MIR) and the Proposed South Lanarkshire Local Development Plan (SLLDP) and outlines the Council's position with regard to housing across all tenures. In particular, it sets out how the SLLDP will meet the requirement set out in Scottish Planning Policy (SPP) to provide a minimum five year effective land supply from 2012 to 2017.

2.0 Overview of legislation

2.1 The policy framework for housing in Local Development Plans is contained in National and Strategic Planning Guidance. This section focuses on the national guidance and advice which local authorities follow when producing policies and proposals for LDPs.

2.2 Scottish Planning Policy provides the national planning context for provision of housing land by setting out the Government's commitment to supplying new homes and identifying a 'generous' supply of effective land in the right locations.

> *"Local development plans should allocate land on a range of sites which is effective or capable of becoming effective to meet the housing land requirement up to year 10 from the predicted year of adoption, ensuring a minimum of 5 years effective land supply at all times*". (SPP paragraph 72)

2.3 The SPP also highlights factors which should be taken account of when considering the location of potential new development sites including:

- the efficient use of existing buildings, land and infrastructure.
- accessibility of homes, services, open space and employment opportunities by a range of transport options,
- co-ordination of housing land release with investment in infrastructure including transport and educational investment, and with other major proposals,
- the deliverability of the strategy, and
- the protection and enhancement of landscape, natural, built and cultural heritage, biodiversity and the wider environment, including consideration of flood risk. (SPP paragraph 77)

2.4 In addition SPP, (paragraph 67) states that the housing need and demand assessment should provide the evidence base for both defining housing supply targets for inclusion in Local Housing Strategies and the allocation of housing land in LDPs.

3.0 HNDA and Strategic Development Plan

3.1 In 2008 the Glasgow and the Clyde Valley Housing Market Partnership (HMP) was established with representatives from each of the eight constituent local authorities the GCVSDP and the Scottish Government to produce an Housing Need and Demand Assessment (HNDA) covering the Glasgow and the Clyde Valley Housing Market Area. The HNDA was completed in 2011. For the full HNDA see GCVSDP Background Report BR12 – Housing Need and Demand Assessment 2011 at www.gcvsdp.gov.uk.

3.2 The main purpose of the HNDA is to understand the operation of the housing market across the city regions eight constituent authorities and identify future housing requirements to be reflected in the Local Housing Strategy and the strategic and local development plans. The HNDA provides a number of core outputs, including:-

- analysis and commentary on past trends, the current situation and likely future developments
- estimates of current housing supply
- population and household estimates and projections
- projections of housing need split by tenure (private housing, social rented housing and intermediate housing tenures such as shared equity)
- estimates of household groups with specific housing needs (older people, people with disabilities)

Population and Housing

3.3 Two methods for projecting population and household change were used. One was based on a planning scenario used in the past and another on a lower migration scenario. These produced modest and slightly higher projections of population growth due to the slightly different growth assumptions used. However, in both scenarios an increase in both population and households was projected for South Lanarkshire to 2025. Key findings of the HNDA relevant to South Lanarkshire include:-

- A projected population increase by 1,395 per annum to 2016 (+3.6%) to 321,250 and by a further 1,513 annually until 2025
- Working age population is expected to rise annually by 1,147 to 2016 and then slow to an annual rise of 617 between 2016 and 2025.
- Households are projected to increase by 1,653 annually until 2016 and then by 1,704 annually until 2025
- Much of the household growth will comprise smaller, single person households and single person households aged over 75
- The number of people of pensionable age is expected to increase by 15.5% by 2025
- The projected increase in older people aged 75 years or over is expected to rise by 61.1% to 2025.

3.4 This projected increase in both population and households and the shift towards a more elderly population will require significant levels of new housing provision across all tenures and house types to meet the high levels of both need and demand.

Housing Supply

3.5 The need for new housing is primarily due to changes in demographics but there are other issues which must be considered. These include the supply and accessibility of existing housing across all tenures, the economic and social context, income levels, affordability, location and availability of suitable land for housing. In addition, to assessing the changes in population and households the HNDA also considered the existing housing supply and the requirement for further additions to supply to meet emerging need and demand.

3.6 The HNDA estimated that 19,500 private sector properties would be required to meet demand between 2008 and 2025. This represents approximately 1,150 private sector units per annum, which is well within levels of completions under ‘normal’ economic circumstances.

3.7 Assessment of the housing land supply (see Section 5) shows there is sufficient land supply to meet demand in the private sector to 2025 at both South Lanarkshire and GCV levels. Notwithstanding this, the continued financial and economic pressures, particularly on first time buyers will continue to constrain the market for the next few years resulting in suppressed completion rates.

3.8 The demand for owner occupied housing will be met through development of the Community Growth Areas (CGA's), Development Framework and Residential Masterplan and individual housing sites identified in the South Lanarkshire Local Plan 2009 (available at www.southlanarkshire.gov.uk/planning) . In addition there will be a limited release of sites proposed in the South Lanarkshire Local Development Plan. This is discussed in more detail in Section 5.

Affordable Housing

3.9 A key finding of the HNDA is the level of affordable housing required. This takes account of a number of different elements that are used to determine the need for affordable housing:-

- Backlog need: This is the current backlog of households with a housing need who require social rented housing since they cannot afford to meet their housing needs in the market.
- Newly arising need: These are the newly forming households and households moving into an area who cannot afford to meet their housing need in the market.
- Affordable housing supply: This is the number of social rented housing properties (provided by the council and Registered Social Landlords (RSLs)) available for relet annually, taking account of turnover, demolitions and any new supply.

3.10 The net annual surplus or shortfall is calculated by adding together the backlog and newly arising need and deducting the affordable housing supply. This determines the extent of annual affordable housing need in the area.

3.11 The HNDA assessed a need for 9,000 affordable houses between 2008 and 2016 and further shortfalls of 4,300 and 1,300 between 2016–2020 and 2020–2025, respectively. This means that from 2008 to 2025 there is a projected need for 14,600 units or 858 affordable homes, per annum. These estimated shortfalls are based on assumptions both about migration and affordability. A higher migration scenario was used consistent with historic trends and reflecting likely demand for housing from households moving into South Lanarkshire. The HNDA also used two levels of affordability (25% and 33%) which accounts for the percentage of housing costs a household would spend on a proportion of income, for South Lanarkshire the 25% figure was used.

3.12 The HNDA findings are similar to studies carried out by Newhaven for the Council in 2004 and 2007 (Newhaven Research (2004) Affordable Housing Needs in South Lanarkshire; Newhaven Research (2007) Affordable Housing Needs in South Lanarkshire). However, the economic recession has had far reaching consequences on affordable housing need and demand than anticipated in the Newhaven work.

Glasgow and the Clyde Valley Strategic Development Plan

3.13 The Glasgow and the Clyde Valley Strategic Development Plan was approved in May 2012. The SDP concludes that there "may be sufficient land from these combined sources to meet demand in this sector (private) both to 2020 and 2025" (Paragraph 4.75). This will be subject to detailed assessment at LDP level.

3.14 The affordable sector has a much larger potential shortfall than previously considered. However, it must be remembered that this housing need does not necessarily have to be met by new housing supply. As discussed in the LHS, housing need can be met by conversion, subdivision, reuse of vacant stock and adaptations to existing properties. Local authorities also need to consider how they can address poor quality or unpopular housing. Schedule 10 of the SDP indicates that South Lanarkshire has an estimated shortfall in affordable housing of 14,600 units from 2008 to 2025; this translates to an annual requirement of 858 units.

3.15 The SDP includes an indicative all-tenure housing requirement by adding together estimates for private sector new build (Schedule 7) and the affordable sector housing needs (Schedule10). This gives an overall requirement of 32,900 for South Lanarkshire which will need to be addressed through the LDP. This is discussed in more detail in Section 5.

3.16 In addition the SDP contains a list of variations. A planning authority needs to justify any variation from the indicative requirements contained within Schedule 11A. For South Lanarkshire the requirement is as follows:

Indicative All-Tenure Housing Requirement

2008/09 to 2020	29,100
2020 to 2025	3,800
TOTAL	**32,900**

3.17 South Lanarkshire Council (SLC) do not intend to meet the all tenure requirement through release of land for new build housing since it is unlikely that further large scale release would be able to be developed given the current economic conditions and the lack of available funding to either purchase private housing or to develop affordable housing. The SDP criteria (GCVSDP Section 4.86a) can be used to demonstrate how SLC will meet the requirement:

- **The scale of backlog need and the rate at which it can be met:** It is not anticipated that this will all be met through new house building and it will be for individual authorities to determine in their housing supply targets. A proportion of this will be met through conversion, subdivision, re-use of vacant properties or by adapting existing properties particularly for the elderly and those with a disability. In addition, the backlog need estimates will be updated regularly to ensure that the target in the LHS is realistic and achievable.

- **The scale of identified need for affordable housing:** Both the HNDA and the LHS identified a very high affordable need for South Lanarkshire of approximately 900 units per annum (1,100 per annum over the period 2008–2020 and 260 per annum over the period 2020–2025). However, the LHS has set a more realistic target of 180-200 units per annum of new build affordable housing based on the availability of housing subsidy. Additional affordable housing will be provided through the Councils' own modest new build programme and through innovative ways of increasing supply and using existing stock more effectively and efficiently.

- **The likely availability of public subsidy:** The level of public subsidy available for providing public sector housing has been significantly reduced in recent years and is likely to remain at current levels for the next three years. Thereafter, it is uncertain what level of funding may be made available to authorities to deliver public sector housing and the extent to which it will allow for a more ambitious new build target.

- **The capacity of private developers to deliver various forms of affordable housing:** Whilst the priority remains for social rented affordable housing there are other types of schemes promoted by housebuilders. However, any private sector house scheme will only be regarded as affordable if it is within the financial reach of people who cannot access the housing market without support and where the housing remains 'affordable' in perpetuity.

- **Double-counting or under-counting arising from the use of inconsistent methodologies, including the different base dates of 2008 and 2009:** Whilst this may be an issue for other Councils in the GCV area the findings used for South Lanarkshire are accurate and consistent. However, this assessment will be reviewed as part of the HNDA2 process and our own housing monitoring.

- **The extent to which housing needs can be met without building new housing:** As described above the Council will use a variety of methods to meet housing needs. The LHS sets out the Council's approach to meet housing need. As well as new build housing, the Council and its partners have a strong focus on homelessness prevention and early intervention through a new Housing Options approach, making better use of existing stock for older tenants and those with disabilities by converting homes to amenity standard and carrying out adaptations. It is expected that the actions in the LHS will have a significant affect on the number of people who will require assistance to access affordable housing.

- **The application of quota policies to secure affordable housing on a proportion of a private sector site**: South Lanarkshire already has a quota policy in place, adopted in 2009, which looks to developers to provide 25% of a site (units) as affordable housing either on site, off-site or as a commuted sum. The preference is for on-site serviced land to be provided. The current Supplementary Planning guidance on affordable housing will be updated for the SLLDP.

- **The identification of insurmountable infrastructure constraints:** The Council, as far as possible, ensure that any proposed housing site will be free from constraints. Where the constraint is proving too costly the site will no longer be considered as suitable for residential development.

- **Agreement of an adjoining authority to meet some of the identified housing need or demand:** The constituent authorities of the GCVSDP meet on a regular basis and discuss the housing market and movement between authorities. This will be reviewed on an ongoing basis through existing partnership structures.

4.0 Local Housing Strategy

4.1 The Local Housing Strategy outlines how the Council and its partners intend to meet housing need and demand and improve the quality of housing across all tenures in South Lanarkshire over the period 2012-2017. The scope of the LHS and its six main themes will have an important impact on the extent to which need and demand is met across the area:-

- Balanced Housing Markets
- Improving Housing Quality
- Sustainable Neighbourhoods
- Meeting Particular Housing Needs
- Homelessness
- Addressing Homelessness
- Meeting the Rural housing Challenge

4.2 The LHS is informed by the HNDA and reflects the level of need and demand highlighted within the HNDA itself and subsequently translated into the Strategic Development Plan. The LHS and the LDP in turn reflect the levels of housing requirements in the SDP.

4.3 The LHS is required to give housing supply targets that can realistically be met taking account of ongoing financial and economic pressures. It is anticipated that the private sector market will continue to be constrained during the next few years. It is also likely that new supply of private sector housing (owner occupied) will come from the community growth areas and other sites identified in the South Lanarkshire Local Plan.

4.4 The LHS confirms the minimum Housing Supply Targets (HSTs) for private/market housing as:

2012/13	800
2013/14	1,000
2014/15	1,200
2015/16	1,200
2016/17	1,300

4.5 This equates to an average of 1,100 units per annum with the suppressed figures in the first 2 years to allow the housebuilding market an opportunity to recover.

4.6 In terms of affordable housing the LHS sets a target of a minimum of 180–200 new build units per annum which was based on anticipated funding availability of approximately £8m per annum. The new system of Strategic Local Programme (SLPs) was introduced in 2012 to reflect a shift in focus by the Scottish Government towards three year programmes. The new Strategic Housing Investment Framework has also been concluded to better distribute funding allocations on the basis of need. In this context, the new arrangements provide some certainty for planning on a three year basis and in recognition of the important role that housing investment plays in the economy, it is likely that further challenge funding awards for Greener Homes and Innovation will become available.

4.7 Whilst there has been a reduction in overall funding, the maximum level of grant for delivering new homes has been reduced, with the aim of delivering more units with fewer subsidies. The balance of funding for new housing is being met primarily from private finance, prudential borrowing and affordable housing contributions. The Councils modest affordable housing supply targets in the LHS were set to reflect the tight fiscal environment.

Affordable Housing

4.8 Provision of affordable housing continues to be a priority across South Lanarkshire. The need for this type of housing continues to rise particularly as need continues to rise, funding remains constrained and options for access to the housing market for first time buyers remain limited. A key focus of the LHS is in finding new innovative ways to deliver affordable housing.

4.9 As the LHS recognises, the models being developed nationally by the Scottish Future Trust (SFT) to promote ways to increase supply with minimal impact on public sector borrowing may have a place in some housing markets. The Mid Market Rent models and schemes which provide tenanted accommodation for a period of 5-10 years at rents and thereafter tenants will have an option to purchase when the house is being offered for sale. The Council is working closely with an RSL partner to take forward a scheme which will provide a mix of housing options including sale, mid market and social rent aimed at delivering a significant number of new homes with minimal need for subsidy.

4.10 With the introduction of subsidy of £30,000 per unit for new Council build properties allied to recent changes to the Right to Buy legislation, the Council embarked on a limited new build programme. By spring 2013, the programme had delivered 216 new homes since starting in 2009/2010. These include new homes in regeneration areas as well as pressured housing market areas and new sheltered homes. The programme also delivered over 80 homes from stalled private developments. By using Innovation funding a further 50 homes were funded to meet housing needs from its innovative PX Plus scheme which aims to work in partnership with private developers to purchase part exchanged former local authority houses. This has increased the social rented supply and, at the same time, helped private development to continue.

Private Rented Housing

4.11 The private rented sector has significantly increased since 2001 with the overall share of the housing market rising from 3.4% to 7.7% (approximately 10,600 properties) see Table 1. There are a number of reasons why this sector has expanded, including the sharp decrease in mortgage availability making owner occupation more difficult to access, sellers opting to rent their properties rather than having them empty or being sold at a reduced price and houses originally built for the owner occupation market being transferred to the private rental market when developers have been unable to sell at market prices.

Table 1: Private Rented Sector 2001 and 2011

	2001			2011				
Area	Total Households	Households	Percentage	Total Households	Households	Percentage	Change	Percentage change
Clydesdale	23,983	1,143	4.8%	27,029	2,002	3.1%	859	75%
Rutherglen Cambuslang Blantyre	32,527	855	2.4%	26,520	2,705	10.2%	1,850	216%
Larkhall Hamilton	34,926	1,148	3.3%	47,428	2,858	6.0%	1,710	149%
East Kilbride	35,063	1,118	3.2%	37,377	3,064	8.2%	1,946	174%
South Lanarkshire	**126,496**	**4,264**	**3.4%**	**138,354**	**10,629**	**7.7%**	**6,365**	**149%**

4.12 The private rented sector offers an alternative to owner occupation and social renting but this may be adversely impacted by Welfare Reform proposals which will affect persons who may be in receipt of Local Housing Allowance. For more details refer to the Welfare Reform Act 2012 and the Welfare Reform (Further Provision) (Scotland) Bill 2012.

Using Existing Supply Effectively

4.13 Although the HNDA identified a very high level of need in South Lanarkshire as set out in the SDP (See Section 5), the Council recognises that not all of this need can be met from new supply. In particular, much of the backlog need will be met from efficient and effective use of existing housing stock. There are currently over 30,000 social rented homes in South Lanarkshire. However, there are between 1,900 and 2,500 priority need homelessness applications annually and between 45 - 50% of all lets are being made to those applicants assessed as homeless. This places considerable pressure on housing supply, with around 1,800 – 2,000 empty homes becoming available each year. The Common Housing Register with RSL partners seeks to make best use of the stock through an efficient and effective approach to allocations. In addition the Welfare Reform changes will have an adverse impact on the Council and RSL partners and their ability to meet homeless household demand and make best use of stock. The changes include the introduction of a charge for each bedroom surplus to the households needs. In South Lanarkshire there are already over 4,400 people effectively ‘under occupying’ property. At the same time there is limited availability and supply of one bedroom properties.

4.14 As noted in the HNDA, in relation to household growth:

- Household growth will mainly comprise smaller, single person households and single person households aged over 75.
- The number of people of pensionable age is expected to increase by 15.5% by 2025.
- The projected increase in older people aged 75 years or over is expected to rise by 61.1% to 2025.

4.15 The LHS sets out in Chapter 6, the housing challenges arising from an ageing population as well as those for a broad range of particular needs groups. Much of the housing need will be met through existing housing supply and adaptations but there will continue to be a need for the Council to provide additional appropriate housing supply in appropriate locations.

4.16 The Council will continue with its approach of considering how a person’s housing need and aspirations can best be met. A key focus of this approach is assessing housing options best suited to housing applicants. This may involve helping people to stay in their own homes or moving to appropriate accommodation in an alternative tenure. This will ensure that:-

- People will have a clear and realistic understanding of the availability of housing in different areas and tenure.
- The private rented sector can be used appropriately to provide safe and secure accommodation.
- The most appropriate and effective use is made of available social rented stock.

4.17 Work has been carried out to identify the areas in South Lanarkshire where there is the greatest waiting list pressure for local authority housing. The pressure analysis assesses the existing supply, turnover and demand and applies a ratio which provides an indication of the extent of pressure there is for particular stock in an area. As Table 2 shows, East Kilbride is the most pressured area because the demand for social rented housing across the whole of the East Kilbride Housing Market Area (HMA) is extremely high given the lack of turnover of existing stock. The other three HMAs of Hamilton, Cambuslang/Rutherglen and Clydesdale also demonstrate a high degree of waiting list pressure and as such, the Affordable Housing Policy contained in both the adopted South Lanarkshire Local Plan and the proposed South Lanarkshire Local Development Plan applies across all of South Lanarkshire.

Table 2 - Overall Pressure by Housing Market Area 2010/11
(Source: SLC Housing and Technical Resources)

Housing Market Area	Overall Pressure
Cambuslang Rutherglen	18.2:1
East Kilbride	22.9:1
Hamilton	18.0:1
Clydesdale	9.3:1
South Lanarkshire	16.4:1

4.18 The Council has more detailed analysis of pressured areas at its ‘letting area’ levels which it uses along with other information to help inform decisions about the location of new affordable housing.

4.19 As part of the over consideration of the housing challenges and solutions required, the LHS also sets out some of the specific challenges in its regeneration areas and in rural communities where there are different pressures on the need for new housing and a key focus is on continuation of partnership based approaches to:-

- Complete on-going regeneration programmes in Cathkin, Fernhill, Cairns and Strutherhill.

- Continue to monitor and analyse trends in demand pressure and other indicators of decline in key areas and develop appropriate local actions.
- Develop Local Letting Plans for areas exhibiting low demand / other indicators of decline and monitor effectiveness in promoting long term sustainability.
- Continue to work with Community Planning partners on services and initiatives which tackle socio-economic inequalities to create sustainable neighbourhoods.
- Ensure that our housing investment programmes improve the quality of the housing stock and are effectively inked to wider partnership activities and environmental improvements.

4.20 The LHS also recognises that there are some settlements and communities with exceptionally high demand, but conversely, there are a number of communities where there is little or no demand. The LHS identifies a need to maximise the opportunities for increasing supply and optimising stock use in pressured areas, whilst establishing a range of long term solutions to address low demand.

4.21 In terms of affordable housing the HNDA and the SDP assessed that South Lanarkshire would require 14,600 additional units between 2008 and 2025. Table 3 below shows that between 2008 and 2012, 742 new affordable houses were built across South Lanarkshire with a further 720 – 800 likely to be developed by 2016 (LHS targets). It is anticipated that if this trend continues a further 180 - 200 units could be built per annum to 2025 adding a further new 1620 – 1800 units to the affordable housing sector. This would leave a shortfall of about 11,200 units to be met between now and 2025 (an additional 800 units per annum). This is not a maximum figure but an indicative target of what is realistically achievable.

Table 3 – Additional Affordable Housing (Social Rented) 2008–2025

Year	No of Units (New Build)
2008-2009	199
2009-2010	69
2010-2011	51
2011-2012	423
Total 2008-2012	**742**
2012-2013	180-200
2013-2014	180-200
2014-2015	180-200
2015-2016	180-200
Total 2012-2016	**720-800**
2016-2017	180-200
2017-2018	180-200
2018-2019	180-200
2019-2020	180-200
2020-2021	180-200
2021-2022	180-200
2022-2023	180-200
2023-2024	180-200
2024-2025	180-200
Total 2016-2025	**1620 - 1800**
Total 2008-2025	**3082 - 3342**
SDP Targets	
2008-2016	9000
2016-2020	4300
2020-2025	1300
Total	**14600**
Shortfall SDP target – New Build	**14600 – 3082 = 11518**
	14600 – 3342 = 11258

4.22 As stated in the LHS not all housing need can be met from new supply and clearly it will not be possible in the current economic climate to build an additional 11,258–11,518 units by 2025. However, more affordable homes may be constructed as the Affordable Housing Policy is applied to development sites.

4.23 The LHS outlines the ways that it can address the shortfall, linked into SDP criteria in paragraph 3.17. The key priorities and actions to meet the affordable housing need are as follows:

- Maximise the number of new affordable housing units over the duration of the LHS. Target set for 180-200 units per annum.
- Implement the Affordable Housing Policy across all four HMAs.
- Identify innovative ways to fund and deliver new affordable homes working with public and private sector partners.
- Progress delivery of our identified affordable housing priorities through our annual Strategic Housing investment Plan (SHIP).
- Continue to work with the Glasgow and the Clyde Valley Housing Market Partnership to monitor and update the HNDA.
- Further develop the Homefinder Common Housing Register service and use of the allocations policy to make best use of existing social rented housing stock.
- Implement Housing Options approach to provide personalised housing options.
- Continue to address mismatches in need and demand (under occupation and overcrowding).
- Review the nature and reasons for long term empty homes and identify scope for bringing them back into effective use.

5.0 Housing and the Changing Economy

5.1 The Housing Land Audit is carried out annually to assess the effectiveness and performance of housebuilding in South Lanarkshire. Over the last five years, there has been a reduction in the number of effective private housing units in South Lanarkshire. This reflects programming provided by housebuilders and is agreed with Homes for Scotland. The total amount of housing land remains constant. Normally a Local Development Plan would be required to include a five year effective housing land supply. However the timescale for the Strategic Development Plan is to 2020 and for consistence South Lanarkshire has adopted a six year effective land supply to align with SDP dates. Reassessment of the housing land audit included:

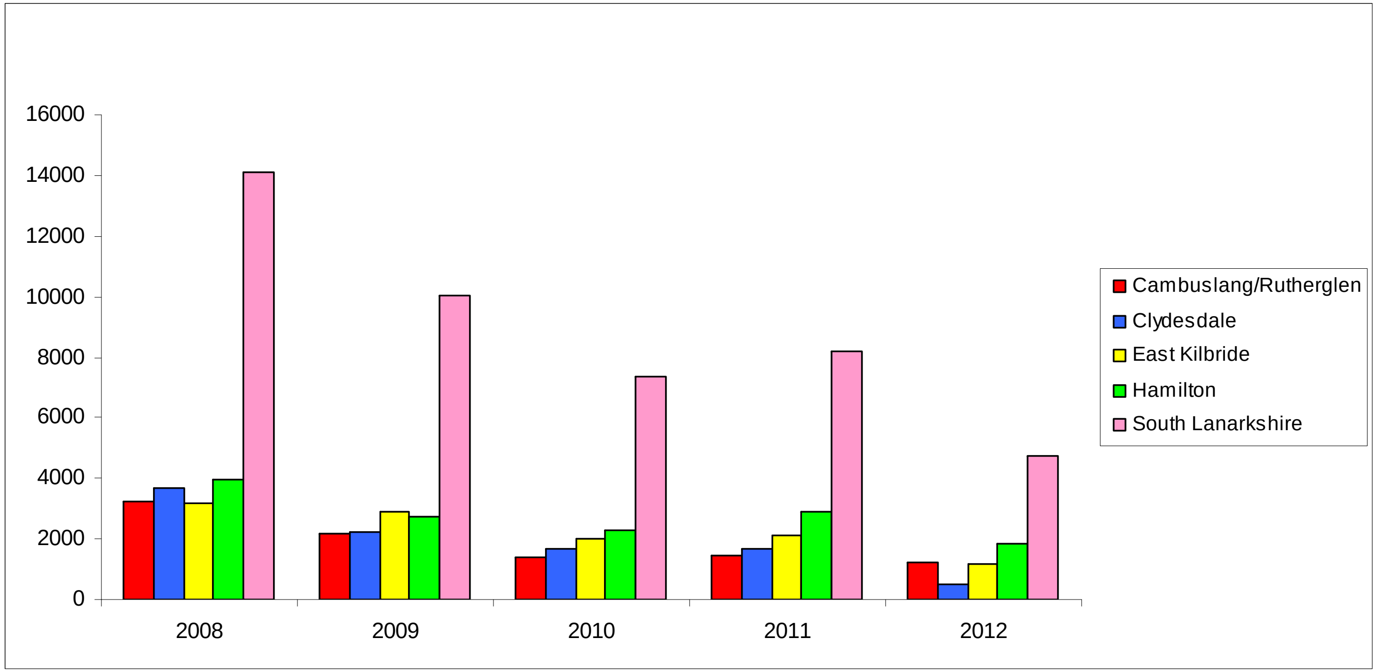
- Consideration of the downturn in the economy and the corresponding difficulties for both developers and buyers to get funding for house building and purchase
- details from housebuilders on likely timescales for development,
- sites that were no longer in the control of a volume housebuilder,
- housbuilders who are no longer in operation,
- sites that have not been marketed,
- sites that have issues related to contamination, access, funding, marketing or other development constraints, and;
- sites that have been submitted speculatively.

5.2 As a result, between 2008 and 2012 the number of effective units fell from 14,092 in 2008 to 4,723 in 2012. See Table 4 and Figure 1. It is anticipated that as the economy begins to recover sites will be brought forward from the non-effective supply and the effective supply will increase.

Table 4: Effective Private Housing Land Supply 2008-2012

	2008	2009	2010	2011	2012
Cambuslang/Rutherglen	3250	2185	1413	1469	1229
Clydesdale	3674	2235	1664	1664	512
East Kilbride	3202	2872	2008	2139	1155
Hamilton	3966	2727	2293	2922	1827
South Lanarkshire	14092	10019	7378	8194	4723

Figure 1: Effective Private Housing Land Supply 2008-2012

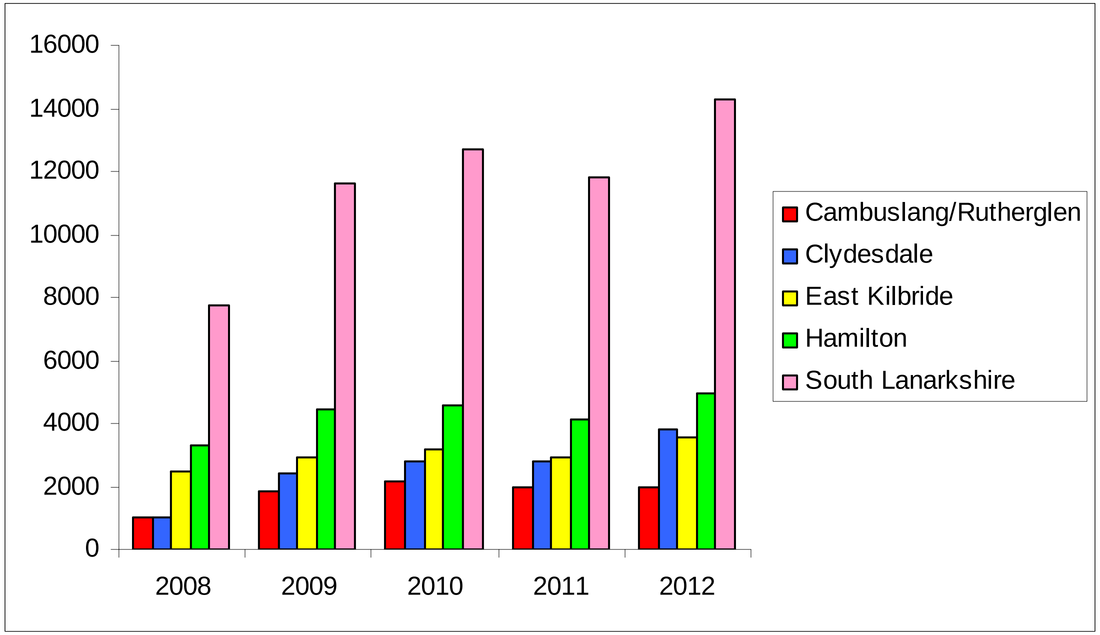


5.3 As a result of the factors outlined above the level of non-effective land increased as units previously considered effective were reassessed and thought unlikely to be developed within the effective period. This is shown on Table 5 and Figure 2.

Table 5: Non-Effective Private Housing Land Supply 2008-2012

	2008	2009	2010	2011	2012
Cambuslang/Rutherglen	999	1848	2160	1970	1949
Clydesdale	1002	2395	2825	2777	3840
East Kilbride	2477	2904	3146	2935	3573
Hamilton	3270	4460	4552	4132	4982
South Lanarkshire	7748	11607	12683	11814	14344

Figure 2: Non-Effective Private Housing Land Supply 2008-2012



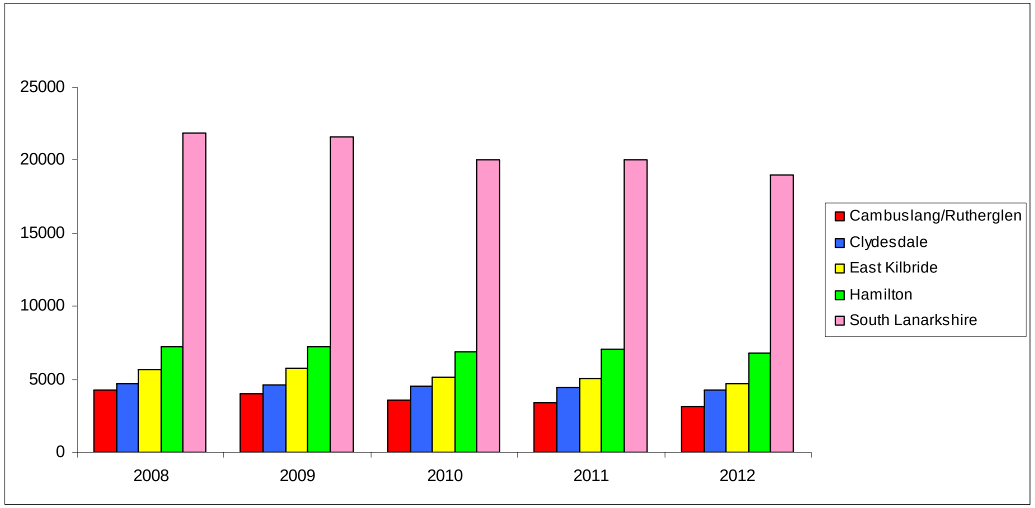
5.4 Between 2008 and 2012 the number of available units in the land supply remained relatively steady for first two years but fell in 2010, 2011 and 2012. This is mainly due to a reassessment of site capacities or from sites being redesignated for other purposes such as retailing or industry. The overall total will increase as sites come forward in the Local Development Plan. This is shown on Table 6 and Figure 3.

Table 6: Private Housing Land Supply 2008 – 2012*

	2008	2009	2010	2011	2012
Cambuslang/Rutherglen	4249	4033	3573	3439	3178
Clydesdale	4676	4630	4489	4441	4352
East Kilbride	5679	5776	5154	5074	4728
Hamilton	7236	7187	6845	7054	6809
South Lanarkshire	21840	21626	20061	20008	19067

Note: * Private housing land supply includes sites of 4 units or more

Figure 3: Private Housing Land Supply 2008 – 2012

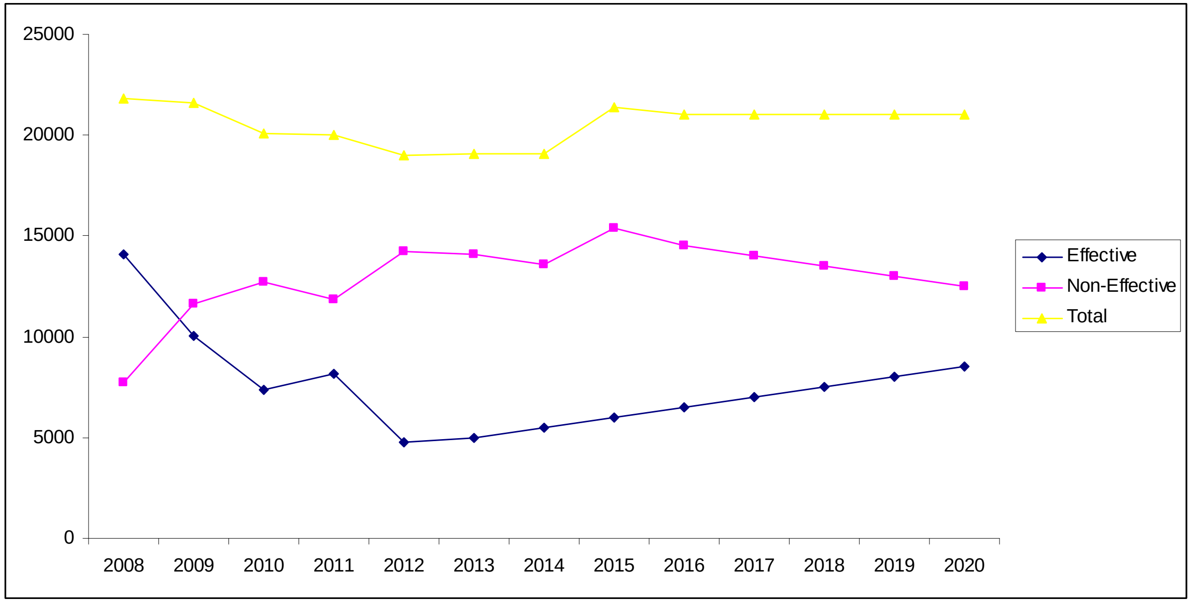


5.5 Between 2008 and 2012 there has been a shift in balance between effective and non-effective units. As the economy improves and as new sites are added in through the LDP process the overall number of units will slightly increase but the balance between effective and non-effective units will shift. It should be noted that the numbers used for 2013 – 2020 are estimates based on the number of units likely to be brought forward once the LDP is adopted. This is shown on Table 7 and Figure 4.

Table 7: Private Housing Land Supply 2008-2020

	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Effective	14092	10019	7378	8194	4723	5000	5500	6000	6500	7000	7500	8000	8500
Non-Effective	7748	11607	12683	11814	14344	14100	13600	15400	14500	14000	13500	13000	12500
Total	21840	21626	20061	20008	19067	19100	19100	21400	21000	21000	21000	21000	21000

Figure 4: Private Housing Land Supply 2008-2020



5.6 The 2012 land audit is currently the most up-to-date data available for housing activity in South Lanarkshire. This has been agreed with Homes for Scotland (October 2012). The audit considers individual sites and contains likely levels of development over the next seven years with an indication of what is likely to happen post seven years. For consistence this has been extended to eight years to align with the SDP. This is shown on tables 8, 9 and figures 5, 6 below.

Table 8: Private Housing Land Supply 2012-2020

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Cambuslang/ Rutherglen	170	161	196	175	193	167	167	132	1361
Clydesdale	56	55	82	132	85	56	46	12	524
East Kilbride	226	179	158	225	151	137	79	74	1229
Hamilton	213	165	263	337	304	306	229	217	2044
South Lanarkshire	**665**	**560**	**699**	**869**	**733**	**666**	**521**	**435**	**5148**

Figure 5: Private Housing Land Supply 2012-2020

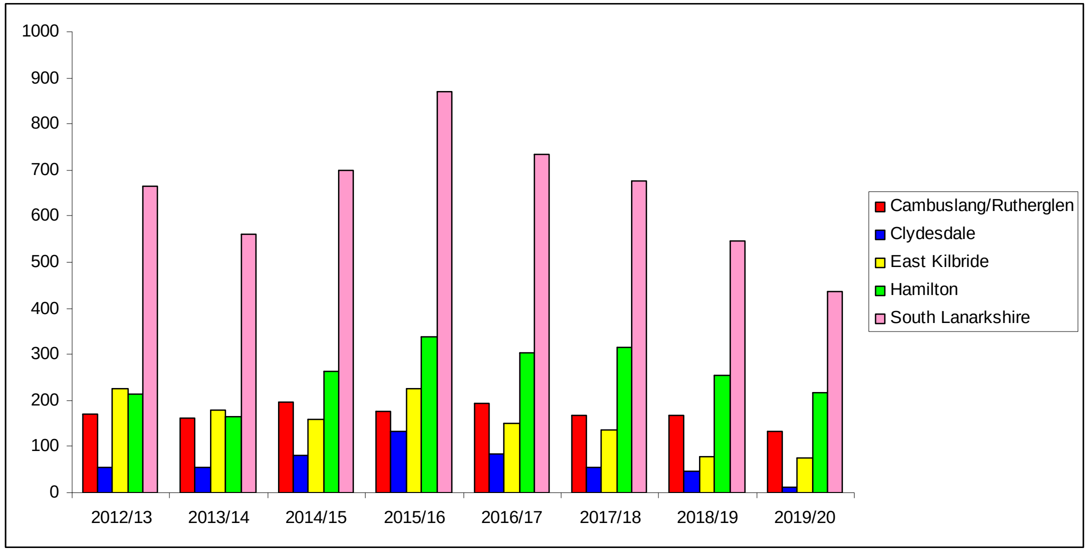
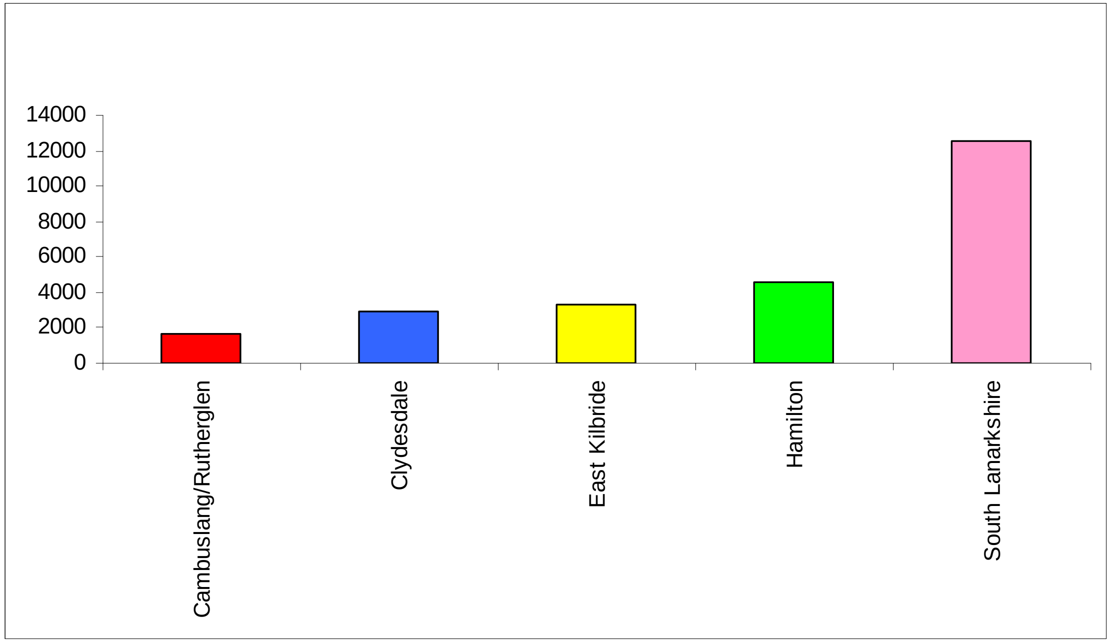


Table 9: Private Housing Land Supply Post 2020

Cambuslang/Rutherglen	1817
Clydesdale	3828
East Kilbride	3499
Hamilton	4765
South Lanarkshire	**13909**

Figure 6: Private Housing Land Supply Post 2020



5.7 Between 2012 and 2020 there is a programmed output of 5,148 units and a post 2020 output of 13,909 units. The largest land supply to 2020 is in Hamilton (2,044 units) followed by Cambuslang/Rutherglen (1,361 units), East Kilbride (1,229 units) and Clydesdale (524 units). This land supply equates to an average of just over 640 units per annum which is not sufficient to meet targets set in the LHS. However, as the economy recovers sites can be brought forward from non-effective into effective and build rates on some sites will increase. As a result the land supply will shift between effective and non-effective.

5.8 The accompanying CD to this report contains a series of maps produced as part of an exercise to assess the effectiveness of housing sites contained within the housing land audit. Each site in the audit has been colour coded as follows:

- Green: Effective sites
- Amber: Sites partly effective and partly non-effective
- Red: Non-effective sites

5.9 In addition sites have been coded by size and outlined in different colours. Where site capacities have not been finalised an estimate which is updated once further site details are submitted.

- Orange: Site of 300 or more units
- Purple: Site of 100 to 299 units
- Blue: Site of 20 to 99 units
- Green: Site of less than 20 units.

5.10 From this colour coding the maps show the spread of sites by size and by category. This has shown areas where there may be issues with effectiveness that need to be addressed. For example, in Lanark there are a number of housing sites but the majority are either non-effective or work has been suspended. In contrast Cambuslang has a spread of sites of different sizes but the majority are effective.

5.11 Whilst there is in theory, a shortfall of effective units to 2020 there is not a shortage of sites and many of the non-effective sites will be made effective if the market demand increases. Table 10 shows the LHS target against the current effective land supply indicating a potential shortfall in the supply over the period 2012 to 2020.

Table 10 : Effective Private Sector Land Supply and LHS Target

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
SLC	665	560	699	869	733	676	521	435	5158
Target	800	1000	1200	1200	1300	1300	1300	1300	9400
Shortfall	-135	-440	-501	-331	-567	-624	-779	-865	-4242

5.12 In order to meet any perceived or actual shortfalls in the short to medium term the LDP aims to add to the effective land supply by including a number of sites arising from the consultation process that can be made effective in the short term and are in locations that are attractive to both developers and purchasers. The breakdown is shown on Table 11 and 12. Please note that capacities on sites are indicative and sites of less than 4 units have not been included.

Table 11 : Proposed Additions to Private Housing Land Supply Through LDP

Cambuslang/Rutherglen	320
Clydesdale	918
East Kilbride	959
Hamilton	640
Total	2837

Table 12: Potential Sites for Inclusion in LDP

Sites that should be progressed via a planning application			
LDP Reference			**Units**
EK/71/012	Napier Hill Murray Primary School*	East Kilbride	35
EK/71/013	Maxwellton Avenue Maxwellton Primary School*	East Kilbride	20
EK/71/014	Belmont Drive Canberra Primary School*	East Kilbride	100
EK/71/015	Crawford Drive Hunter Primary School*	East Kilbride	70
EK/71/021	Westend Farm	East Kilbride	4
EK/75/002	Crookedshields Road	Nerston	10
East Kilbride Total			**239**
HM/81/005	Ashgillhead Road Dalserf Primary School*	Ashgill	20
HM/86/002	Craigbank Avon Road*	Larkhall	50
HM/85/012	Fernslea Avenue, St Blanes Primary School*	Blantyre	30
Hamilton Total			**100**
CL/10/020	Station Road	Carluke	10
CL/10/021	Chapel Street	Carluke	10
CL/10/014	Sandy Road	Carluke	15
CL/10/016	Belstane Road Carluke Primary School*	Carluke	40
CL/35/001	Byretown Road	Kirkfieldbank	25
CL/37/010	South Vennel	Lanark	30
CL/37/011	Ridgepark School	Lanark	25
Clydesdale Total			**155**
Total no. of units that could come from Planning Applications			**494**

*surplus land at primary school

Sites that will be included as Proposals in the LDP			
CR/67/001	Greenless Farm	Cambuslang	240
CR/67/003	Lightburn Road	Cambuslang	80
Cambuslang/Rutherglen Total			**320**
CL/05/001	Carlisle Road	Kirkmuirhill	100
CL/06/001	Strathaven Road	Boghead	10
CL/10/017	Stonedyke Road	Carluke	170
CL/12/001 (part)	Somerville Drive	Carnwath	10
CL/12/002 (part)	Heads Inn Farm	Carnwath	20
CL/13/003	Manse Road	Carstairs	8
CL/23/002	Carmaben Brae	Dolphinton	10
CL/33/001	Hyndfordbridge	Lanark	6
CL/37/002	West of Bellefield Rd	Lanark	11
CL/38/003 (part)	Birks Farm	Law	80
CL/40/001	Wellburn Farm	Lesmahagow	200
CL/40/006	Milton Farm	Lesmahagow	100
CL/46/001 (part)	Newbigging	Newbigging	8
CL/55/003	West of Mill Road	Thankerton	10
CL/65/010 (part)	Grazings	Kaimend	20
Clydesdale Total			**763**
EK/69/003	Mounthilly Rd	Chapelton	20
EK/71/004	Shields Road	East Kilbride	350
EK/76/001	Sandford East	Sandford	15
EK/77/002/007/009	Strathaven West	Strathaven	300
EK/78/003	Peel Road	Thorntonhall	35
East Kilbride Total			**720**
HM/82/002/006/013	Alexandra Workwear Bellshill Road	Uddingston	250
HM/85/001	Shott Farm	Blantyre	200
HM/82/008	Bothwellbank	Bothwell	70
HM/84/002	North Garrion	Garrion	10
HM/84/003/004	North West Garrion	Garrion	10

Hamilton Total	**540**
Total number of units from proposed sites	**2343**
Total additions from planning applications and proposed sites	**2837**

Notes:
- Cambuslang/Rutherglen includes sites at Greenlees Farm and Lightburn Road both being promoted by consultants with named housebuilders.
- Clydesdale includes small sites in Boghead, Carnwath, Dolphinton, Kirkfieldbank, Law, Newbigging, Thankerton and Kaimend. These are being promoted by small local builders. Larger sites in Carluke, Lanark and Lesmahagow are being promoted by planning consultants on behalf of multinational or local housebuilders.
- East Kilbride includes sites in Strathaven, East Kilbride and Thorntonhall which are being promoted by consultants with named housebuilders.
- Hamilton includes sites in Uddingston and Blantyre which are being promoted by consultants with named housebuilders and smaller developments in Larkhall which are currently owned by the Council and a number of smaller sites in villages being promoted by local builders including Ashgill and Garrion.

5.13 All the sites submitted as part of the LDP consultation process have been assessed and the ones included as potential development sites are those most likely to become effective within the short to medium term that accord with the proposed spatial strategy. (See Call for Sites Technical Report).

5.14 Table 13 shows the percentage addition to effective land supply by adding these sites to the 2012 figure.

Table 13 : Additions to Effective Supply

Location	2012 Effective Land Supply	Potential additions through LDP	% addition to stock
Cambuslang/ Rutherglen	1229	320	26.0
Clydesdale	512	918	179.3
East Kilbride	1155	959	83.0
Hamilton	1853	640	34.5
Total	**4749**	**2837**	**59.7**

5.15 The addition of a further 2,837 units to the existing effective land supply would increase the supply in the short to medium term to 7,586 units (over 1,000 units per annum). This will help address any shortfalls that may occur within the next three years, assuming the market recovers sufficiently to warrant an increase in housebuilding activity. An addition of almost 60% to effective stock and non-effective stock currently in the land supply is more than sufficient to meet the needs in the short to medium term.

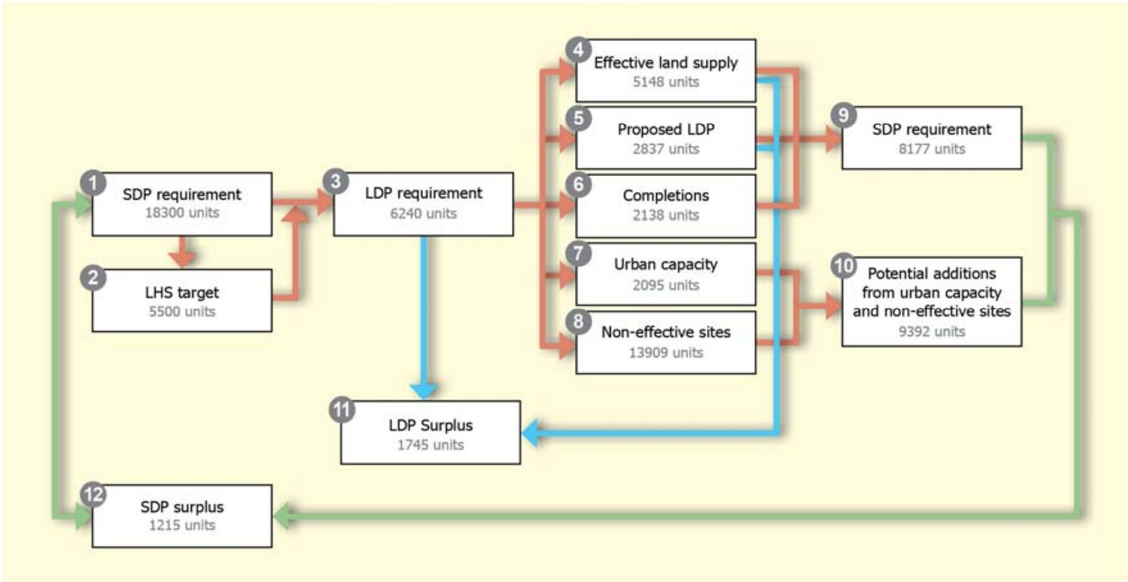
5.16 Even discounting the Clydesdale HMA which has a very specific market and may be of limited interest to volume housebuilders, the LDP is proposing a 45.3% increase ineffective land supply in Cambuslang/Rutherglen, East Kilbride and Hamilton HMAs. These are in locations currently favoured by volume housebuilders.

5.17 Table 14 and Figure 7 show the different elements that make up the private housing land supply and demand.

Table 14 : Private Housing Land Supply and Demand

Year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Completed Units	861	538	739																					
Effective Units				665	560	699	869	733	676	521	425													
Non-effective												13909												
Urban capacity	0							595				858					381							
LHS Target				5500																				
LDP Sites						2837																		
SDP Target	15800											2500												

Figure 7: **Private housing land supply and demand**



Notes:

1. Strategic Development Plan requires 15,800 units 2009 to 2020 and a further 2,500 units 2020 to 2025. Total 18,300 units.
2. Local Housing Strategy target set at 5,500 units 2012 to 2017.
3. Local Development Plan requires 4800 units (800 units per annum at current building rates) 2014 to 2020 plus 30% generosity – total 6,240 units (just over 1000 units per annum).
4. Effective land supply 2012 5,148 units.
5. Proposed LDP 2,837 units.
6. Between 2009 and 2012 2,138 units were completed.
7. Urban Capacity could provide an additional 2,095 units.
8. Non-effective units as at 2012 13,909 units.
9. Additions from Effective Land Supply, completed units and LDP Sites (5,148 + 2,138 + 2,837) gives 10,123 units. SDP requirement 18,300 minus 10,123 gives shortfall of 8,177
10. Potential additions through non-effective units being developed and from urban capacity. 60% of non-effective (based on percentage usually developed) 8,345 units. 50% of urban capacity 1,047 units. Total 9,392 units.
11. LDP requirement 6,240 minus effective land supply of 5,148 and LDP sites of 2,837 gives surplus of 1,745 units.
12. SDP requirement of 18,300 minus additions (shown in note 9 above) of 10,123 gives shortfall of 8,177. Then add on additions of 9,392 (from urban capacity and non-effective units) gives surplus of 1215 units.

6.0 Role of Urban Capacity

6.1 Scottish Planning Policy places an expectation on local authorities to undertake an urban capacity study to

> *"Assess further housing opportunities within existing settlements, focusing on previously developed land and conversion of existing buildings and reviewing land currently allocated or uses other than housing*". (SPP paragraph 81)

6.2 South Lanarkshire Council has carried out a number of Urban Capacity studies based on methodology produced by GCVSDP Authority as part of the input into both the Glasgow and the Clyde Valley Structure Plan and SDP. This same methodology has been used when updating urban capacity for the South Lanarkshire LDP. A full explanation of the methodology can be found in GCVSDP Proposed Plan Background Report 13 Urban Capacity Study 2009.

6.3 The 2009 study has been used as a baseline for the 2012 study and updated by taking account of planning applications granted, progress on development of sites previously identified and from local knowledge provided by development management staff in the planning area teams.

6.4 In addition, to avoid double counting, any site which is already included in the housing land audit has been discarded, even if it is non-effective, since these are already included in the tables in Section 5 of this report.

6.5 As with previous urban capacity studies some of the sites included are confidential and figures have therefore been amalgamated to HMA level.

Table 15 – Urban Capacity

Housing Market Area	2012/2013 to 2018/2019	2019/2020 to 2022/2023	2023/2024 to 2027/2028	2028/2029 to 2035/2036	TOTAL
Cambuslang Rutherglen	0	167	259	134	560
Clydesdale	0	183	110	92	385
East Kilbride	0	170	147	35	352
Hamilton	0	75	342	120	537
TOTAL	0	595	858	381	1843

6.6 Table 15 above shows there is a potential for over 1,800 housing units to come forward from sites identified in the urban capacity study. Many of these sites are surplus land from primary schools, not currently identified in the Local Plan or housing land audit, and are likely to come forward as housing sites over the next 10 years. This gives further flexibility in terms of medium sized sites in sustainable locations.

7.0 Role of Windfall Sites

7.1 Windfall sites are development sites which are not identified through forward planning processes but become available for various ad hoc reasons. In the past allowance for a certain level of windfall sites was made when calculating the forward supply of development land in development plans. Planning Advice Note 2/2010: Affordable Housing and Housing Land Audits that windfall sites are:

> *"not part of the planned housing supply, should not be counted towards meeting the housing requirement, and are only effective once planning consent is granted". (PAN 2/2010* paragraph 62)

7.2 In relation to the rural area of South Lanarkshire there continues to be a number of very small windfall sites being brought forward. This is not included within the land audit but nevertheless has a role and function which must be considered.

7.3 As part of the monitoring exercise carried out for the MIR analysis was carried out on the effectiveness of policies STRAT 3-6 and CRE1 which looked at Housing in the Countryside (for the purposes of this paper these are units that are situated outwith settlements recognised on the South Lanarkshire Local Plan Proposals Map 2009). For full details see SLLDP MIR Monitoring Statement May 2012.

Table 16: Housing Applications in the Countryside by Policy Areas 2007-2011

Policy Area	Granted	Refused
STRAT 3 – Green Belt	70	23
STRAT 4 – Accessible Rural Area	145	34
STRAT 5 – Rural Investment Area	41	20
STRAT 6 – Remoter Rural Area	6	0
TOTAL	262	77

7.4 Table 16 shows that between 2007 and 2011, 339 applications were received for housing outwith settlements in both the Green Belt and the Rural Areas. Of these 77.3% were approved.

7.5 Of the applications considered under policy CRE 1 – Housing in the Countryside. Table 17 shows that the majority of applications for housing in the countryside were either new build or conversion outwith the Green Belt.

Table 17 : Housing in the Countryside 2007-2011

Development Type	**Green Belt**		**Outwith Green Belt**	
	Granted	Refused	Granted	Refused
New Build	68	55	215	69
Conversion	51	5	116	9
Agricultural Dwelling	4	0	9	3
Business Dwelling	1	0	3	2
Replacement dwelling	7	0	9	0
Subdivision	5	0	3	0
Mixed	0	2	88	10
Total	**136**	**62**	**443***	**93**

***** This does not include approvals for a significant number of units at Winston Barracks Lanark and Bertram House Carnwath.

7.6 A total of 579 units were granted outwith settlement, of these 26% have now been developed. None of these sites would have been included as potential windfall sites or urban capacity sites when the South Lanarkshire Local Plan was being produced. Similarly, these have not been included in the calculations for the SLLDP unless the sites have the benefit of a planning consent and are sites of over 4 units. No allowance is made for additional units being added to the housing land supply from windfall sites in the countryside. However, this accounts for over 100 units per annum particularly in parts of Clydesdale and East Kilbride.

Glossary

Affordable Housing: Housing of a reasonable quality that is affordable to people on modest incomes.

Equity Sharing: The owner purchases the majority share of the dwelling, with the remaining stake purchased usually by a Registered Social landlord (RSL), local authority or Scottish Government holding the remaining share under a shared equity agreement. Unlike shared ownership, the owner pays no rent for the equity stake and owns the property outright.

Housing Demand: The quantity and type/quality of housing which households wish to buy or rent and are able to afford.

Housing Market Areas (HMAs): A relatively self contained geographical area (in terms of housing demand) within which most people move house when their needs or circumstances change.

Housing Need: Households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance.

Housing Need and Demand Assessment (HNDA): The HNDA provides the evidence base on which housing supply targets are defined in the Local Housing Strategy and suitable available land is allocated through Development Plans to meet the requirement for new housing to contribute to these targets.

Housing Requirements: The total amount and type of housing necessary to accommodate a given (or projected) population at appropriate minimum standards. This includes both housing needs and housing likely to be demanded in the market.

Housing for Varying Needs: Guidance on the design of housing and associated facilities to meet the widest range of housing needs of people throughout their lives.

Housing Without Subsidy: Non subsidised affordable housing likely to take the form of entry level housing for sale, some built at higher densities and with conditions attached to the missives designed to maintain the houses as affordable units to subsequent purchasers. Homes delivered without subsidy may be considered to fulfil part of the overall affordable housing requirement where it can be clearly demonstrated that they will meet the needs of and be affordable to groups of households identified through the housing needs assessment.

Local Housing Strategy (LHS): Section 89 of the Housing (Scotland) Act 2001 requires local authorities to undertake a comprehensive assessment of housing needs and conditions, and to produce strategies to tackle the housing problems in their areas.

Market Housing: Private housing for rent or for sale, where the price is set in the open market.

Planning Advice Notes (PANs): Planning Advice Notes are produced by the Scottish Government and provide advice and information on technical planning matters.

Registered Social Landlords (RSLs) – A not-for-profit housing provider for example a housing association or housing co-operative, registered by the Scottish Government to provide social housing.

Scottish Planning Policy (SPP): A statement of the Scottish Government's policy on nationally important land use planning matters.

Shared Equity: The owner purchases the majority share of the dwelling, with the remaining stake purchased usually by a RSL or local authority holding the remaining share under a shared equity agreement. Unlike shared ownership, the owner pays no rent for the equity stake and owns the property outright.

Shared Ownership: Under this scheme, the owner purchases part of the dwelling (in tranches of 25%, 50% or 75% of the property value) and rents the remainder usually form an RSL.

Sheltered Housing: Housing specially designed to meet the needs of older people or other groups with special housing needs; usually has communal area and a warden provided.

Social Rented Housing: Housing provided at an affordable rent and usually managed by a Register Social Landlord (RSL) (such as a Housing Association or Housing Co-operative), the local authority or other housing body regulated by the Scottish Housing Regulator.

Strategic Housing Investment Plan (SHIP): A document produced annually to illustrate how identified needs and priorities in relation to affordable housing will be tackled, with an emphasis on how projects will be delivered, having regard to available resources, partnership working and development constraints.

Strategic Local Programme: A new system introduced in 2012 to reflect a shift in focus by the Scottish Government towards three year programmes for funding public sector housing.

Subsidised Low Cost Sale: A subsidised dwelling sold at an affordable level. Discounted serviced plots for self build can be used to ensure that the housing remains affordable in perpetuity to eligible buyers.

Very Sheltered Housing: Also known as extra care housing. Very sheltered housing has all the features of sheltered housing, but offers extra support to residents, for example through cooked meals and assisted bathing.

South Lanarkshire
Local Development Plan

South Lanarkshire Council
Community and Enterprise Resources
Planning and Building Standards Services
Montrose House, Montrose Crescent
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