

Issue 8	Increasing Housing Delivery	
Development Plan reference:	Pages 42-45, paragraphs 5.1-5.4, Table 5.1-5.2	Reporter: [Note: For DPEA use only.]
Body or person(s) submitting a representation raising the issue (including reference number):		
<p>Aithrie Estates (032643) Ashfield Land (038483) Barratt and David Wilson Homes (799597) Mr Keith Bedborough (856480) CALA Management Ltd (929806) A J C Clark (930956) Cockburn Association (037249) Damhead and District Community Council (039328) Edinburgh Association of Community Councils (040476) Eskbank and Newbattle Community Council (891202) Gladman Scotland (783418) Grange and Prestonfield Community Council (790304) Gullane Area Community Council (037068) H&H Group Plc (927998) Hallam Land Management Ltd (037571) Hallam Land Management Ltd (039805) Hargreaves UK Services Ltd (038489) Homes for Scotland (040551) Juniper Green Community Council (028859) Kelso Community Council (039365) Lawfield Estate (930075) Liberton and District Community Council (790396) Mactaggart and Mickel Homes (038949) Mrs Mirabelle Maslin (928549)</p>		
<p>Midlothian Green Party (778339) Moorfoot Community Council (906008) Murray Estates (930087) Musselburgh Conservation Society (927996) New Ingliston Ltd (929755) Park Lane (Scotland) Ltd (039990) Peebles Community Trust (810911) Persimmon Homes (040349) Prestonpans Community Council (039835) Roslin and Bilston Community Council (790524) Rural Renaissance (039402) Crawford and Douglas Ritchie (040552) Mr Russell Salton (039632) Mr Julian Siann (024823) Scottish Property Federation (037013) Shawfair LLP (039940) Shepherd Offshore (Scotland) Ltd (038954) South West Communities Forum (805601) Stewart Milne Homes (930082) Mr Charles Strang (907037) Taylor Wimpey and Barratt Homes (040609) Wallace Land Investment and Management (930071) Wemyss and March Estate/Socially Conscious Capital (037270) WS Crawford (040107)</p>		
Provision of the Development Plan to which the issue relates:	Use of Housing Need and Demand Assessment (HNDA), identification of Housing Supply Targets (HSTs) and Housing Land Requirements (HLRs)	
Planning Authority's summary of the representation(s):		
<p><u>Aithrie Estates (032643)</u> Plan identifies surplus of housing land based on need assumption lower than</p>		

supply. Difficult to understand the purpose of adopting HSTs which require less development than implied by the available housing land. SESplan and its member authorities have no control over the development level represented by the housing land supply. The level of affordable housing is set at an unacceptable and uneconomic level unless the benefit of higher growth is acknowledged.

Ashfield Land (038483), Hargreaves UK Services Ltd (038489)

Housing supply targets should meet the HNDA all tenure requirement.

Local authorities should deliver requirement of effective sites.

Should not have an over-reliance on Edinburgh as it is not meeting shortfall.

Flawed strategy that does not guarantee housing delivery.

Ashfield Land (038483)

Delivery should be increased through a range of sites and localities near Edinburgh, such as Goshen Farm (promoting site).

Barratt and David Wilson Homes (799597), Lawfield Estate (930075), WS Crawford (040107)

Full allowance of HNDA requirements for the chosen future scenario should be made. The Proposed Plan provides for 15,000 units less than required and whilst this is based on assessment of affordable housing delivery, this does not take full account of the potential for the development industry to provide below-market housing models to contribute further to this demand. Combined affordable and market target of 5,321 per annum is higher than the average in the last decade but not as high as the 2004-08 period (6,293 per annum). HSTs make no allowance for backlog demand and dismiss shortfalls against previous structure plan and the 2013 approved Strategic Development Plan (SDP1).

To reflect historic failures and to meet strategic housing requirements (SDP1 and previous Structure Plan), the generosity allowance should be increased to 20%.

Full HNDA and 20% generosity should be reflected in housing for 2030-38 period.

Keith Bedborough (856480)

Include the breakdown of housing demand to ensure that development is matched to the correct category of demand to ensure we are not building too many of one type and not enough of another. Developers are more interested in profit than trying to create sustainable communities.

CALA Management Ltd (929806)

Proposed Plan must not reset housing requirements without factoring in delivery failure in recent years. Not meeting full HNDA estimate would exacerbate rents and house prices and make region less economically attractive. Reasons in paragraph 5.4 have not been properly justified and explained given that there are no environmental or technical constraints to the delivery of housing in the area

HSTs are a significant departure from HNDA and not ambitious. Do not accord with National Planning Framework 3 (NPF3) statement "led by SESplan, we wish to see greater and more concentrated effort to deliver a generous supply of housing land in this area". HSTs do not accord with Ministerial letter to City of Edinburgh Council

regarding LDP adoption.

Affordable HSTs should not be set higher than 25% otherwise deliverability will be affected. Not possible to not allow additional sites, then set a 50% affordable housing requirement as existing sites cannot be 'retrofitted'.

Plan should match HNDA base dates, with HSTs set from 2012. Period pre 2018 housing need cannot be ignored.

CALA Management Ltd (929806) supports Homes for Scotland (040551) Response, including 20% generosity margin and accompanying submission.

Require all tenure approach as demonstrated in Glasgow Clyde Valley Reporter's Findings.

A J C Clark (930956), South West Communities Forum (805601)

Proposed Plan is not robust or credible in post Brexit economic situation. SESplan housing need figures have wildly differed over last few years. General Registers of Scotland/National Records of Scotland warn that figures can only be treated with a degree of realism for 5 years, with a progressive fall-off in reliability over the following 5 years. So HSTs should be for no more than 10 years maximum.

HSTs 2018-2030 cannot be accurate to a single digit so round to nearest 50.

Edinburgh had a net student increase in economically buoyant years from 2001. But student population has remained static since 2011. Situation is now different (oil industry decline, while commerce, industry, the universities and the financial industries are being forced to review futures post Brexit) and this will be reflected in the main population with economic decline. If proposed strategy is pursued, vital farmland that could be used to enhance exports will be lost for housing that people neither want nor can afford. Reduce pace of growth and plan timescales.

Cockburn Association (037249)

The strong emphasis upon economic growth in NPF3 is likely to adversely affect the application of environmental policies.

Question HNDA and migration assumptions as they are projections which will be inaccurate over a longer period. Should be limited to 10 years. Uncertainty over population projections used to calculate housing need and demand. Impacts of Brexit on housing demand are not yet known. The HNDA is too large and complex for lay people/groups to understand. Land used to meet HNDA outputs will damage the environment and countryside of south east Scotland and loss of Green Belt.

Could need and demand be distributed to other parts of Scotland, especially where there is population decline? Edinburgh could over-heat like south east England. Greater understanding is required of student numbers and projections in Edinburgh.

Offices clearly unoccupied and surplus to original requirements for more than 5 years should be considered for conversion to housing.

There needs to be more focus on different types of housing - especially family and affordable housing - and the land supply, site and location requirements for such housing.

Question the generosity margin for land supply after Brexit. It will lead to land being released for development in the wrong place, with detrimental amenity and environment impacts.

The (limited) available survey evidence suggests that citizens are opposed to major growth in the size of Edinburgh. These views and emerging community plans need to be taken into account in developing plans for the future of the city region.

Damhead and District Community Council (039328)

Level of housing in Midlothian is contrary to green network principles.

Edinburgh Association of Community Councils (040476), Grange and Prestonfield Community Council (790304)

HNDA should be re-run and HSTs re-identified based on post Brexit future economic and migration prospects and availability of former MOD sites for housing.

10% generosity is not justified. It will lead to pressure on the green belt and designated open spaces, some of which is prime quality agricultural land needed for food production.

Eskbank and Newbattle Community Council (891202)

Affordable housing needs should be met as not doing so is incompatible with government objectives. If lower market/speculative housing allowances were set, there might be more incentive for builders to provide affordable/social housing.

Gladman Scotland (783418)

Disagree with given reasons for 10% generosity. An increase in supply would not harm the viability of allocated sites as effectiveness has a far greater impact on the delivery of individual sites, as opposed to the total number of sites allocated. Allocating additional sites increases the chance of a greater number of them becoming effective in the five-year period (and/or throughout the lifetime of the plan), thereby increasing the chance of meeting housing targets.

Gullane Area Community Council (037068)

The Gullane area cannot contribute to meeting the East Lothian HST or HLR due to poor transport infrastructure resulting in out-commuting by car.

H&H Group Plc (927998)

It is estimated that City of Edinburgh has a shortfall of 10,777 against its current LDP requirement. HSTs in table 5.1 should be increased by this shortfall.

Strong Economic Growth should be used to inform ambitious HSTs.

Hallam Land Management Ltd (037571)

West Lothian HSTs are: neither ambitious nor generous; underestimated; do not

reflect need and demand; and will not provide the required generous level of housing land.

Hallam Land Management Ltd (039805), Park Lane (Scotland) Ltd (039990)

HSTs are not ambitious. They are not consistent with the HNDA. Infrastructure and environmental analysis in housing background paper is not transparent. Not clear how affordable HSTs will be delivered as delivery is largely reliant on private housing developments and more affordable models of market housing are not explained. Do not accept that majority of need is for affordable housing. 10% generosity is arbitrary.

Hallam Land Management Ltd (039805)

Sustainable development at Craigiehall Barracks, Edinburgh, can contribute towards reducing housing land shortfall and in meeting future housing land allocations in 2030-2038 period.

Hargreaves UK Services Ltd (038489)

Delivery should be increased through a range of sites along growth corridors, such as at an expanded Blindwells.

Homes for Scotland (040551)

Support Ministerial letter to City of Edinburgh Council where it states "there is an unmet need and demand for housing across Scotland and we need to take the steps that are necessary to resolve this situation". Plan does not set out ambitious targets. Only be achieved if HNDA estimate is met in full on an all tenure basis with 20% generosity.

Support selection of HNDA Wealth Distribution scenario through analysis set out in supporting paper by Rettie. However, HSTs should meet HNDA estimate in full.

Plan period should match HNDA period and start in 2012 as required by Scottish Planning Policy (SPP) 114 "HNDA, development plan and local housing strategy processes should be closely aligned" and 115 stating that HST should be "based on HNDA".

Housing need should not be "artificially constrained by tenure" and an all tenure approach should be used. Not meeting full need and demand will not support delivery of 50,000 affordable homes and will lead to rent and price increases. Not sufficient evidence behind affordable HSTs which do not look further forward than a 4-5 year period for affordable housing funding. It should consider future funding initiatives including the ability for the private sector to deliver affordable housing and other mechanisms such as mid-market options. No evidence is provided as to how private the HSTs are increased above the HNDA estimates or how either the market or affordable HSTs have been calculated. HSTs do not accord with NPF3 statement that "led by SESplan, we wish to see greater and more concentrated effort to deliver a generous supply of housing land in this area". HSTs should have been included in the 2015 Main Issues Report (MIR). Redistribution from City of Edinburgh should either be 19% or 9.7% as supported by Wallace Land Investment and Management (930071) representation. Infrastructure constraints should not be used as justification for reducing HSTs. Solutions should be found between

partners to remove constraints as indicated in the Planning Review. Environmental constraints to the delivery of homes is unjustified and incorrect. No evidence is provided in Background Paper as to why City of Edinburgh can only accommodate 1,220 dwellings per annum. This evidence must be provided.

HSTs must be delivered on an all tenure basis, as required through the 2012 Glasgow Clyde Valley SDP. Increasing private housing supply significantly will provide flexibility and deliver a proportion of affordable housing and provide a moderating impact of house prices.

Do not agree that viability of allocated land could be undermined by an over-supply of land. Not all allocated sites will deliver over plan period and therefore a 20% generosity margin should be used, which allows for flexibility.

The Proposed Plan should be amended to meet the need and demand of the HNDA Wealth Distribution economic scenario in full, on an all-tenure basis, for 2030-2038 period. The Proposed Plan should identify HSTs based on either a 19% redistribution from City of Edinburgh or a 9.7% NET redistribution for the 2030-2038 period.

For the 2030-2038 period, the Proposed Plan should be amended to add a 20% generosity allowance and recalculate the HLRs accordingly.

Juniper Green Community Council (028859)

It is essential that growth and investment are spread and driven across Scotland, rather than concentrated in the already overcrowded South East City Region.

Migration is subject to major uncertainty. The findings of the City of Edinburgh Council 'Brexit task force' should be taken into account before further green space is lost. The HNDA is a projection only. The 2014-based population projections suggest a lower rate of population growth for the SESplan area and for City of Edinburgh than previously. HSTs should be scaled back to reflect this, recognising the uncertainty of forecasts and not over allocating land for housing purposes. The HNDA can no longer be recognised as robust and credible. The period for projecting house numbers should be a maximum of 10 years.

There is little evidence that building more houses brings down house prices or that allocating large areas of land for housing will assist with affordability. Releasing more land is not going to create more homes for social rent. Scottish Government has to review how affordable housing is subsidised and increase investment. Scottish Government emphasis upon a generous allocation of land for housing exacerbates the pressure upon green land. Any generosity allowance should be removed.

Kelso Community Council (039365)

Delivering affordable housing at the expense of private housing means that there will be increasing demand for affordable housing. House prices are high and unaffordable for many because there is insufficient supply. Increase supply and prices will lower and hence not be a burden on tax payers.

Liberton and District Community Council (790396)

Question HNDA process and there is a growing gap between predicted needs and delivery. This requires a thorough review and more realistic figures set out in the Plan.

Mactaggart and Mickel Homes (038949), Shawfair LLP (039940), Shepherd Offshore (Scotland) Ltd (038954)

HSTs are not reasonable, deliverable and supported by compelling evidence. Shortfalls in delivery to 2018 of SDP1 Housing Requirements must be brought forward unless reflected in HNDA.

HNDA Managers Guide has not been scrutinised and therefore should not be used as the basis for calculating HSTs. It is not ambitious and promotes misalignment between HSTs and the HNDA.

Support Strong Economic Growth which aligns with Proposed Plan Vision, therefore HST should be based on this. Migration fuelled growth and construction sector quotes from Housing Background Paper support strong economic growth. Chosen hybrid between Steady Recovery and Wealth Distribution is flawed and does not reflect NPF3 and SPP. HSTs should reflect City Deal. Current approach is negative and cautious. Environmental, cultural and greenspace impacts raised by those promoting lower growth can be addressed through development management and LDP process. Continual suppression of housing supply will exacerbate unaffordability. 2014 household projections will be published in January 2017. SESplan member authorities have shortfall against SDP1 Housing Requirements. This is referred to in City of Edinburgh LDP Reporter's Findings (page 113-114)

Housebuilders do not support 10% generosity. The reasons given for it are not clear and unjustified. As HSTs do not meet need, then a higher margin should be used, reflecting local circumstances. NPF3 states: "more ambitious and imaginative planning will be needed to meet requirements for a generous and effective supply of land for housing in a sustainable way" (Paragraph 2.20). SESplan ignores NPF3 "Led by SESplan, we wish to see greater and more concerted effort to deliver a generous supply of housing land in this area." 10% margin does not comply with SPP and reasoning given is questionable and has no evidential basis.

Mactaggart and Mickel Homes (038949)

SESplan Member Authorities have a shortfall in housing land supply. This was highlighted in City of Edinburgh LDP Reporter's Findings. "I find that a great range and choice of effective sites would be the most realistic means of increasing the rate of housing delivery in accordance with the challenging targets established by SESplan." (paragraph 41, page 135). This is not addressed in the Proposed Plan and requires action before approval.

Infrastructure constraints cannot be used as a basis to constrain housing supply as new housing funds transport and education infrastructure. Considerations in setting HSTs fails to take account of the associated positive impacts housebuilding has in bringing about infrastructure, resources and environmental enhancements. New housing provides necessary funding for new education facilities.

Mrs Mirabelle Maslin (928549)

Not accepted that full affordable need cannot be met. Resources must be made available to deliver it. For a wide range of reasons it might not be possible to meet the targets, but the targets should not be undermined from the outset.

Forced premature changes in a geographical area which has substantial infrastructure problems is not the way to implement a coherent system of development

Midlothian Green Party (778339)

Requiring housing land for private houses to be built in Midlothian for those commuting to Edinburgh will not meet the central need for affordable housing. More land for private housing will reduce land for social housing, driving up cost of acquiring land. Disappointed that need for 4000+ affordable homes per annum cannot be met. Plan should specify details of social housing proposals.

Moorfoot Community Council (906008)

Remove 10% generosity margin as there are already over-allocations in Midlothian.

New Ingliston Ltd (929755)

HSTs and their methodology are unsuitable as they constrain supply and don't meet HNDA requirements. Proposed Plan should not ignore 7,000 home shortfall in City of Edinburgh LDP.

Support meeting greater proportion of housing in Edinburgh.

Promoting suitability of International Gateway.

Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609)

The Proposed Plan is planning for a supply of housing which is 15,528 homes less than the predicted need and demand, which is a shortfall of 20%. This scale of reduction in supply cannot be described as reflecting the HNDA estimate, which is a requirement of SPP. It would be better described as a significant departure from the HNDA. It is apparent that the addition to the market housing supply is far short of making up the affordable supply deficit, resulting in the large all tenure deficit. In our view, this is an extraordinary response to the current housing crisis in the city region and the inadequate supply of affordable homes. Logic dictates that if the supply of housing is less than that needed, then demand will outstrip supply and this will distort the housing market with inevitable upward consequences for house prices. Indeed, this has been the recent history of planning for housing in the Edinburgh City Region, which would simply be exacerbated by the Proposed Plan. The Scottish Government is seeking solutions to the housing crisis, and this Plan unfortunately represents a backwards step in that regard. Support Rennie addendum as part of Homes for Scotland (040551) submission.

At the very least, the HSTs should be increased to meet the all-tenure HNDA estimate. If the demand does not exist for the market housing, then they will not be built. The clear benefit in those circumstances is that there is a ready supply of land available to be developed when the demand arises. The ability of the private sector to deliver affordable housing is significantly under-estimated and there has been a

lack of exploration by SESplan into potential mechanisms to increase the delivery of 'mid-market' housing

There is no substantive evidence to justify the City of Edinburgh Market HST or the conclusion that higher market HSTs cannot be delivered in combination with agreed affordable HSTs due to infrastructure funding and environmental constraints (Housing Background Paper paragraph 7.23).

SESplan's consideration of generosity appears to be based on the assumption that the application of a generosity margin will entail more housing being delivered than identified in the HSTs, and that this will have a harmful impact. We disagree with both these points. The SESplan Councils optimism regarding the delivery of the established housing land supply is very high, and this needs to be reflected by the application of the highest level of generosity i.e. 20%. Not aware of a situation in Scotland where the supposed 'over allocation' of housing land has ever meant that existing housing allocations have become non-viable.

Approach to housing does not meet NPF3 requirement that "Led by SESplan, we wish to see greater and more concerted effort to deliver a generous supply of housing land in this area". Plan position does not reflect national concerns regarding the delivery of housing in the city region.

Previously raised concerns that HSTs were not consulted upon during MIR. Should have been consulted upon prior to Proposed Plan. Situation is the same as SDP1 with the Proposed Plan seeking to provide less housing than required. This led to plan modification and supplementary guidance and subsequent delays in LDP production.

Musselburgh Conservation Society (927996)

East Lothian and City of Edinburgh allocations are too high on top of existing commitments from SDP1. Will cause unacceptable social and traffic impacts.

Does not support approach outlined in paragraph 5.13 or housing numbers identified in table 5.3. Housing numbers for this period should be significantly reduced both in City of Edinburgh and East Lothian. HSTs for City of Edinburgh may undermine key aspects of the Vision of the plan.

Park Lane (Scotland) Ltd (039990)

Sustainable development at Ratho North can contribute towards reducing housing land shortfall and in meeting future housing land allocations in 2030-2038 period

Prestonpans Community Council (039835)

HSTs should be reviewed to take account of level of housing delivery post 2008. An over-supply of housing land will affect the deliverability of already consented sites and hence further suppress delivery. Large parts of East Lothian, particularly the west, will be blighted by the uncertainty that an over generous requirement for land for housing creates

Roslin and Bilston Community Council (790524)

10% of housing is too much for Midlothian to deliver as it is a small area, much of it

is marshy and undermined.

If 4,000 affordable homes per annum are needed these are what must be delivered. Provision is lagging far behind demand and resources must be found.

Rural Renaissance (039402)

30% generosity will provide the flexibility required to deliver strong economic growth and a range and choice of sites. SPP is not an absolute requirement. 10% is not sufficient. The Scottish Borders LDP Examination was based on a flexibility allowance of 18%, which is not sufficient when the preferred strategy is for strong economic growth. The Borders Housing Land Audit indicates that only 57% of Central Borders sites are unconstrained or effective, emphasising the need for 30% generosity. Scottish Borders HLR is insufficient. Homes for Scotland (040551) have calculated a shortfall of some 7,654 homes.

HSTs need to be based on housing market areas and reflect actual demand and activity. Targets should be based on factors including: Proper definition of functional housing market areas; historic demand; marketability; availability of infrastructure; service capacity; proximity to transport; functional housing markets need to be realistic in terms of their definition; and the locations within the housing market area where development is directed. In the past, Scottish Borders allocations have been made in towns with little evidence of demand or marketability.

Crawford and Douglas Ritchie (040552)

The 'Long Term Growth Corridor 2030' does not identify any location or scale of future growth for the period up to 2038 beyond local authority level. Consider that this should be clarified explaining the priority areas in each LDP required to meet the housing requirement.

Mr Russell Salton (039632)

Population of Edinburgh was roughly static until 10/11 years ago, coinciding with EU migration. This should be expected to reduce or decrease. Edinburgh's population as a proportion of Scotland's has remained static and therefore suggested net-migration from parts of Scotland has not occurred.

Projections show significant increase in single person households. Therefore this should be reflected in housebuilding and not in 4-6 bedroom homes.

Mr Julian Siann (024823)

Would like to see more varied housing developments.

Scottish Property Federation (037013)

Significant concern relating to not allocating sufficient land and that full HNDA estimate is not being met due to lack of infrastructure, lack of affordable housing funding and environmental constraints. This is based upon short term information and ignores affordable housing provided without subsidy.

There is a 25% net deficit which will lead to increasing unaffordability. Should be a direct link between HSTs and HNDA. A successful residential market is an

important aspect of a thriving economic region. HSTs are not compatible with Scottish Government vision to increase housing delivery or Edinburgh 2050 City Vision.

10% generosity is not ambitious or appropriate.

Shawfair LLP (039940)

Reasoning for 10% generosity margin is misleading and reasoning in plan and background paper is not accepted. To claim that allocation of land at a generous level undermines vitality of development sites is unfounded.

Midlothian could deliver a significantly greater level of housing than the HST, particularly at Shawfair.

Shepherd Offshore (Scotland) Ltd (038954)

Fife could deliver a significantly greater level of housing than the HST, particularly at Dunfermline

Mr Charles Strang (907037)

Representation requests that paragraph 5.13 be modified to make specific reference to loss of agricultural land. Representation also suggests that Table 5.3 be modified to include indicative figures for brownfield vs greenfield sites, including an assessment of the extent and qualities of the land to be lost.

South West Communities Forum (805601)

HNDA programme should be re-run post Brexit. Steady recovery is the most realistic scenario.

Generosity should be reduced to 2% given funding availability and uncertainties. There should be a new requirement that brownfield land must be within 5% of being used up before greenfield land release.

Future population should be spread across Scotland, not in congested areas.

Wallace Land Investment and Management (930071)

HSTs should match the same time period as the HNDA i.e. 2018-2030. The adjustment of the HNDA estimate to fit the 2018-2030 period as set out in Housing Background Paper paragraphs 4.5 to 4.7 has no rationale. HNDA is the basis for the HSTs. Having a different start date will not align the HSTs with the HNDA (SPP paragraph 113) or be based on it (SPP paragraph 115).

The distribution of the HNDA estimate away from City of Edinburgh should be based on either 19% or the 9.7% net distribution as evidenced in the Housing Market Area Assessment. The same method should be used to calculate the Indicative Scale of Housing Required in Table 5.3 (example tables are provided in full response). This approach should also be used for Table 5.3 setting out indicative housing required in 2030-2038 period.

Overall All Tenure HSTs should match the HNDA Wealth Distribution estimate. Artificially reducing the HSTs below this level risks the development strategy,

regional economy and Scottish Government objective of delivering 50,000 homes. No explanation is given for why the private HST has increased. No evidence of review of affordable housing funding is provided.

Delivery should be on an all-tenure basis with any new housing meeting overall housing land requirement as required in 2012 Glasgow Clyde Valley SDP. Tenure assumptions should not impose artificial or unnecessary restrictions on new housing provision.

A 20% generosity margin should be used, reflecting the constraints in delivering completions from the established land supply.

Considers that the location or scale of future growth for the period up to 2038 should be clarified, explaining the priority areas in each LDP required to meet housing requirement

Wemyss and March Estate/Socially Conscious Capital (037270)

Higher and ambitious growth scenario should be used to inform HSTs, consistent with NPF3 and City of Edinburgh Economic Strategy.

SESplan should have adopted 20% generosity to reflect growth projections.

Representation calls for expansion of land at Longniddry South be considered as a high priority in helping to provide East Lothian's longer term housing land requirement (2030-2038 period).

Modifications sought by those submitting representations:

Aithrie Estates (032643)

Change title of section 5 to Consolidating Housing Delivery.

Ashfield Land (038483), Hargreaves UK Services Ltd (038489)

Increase HSTs to meet HNDA all tenure requirement.

Flexibility should be built into the housing land requirement figures provided in the plan and text should encourage joint working between local authorities.

The potential of Long Term Growth Corridors and Strategic Growth areas should be maximised.

Barratt and David Wilson Homes (799597), Lawfield Estate (930075), WS Crawford (040107)

Paragraph 5.3 - Replace references to 10% with 20%.

Table 5.1 (Housing Land Targets 2018-30) - Amend figures to reflect full HNDA demand, i.e. attributing the net 'loss' of 15,000 units across SESplan authorities

Table 5.2 (Housing Land Requirements 2018-30) - Amend figures to reflect 20% generosity allowance.

Table 5.3 - Modify to reflect a 20% generosity allowance and full HNDA wealth distribution scenario.

Keith Bedborough (856480)

Table 5.1 - Breakdown the HSTs by types of housing required.

CALA Management Ltd (929806)

Table 5.1 - Change to 'All Tenure HSTs' that fully reflect HNDA as per Homes for Scotland (040551) response

Table 5.2 - Recalculate based on revised Table 5.1 with 20% generosity margin

A J C Clark (930956)

Table 5.1 - Reduce HSTs in line with a likely declining growth future.

Table 5.1 - HSTs to be rounded to nearest 50.

Proposed Plan to plan to maximum 10 year timescale.

Cockburn Association (037249)

Modify City of Edinburgh HSTs taking community views and plans into account.

They should factor in demographics and types of housing required as 2011 population of Edinburgh is same as in the 1970s. This should include options for elderly people to downsize and targets for family housing across all tenures.

Revised City of Edinburgh HST should be 75% met on brownfield land.

Delete all references to 10% generosity.

Damhead and District Community Council (039328)

No more houses should be built to the north of Bilston in order to prevent coalescence with Damhead.

Edinburgh Association of Community Councils (040476), Grange and Prestonfield Community Council (790304)

Table 5.1 - Modify HSTs based on post Brexit HNDA.

Delete all references to 10% generosity margin and modify table 5.2 as appropriate.

Eskbank and Newbattle Community Council (891202)

None requested, representation indicates:

Table 5.1 Increase proportion of affordable HST.

Gladman Scotland (783418)

None specified, representation indicates:

Increase generosity margin

Gullane Area Community Council (037068)

Restrict requirement for additional housing provision in outlying rural areas furthest from Edinburgh to discourage long distance commuting and in light of inadequate public transport infrastructure.

H&H Group Plc (927998)

SDP1 housing targets should be brought forward.

Table 5.1 - Increase City of Edinburgh HSTs by 10,777 (shortfall in delivering SDP1 requirements to 2024).

Hallam Land Management Ltd (037571)

Table 5.1 - West Lothian HSTs should match those from SDP1 and accompanying Housing Land Supplementary Guidance (1,142 combined annual average).

Hallam Land Management Ltd (039805), Park Lane (Scotland) Ltd (039990)

None requested, representation indicates:
Increase HSTs to be consistent with HNDA
Increase generosity margin.

Homes for Scotland (040551), Wallace Land Investment and Management (930071)

Paragraph 3.4 - Delete 3 bullet points
Table 5.1 - HSTs should equal HNDA wealth distribution estimate with either a 19% or 9.7% distribution from City of Edinburgh as set out in Wallace Land Investment and Management (930071) representation.
Plan period should be 2012-2030.
HSTs and HLRs should be recalculated on an all tenure approach.
A generosity margin of 20% should be used.
Table 5.3 - A generosity margin of 20% should be used.

Juniper Green Community Council (028859)

No modification specified, representation indicates:
The findings of the CEC 'Brexit task force' and the 2014-based population projections should be taken into account.
HSTs should be a maximum of 10 years.
Remove generosity allowance.

Liberton and District Community Council (790396)

No modification is specified, representation indicates:
Replace HSTs with more realistic figures based on delivery rates.

Mactaggart and Mickel Homes (038949), Shawfair LLP (039940), Shepherd Offshore (Scotland) Ltd (038954)

Generosity margin should be re-assessed in compliance with SPP and NPF3, factoring in local circumstances.

Mactaggart and Mickel Homes (038949)

Table 5.1 - Modify HSTs by removing infrastructure constraints as a consideration.
Table 5.1 - Use Strong Economic Growth Scenario to inform revised HSTs, with significantly higher HST in East Lothian.

Mrs Mirabelle Maslin (928549)

Modify Housing Supply Targets so that all affordable need is met.
Modify first line of paragraph 5.13 to read as follows: 'Indications of the scale of housing required have been provided for 2030-2038 (Table 5.3) based on the 2015 Housing Need and Demand Assessment estimates. These figures do not take into account wider factors that may influence delivery or need for delivery, given the difficulty of making robust assumptions about these at this time.'

Midlothian Green Party (778339)

None specified, representation indicates:
Plan should meet full affordable housing need and set out specific social housing proposals for how it will be met.

Moorfoot Community Council (906008)

Delete all references to 10% generosity margin and modify Table 5.3 as appropriate.

Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609)

At very least HSTs to meet full Wealth Distribution HNDA all tenure estimate. Generosity margin used should be 20%.

Musselburgh Conservation Society (927996)

Table 5.2 - Reduce East Lothian HLR and reallocate to West Lothian to aid regeneration.

Table 5.2 - Reduce City of Edinburgh HLR by at least 6,000 and reallocate to West Lothian and to Fife to aid regeneration.

Table 5.3 - Modify to reduce City of Edinburgh number of homes to approximately 10,000

Table 5.3 - Modify to halve the number required for East Lothian and reallocate the remaining number of units to West Lothian to create a new settlement.

New Ingliston Ltd (929755)

HSTs should be consistent with HNDA requirements.

Peebles Community Trust (810911)

Affordable housing delivery in the Scottish Borders should match demand.

Prestonpans Community Council (039835)

No modification is specified, representation indicates:
Review East Lothian HSTs based on post 2008 delivery.

Roslin and Bilston Community Council (790524)

Table 5.1 - Reduce Midlothian HST.

Table 5.1 - Increase combined affordable HST to match HNDA need. Set out how this will be achieved.

Rural Renaissance (039402)

Table 5.1 - Replace Housing Supply Targets with new targets based on Strong Economic Growth scenario and following factors: Proper definition of functional housing market areas; Historic demand; Marketability; Availability of infrastructure; Service capacity; Proximity to transport.

Table 5.2 - Recalculate HLRs based on 30% generosity.

Crawford and Douglas Ritchie (040552), Wallace Land Investment and Management (930071)

Expand paragraph 5.13 to provide further guidance of the scale and location of growth within the each of the respective LDPs.

Scottish Property Federation (037013)

Require direct link between HNDA and HSTs in plan.
Increase generosity percentage.

Shawfair LLP (039940)

Table 5.1 - Use Strong Economic Growth Scenario to inform revised HSTs, with significantly higher HST in Midlothian.

Shepherd Offshore (Scotland) Ltd (038954)

Table 5.1 - Use Strong Economic Growth Scenario to inform revised HSTs, with significantly higher HST in Fife.

South West Communities Forum (805601)

Postpone plan until realistic post Brexit house numbers are available. HNDA figures can no longer be described as 'credible and robust'.

Reduce HST period to a maximum of 10 years.

Reduce generosity margin to 2%.

Mr Charles Strang (907037)

Modify Paragraph 5.13 (2030 - 2038 Period) to add reference to loss of agricultural land.

Modify Table 5.3 (Indicative Scale of Housing Required 2030 - 2038, page 48) to add indicative figures for Brownfield and Greenfield sites, including an assessment of the extent and qualities of agricultural land proposed to be lost.

Wallace Land Investment and Management (930071)

Table 5.3 – 2030-2038 figures should equal HNDA wealth distribution estimate with either a 19% or 9.7% distribution from Edinburgh as set out in representation.

Wemyss and March Estate/Socially Conscious Capital (037270)

Table 5.1 - Increase HSTs based on higher growth scenario aligned with NPF3 and City of Edinburgh's Economic Strategy.

Table 5.2 - Use 20% generosity allowance.

Summary of responses (including reasons) by Planning Authority:

Housing Need and Demand Assessment

Some representations raise the issue that the HNDA is not robust and credible due to projections being unreliable and that it was undertaken pre 'Brexit'. Regarding robust and credible status, SPP paragraph 113 states that "where the Scottish Government is satisfied that the HNDA is robust and credible, the approach used will not normally be considered further at a development plan examination".

SESplan received a letter from Scottish Government on 27 March 2015 (ASD21) confirming that its HNDA was considered robust and credible. Therefore it should not be considered for examination. Further, the nature of the impacts of Brexit on number of households in the SESplan area and migration to it from other parts of the Scotland, the UK and Europe are not yet known. Therefore it is most appropriate to base the HNDA, and subsequent HSTs on the most recent household projections available before the Proposed Plan was produced, which are the 2012 based projections used in the HNDA. It should be noted that the HNDA estimates are more than just a reflection of population and household projections.

Representations make references to fluctuating student demand in Edinburgh.

However, specific accommodation for students is not addressed in the HNDA. This is a matter for the City of Edinburgh LDP.

SDP HSTs are reviewed every five years based on an updated HNDA. Any future changes in HNDA estimates for the SESplan region will be factored into the HSTs set on the next SESplan SDP for the 2023 to 2035 period, replacing the HSTs in this Proposed Plan.

A J C Clark (930956), Edinburgh Association of Community Councils (040476), Grange and Prestonfield Community Council (790304), Juniper Green Community Council (028859), Mr Russell Salton (039632), South West Communities Forum (805601)

SESplan does not accept the modifications requested for revised HSTs based on a re run post-Brexit HNDA or declining economic future. **No Modification Proposed**

Cockburn Association (037249)

Do not accept modification that HSTs should “factor in demographics and types of housing required as the 2011 population of Edinburgh is same as in the 1970s” for the reasons set out above. The HNDA estimates are informed by future household projections and not past populations. Household size has declined significantly since the 1970s and therefore it is not appropriate to plan for the same level of housing stock as over 40 years ago. **No Modification Proposed**

A J C Clark (930956)

Do not accept the proposed modification that HSTs should be rounded to the nearest 50. Whilst it is accepted that population projections cannot be accurate over a 12 year period, HNDA estimates are not projections but modelled need and demand based on a number of variables. Accepting the modification could result in under or over provision of housing land of up to 275 homes per LDP area over a 12 year plan period. **No Modification Proposed**

Mr Russell Salton (039632)

Edinburgh’s and the SESplan population has risen to be a greater proportion of the overall Scottish Population. In addition, national forecast expect this trend to continue. **No Modification Proposed**

Alternative Future to Inform Housing Supply Targets

Mactaggart and Mickel Homes (038949), Shawfair LLP (039940), Shepherd Offshore (Scotland) Ltd (038954), H&H Group Plc (927998), Rural Renaissance (039402), Wemyss and March Estate/Socially Conscious Capital (037270)

Do not accept the representations and modifications that HSTs should be based on the Strong Economic Growth alternative future in the HNDA. Section 5 of the Housing Background Paper (ASD22) sets out the process for evaluating which alternative future has been used to inform the HSTs. In summary, it concluded that Strong Economic Future is the least likely alternative future to occur (paragraph 5.27). None of the variables for this alternative future are supported by Oxford Economics research or the Core Housing Market Partnership (CHMP) as set out in the Housing Background Paper Table 5.1. Page 161 of the HNDA Report (ASD22) concludes that it not underpinned by evidence and the least likely alternative future to occur. Using the Strong Economic Growth alternative future would not lead to

SPP paragraph 115 compliant 'reasonable.....and supported by compelling evidence' HSTs. Therefore the SESplan Housing Market Area (HMA) and LDP area HSTs should not be based on this alternative future.

NPF3 does not call for the use of a strong economic growth alternative future. Instead it is seeking to deliver sustainable economic growth. The two are not the same.

City of Edinburgh's Economic Strategy 'A Strategy for Jobs 2012-2017' does not set out housing or population growth expectations or aspirations. It does identify the importance of affordable housing. Whilst economic strategies should inform the Proposed Plan and its vision, they are not cited as critical evidence in setting HSTs. **No Modification Proposed**

Homes for Scotland (040551), Wallace Land Investment and Management (930071), Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609) responses make reference to the Rettie Supporting Paper (RSD10) which argues why Wealth Distribution is the most likely alternative future based wholly on past trends. The past is not the sole barometer to the future and the paper makes no attempt to consider future trends as set out in the Oxford Economics supporting analysis (ASD24 and ASD25) as part of the robust and credible HNDA. The actual future outcome in terms of economic performance and migration will not be an exact match for either the Steady Recovery or Wealth Distribution alternative futures as set out in section 5 of the Housing Background Paper (ASD22). The actual outcome is likely to be somewhere in-between these two alternative futures based on the analysis on the HNDA.

The analysis of economic commentaries in the Housing Background Paper (paragraphs 5.17 to paragraphs 5.13) (ASD22) indicates that in the short to medium term the economic future most closely aligns with the Steady Economic Growth alternative future. Updated end 2016 commentaries from the same organisations (Fraser of Allander Economic Outlook December 2016 and Ernst and Young Scottish ITEM Club 2017 Forecast) (ASD28) do not present a significantly altered outlook. The combination of this additional analysis with the HNDA analysis indicates that the start of the plan period will be in the Steady Recovery alternative future but it is anticipated that this will improve towards the Wealth Distribution alternative future. Therefore over the 12 year plan period, the position is likely to be somewhere in between the two futures. To inform the HSTs the estimates from the Wealth Distribution alternative future were used.

Mactaggart and Mickel Homes (038949), Shawfair LLP (039940) and Shepherd Offshore (Scotland) Ltd (038954) refer to the 2014 based Household Projections becoming available in January 2017. The 2014 based population projections show a reduced level of population growth compared to the 2012 based projections. However, the HNDA and its estimates are more than the use of household or population projections. It is a complex exercise, has been signed off as robust and credible and it should not be re-run every time updated information becomes available.

Plan Period

A J C Clark (930956), Juniper Green Community Council (028859), South West Communities Forum (805601)

Do not accept the modification that HSTs should only be for 10 years. SPP paragraph 118 (ASD06) states that HSTs in SDPs should be set for 12 years from the date of plan adoption (expected 2018). **No Modification Proposed**

CALA Management Ltd (929806), Homes for Scotland (040551), Wallace Land Investment and Management (930071)

Do not accept the modification that HSTs should start from 2012, from when the HNDA estimates begin. The following expands on the reasoning set out in paragraphs 4.3 and 4.4 of the Housing Background Paper (ASD22). SPP paragraph 115 (ASD06) states 'the HST is a policy view of the number of homes the authority has agreed will be delivered in each housing market area over the period of the development plan and local housing strategy'. For an SDP, SPP paragraph 118 states that this is up to year 12 from the expected year of plan approval. For the Proposed Plan this period would then be 2018 to 2030, not the date the HNDA provides estimates of housing need and demand from (2012 to 2037). The HNDA is a tool to assist authorities in setting HSTs, it does not set them. This is the same process for an LDP outside an SDP area set out in SPP paragraph 120 where HSTs and HLRs are required up to year 10 from plan approval.

The position in SPP is repeated in Circular 6/2013: Development Planning (ASD27), paragraph 41 which states "The spatial strategy shouldprovide a locational strategy for new development up to year 12 from plan approval and a broad indication of the scale and direction of growth up to year 20." Terminology used in the representations such as 'start dates' or 'base dates' are not used in SPP, NPF3, Circular 6/2013 or the HNDA Managers Guide. SESplan HSTs will take effect at 2018 and run to year 12 (2030) as set out in Table 5.1 of the Proposed Plan. Table 5.3 then sets out the indicative level of housing required from year 12 to year 20.

Housing policy for the years up to 2018 is set out in SDP1 and will be superceded when the Proposed Plan is approved. It would not be appropriate for the Proposed Plan to 'start' six years before its approval by Scottish Ministers and eight years before the expected approval of the first subsequent LDPs. Using a 2012 'start date' would divorce the SDP from when its requirements take effect.

Pre 2018 need and demand estimates identified in the HNDA are not being ignored. As set out in paragraphs 4.5 to 4.7 of the Housing Background Paper, the broad scale of the backlog affordable housing need were used to inform the HSTs. This is not adjusting the estimates but using them to inform the Housing Supply Targets for the period that the SDP covers. Therefore the SDP is informed by (SPP 113) and closely aligned (SPP para 114) to the HNDA and its HSTs based on evidence from it (SPP 115). **No Modification Proposed**

Consideration of Backlog in Housing Delivery

Barratt and David Wilson Homes (799597), CALA Management Ltd (929806), H&H Group Plc (927998), Homes for Scotland (040551), Lawfield Estate (930075),

Mactaggart and Mickel Homes (038949), WS Crawford (040107)

Representations make reference to current shortfalls in delivery against the HLRs for each of the SESplan authorities set out in the Housing Land Supplementary Guidance. These shortfalls should be used to inform the HSTs and should not be reset. The scale of the difference in delivery versus requirements across the SESplan area is set out in the MIR Monitoring Statement (ASD29) and 2015 SESplan Annual Housing Update (ASD30). The latter explains that this difference is due to the 2008 recession and credit crunch which saw a subsequent steep fall in housing delivery. Whilst recent rates have increased they have not recovered to prerecession levels. Failure to meet SDP1 requirements is a failure in delivery by the housebuilding industry to changes in demand, development finance and mortgage availability. They were not due to a failure in land supply.

The SDP1 Housing Land Requirements are also based on meeting the full HNDA estimate of need and demand set out in the 2011 HNDA regardless of funding available to deliver affordable housing, which has not matched need estimates. This position taken in approving the SDP in 2013 would not now comply with the requirements set out in the 2014 current SPP paragraph 115 (ASD06) and the guidance in the HNDA Managers Guide (ASD32).

As set out in Table 1, market housing completions from April 2011 to April 2015 matched or exceeded the comparable levels of market demand estimates* in this period from the 2015 HNDA for all three alternative futures. Therefore there is no shortfall in delivery against market demand at present. The demand estimates from the 2011 HNDA and SDP1 Housing Land Requirements are becoming out of date and less relevant.

Table 1 – Market Completions vs HNDA Estimates

Alternative Future	Completions 2011/12 to 2014/15	HNDA Estimate 2011 to 2015	Difference
Steady Recovery	10,099	9,171	+928
Wealth Distribution	10,099	9,340	+759
Strong Economic Growth	10,099	9,763	+336

*It should be noted that in the HNDA appendix 4, the year shown e.g. 2012 means the change from 2011 to 2012. Therefore the most approximate completions comparison would be that for the 2011/12 financial year. **No Modification Proposed**

Housing Supply Targets to Match HNDA Estimate

Paragraph 5.4 of the Proposed Plan briefly sets out the reasoning for HSTs in Table 5.1, including why the full Wealth Distribution alternative future HNDA estimate of affordable housing need cannot be set as the affordable HST. The Housing Background Paper (ASD22) set out in detail the policy context, background, methodology and reasoning behind the HSTs in the plan. This section of the S4 does not repeat sections of the Housing Background Paper. Instead it refers to content of the Housing Background Paper and expands on this when

required to provide reasons as to why SESplan does not support the representations and suggested modifications to state the HSTs should match the HNDA Wealth Distribution estimates. This section has sub-headings A-D, followed by a summary.

The policy context and methodology followed reflects that required by paragraphs 113 to 118 of SPP (ASD06); sections 9 and 13 of the HNDA Manager's Guide (ASD32); and section 7 of the Local Housing Strategy Guidance (ASD33). All relevant policy and guidance is set out in section 2, and then in greater detail in Appendix A of the Housing Background Paper. The critical guidance is SPP paragraph 115 which states "Plans should address the supply of land for all housing. They should set out the housing supply target (separated into affordable and market sector) for each functional housing market area, based on evidence from the HNDA. The housing supply target is a policy view of the number of homes the authority has agreed will be delivered in each housing market area over the periods of the development plan and local housing strategy, taking into account wider economic, social and environmental factors, issues of capacity, resource and deliverability, and other important requirements such as the aims of National Parks. The target should be reasonable, should properly reflect the HNDA estimate of housing demand in the market sector, and should be supported by compelling evidence".

Representations by Shepherd Offshore (Scotland) Ltd (038954), Shawfair LLP (039940) and Mactaggart and Mickel Homes (038949) state that the HNDA Managers Guide should not be used to inform HSTs. SESplan disagrees with this as it is a government approved document. Scottish Government representations on the East Ayrshire LDP make this clear "To determine the HST, factors as set out in the HNDA Manager's Guide and the LHS guidance should be considered. For the affordable housing element of the HST this includes the amount of funding that is likely to be available" (Page 58 of East Ayrshire LDP Examination Report) (ASD34).

Chapter 3 of the Housing Background Paper sets out the approach to housing in the MIR. Chapter 4 then sets out the process for identifying HSTs in the Proposed Plan. This was:

- Review HNDA alternative futures to inform HSTs (Chapter 5).
- Use the requirements in SPP paragraph 115 and factors in HNDA Managers Guide to set Affordable (Chapter 6) and then Market HSTs (Chapter 7).
- Factor in demolitions (chapter 8)

The HSTs agreed by SESplan and its member authorities are then set out in Chapter 9. It also sets out the approach identifying the scale of housing required in the period from year 12 to year 20 (2030-2038).

- **A - HSTs do not correspond with SPP**

Several representations insist that because the HSTs do not match the HNDA 'requirements' then they do not conform with SPP (ASD06). This is incorrect. The HNDA does not have 'requirements'. Instead it provides estimates of need and demand. This is made clear in the HNDA Managers Guide (ASD32) paragraph 9.3 "The HNDA gives a statistical estimate of how much additional housing is required,

whereas the Housing Supply Target gives an estimate of how much additional housing can be actually be delivered by authorities.” It is therefore clear that the HST is about delivery.

The plan and the HSTs should be “based on evidence” (SPP15) from the HNDA but “the HNDA and the HST are not the same and are therefore are not expected to match” (HNDA Managers Guide 9.1) due to a full consideration of other factors. These are set out in SPP paragraph 115 and 13.4 of the HNDA Managers Guide and are referred to in the Housing Background Paper (ASD22).

This approach is confirmed as the Scottish Government intention in their modification sought to the East Ayrshire LDP “The Plan should provide an overall HST that takes into account all factors and is realistic and deliverable.”(Reporters Findings page 60) (ASD34).

- **B - Affordable HST Meeting Affordable Need Estimate**

It is disputed by some representations that the affordable HST should not be less than the estimate of affordable need from the HNDA due to the availability of funding for affordable housing. This is incorrect. One of the factors for consideration in setting HSTs in paragraph 13.4 of the HNDA Managers Guide (ASD32) is the ‘availability of resources’. This includes the availability of funding to deliver affordable housing so that deliverable HSTs can be set. This is confirmed by the Scottish Government in the summary of their response to the East Ayrshire LDP “To determine the HST, factors as set out in the HNDA Manager’s Guide and the LHS guidance should be considered. For the affordable housing element of the HST this includes the amount of funding that is likely to be available.” (Reporters Findings Page 58) (ASD34). This disproves the Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609) representations which claim SESplan are misinterpreting the Scottish Government intentions of SPP paragraph 115 (ASD06). SESplan maintains that only the Market HST “should properly reflect the HNDA estimate of demand in the market sector” (SPP paragraph 115).

- **C - Affordable Housing Need and Funding Analysis**

Representations from Hallam Land Management Ltd (039805) and Park Lane (Scotland) Ltd (039990) doubt that over 50% of the need and demand is for affordable housing. This is incorrect as the HNDA sets out that over 60% of the estimate is the need for affordable tenures (Table 4.2 of Housing Background Paper) (ASD22).

Representations make reference to a lack of information and analysis of affordable housing funding. Paragraphs 6.3 to 6.6 of the Housing Background Paper set out the approach taken to analysing affordable housing funding. Each authority examined funding that was expected to become available and range of funding factors including Strategic Housing Investment Programmes (SHIPs). The SHIPs that were in preparation during 2016 are now available. Delivery programmes in SHIPs include mid-market rental products which some representations state that SESplan are not taking into consideration when setting affordable HSTs.

The affordable HSTs for City of Edinburgh reflect affordable housing programmes,

both known and planned, including the Council's 21st Century Homes Programme. The target represents a significant increase in affordable housing provision compared to recent rates of delivery.

The latest SHIP (ASD35) for the period 2017/18 to 2021/22, identifies potential completions of 5,921 homes over the 5 year period which is consistent with the affordable housing supply target of 1,200 per year. Many sites identified in the SHIP are not yet approved. The number of units proposed in the SHIP is the highest it has ever been and would require to be supported by double the funding than was received by Edinburgh for 2016/17.

Table 6.2 in the Housing Background Paper sets out that whilst the subsequent net affordable HSTs are less than the Wealth Distribution HNDA estimates in each authority (by varying proportions), they are significantly higher than the annual average level of gross affordable housing completions achieved over the last five or ten years (Table 6.1). They do not include losses of affordable homes through demolitions whereas affordable HSTs are net of demolitions. Therefore the affordable HSTs are higher than the level of delivery in last parliament 2010-2015 when there was a 30,000 affordable homes delivery target for Scotland. Whilst the SESplan affordable HSTs only cover two years of the current parliament (2018 to 2020) the increase matches that of the Scottish Government to delivery 50,000 affordable homes. SESplan cannot confirm level of affordable housing funding from Scottish Government after this period and therefore they are based on the current forecasts and not long term speculation.

Each authority has committed to an affordable HST that is challenging and higher than they currently deliver to look to meet the affordable housing challenge indicated by the HNDA. However, SESplan cannot set out affordable targets in the Proposed Plan that have no reasonable chance of being delivered due to availability of resources. SPP paragraph 115 (ASD06) states that HSTs need to be reasonable and the Scottish Government has set out that they need to be realistic and deliverable. Based on the compelling affordable housing evidence it would not be reasonable for affordable HSTs to be set at wealth distribution HNDA affordable need estimate.

It is compliant with SPP that Affordable HSTs can be less than the estimate of affordable need based on the level of delivery that is likely. This is confirmed on page 69 of the East Ayrshire LDP Reporters Findings (ASD34). Regarding East Ayrshire setting an annual affordable housing supply target of 100 dwellings per annum, the Reporter states "Although well short of the HNDA figures, the council has sought to adopt a realistic approach which takes account of past performance and likely funding constraints. On that basis, the proposed plan calculated a shortfall for East Ayrshire of 252 units over the period 2013-2025: an average of 21 units per annum." This position was accepted by the reporter in the examination and is now the affordable HST for East Ayrshire.

It should be noted that the affordable HSTs are not caps or ceilings. If greater levels of funding do become available and higher levels of affordable housing delivery are possible, SESplan authorities are not likely oppose these because the HSTs have already been achieved.

Roslin and Bilston Community Council (790524), Eskbank and Newbattle Community Council (891202), Midlothian Green Party (778339), Mrs Mirabelle Maslin (928549)

For the reasons set out above, SESplan cannot set affordable HSTs that match the HNDA estimates of affordable need. **No Modification Proposed**

- **D - Consideration of Past Completions, Environmental Impacts and Infrastructure Constraints in Market HST**

Representations have questioned the consideration of environmental and infrastructure capacities and constraints in not setting HSTs that equal the HNDA estimates. Paragraph 110 of SDP1 (ASD36) states that “Environmental constraints and other restrictions on land availability within the city's boundaries” meant that full level of need and demand identified at that time could not be met within the boundaries. This situation has not changed significantly during the preparation of the Proposed Plan although a greater proportion of the SESplan HST is now met within City of Edinburgh.

Section 7 of the Housing Background Paper (ASD22) sets out the approach for setting market HSTs. This included consideration of environmental and infrastructure capacity and constraints. Paragraph 7.8 referred to full analysis set out in the Spatial Strategy Technical Note (ASD37) and Interim Environmental Report ASD38).

In summary the Interim Environmental Report Appendix D identified that delivery of the full estimate of HNDA need and demand in City Edinburgh (Steady Recovery - Concentrated Growth Scenario – 3,300 dwellings per annum) would result in the negative impacts on the following Environment Objectives:

- Protect and enhance natural heritage assets;
- Protect and enhance the built and historic environment;
- To Protect and enhance the landscape and townscape;
- To use resources sustainably;
- To minimise the impact on the soil quality and to adhere to contaminate land regulations; and
- Minimise flood risk and adverse significant effects on water bodies.

It is reasonable to assume that these impacts would be the same or worse if the full level of need and demand from the Wealth Distribution alternative future for City of Edinburgh was to be met in full in City of Edinburgh (3,908 dwellings per annum – Table 4.2 in Housing Background Paper).

Table 5.2 in the SESplan Audit within the MIR Spatial Strategy Technical Note (ASD37) set out the City of Edinburgh capacity and constraints analysis. Notable constraints recognised were the ability to deliver new schools which is affecting delivery of the current LDP and a highly constrained strategic transport network.

Paragraph 7.11 of the Housing Background Paper notes that the level of market demand identified in Table 7.1 could be delivered in all authorities except City of Edinburgh without unacceptable impacts on environment or infrastructure capacity. Combined with the affordable HST of 1,200 per annum, the subsequent combined

annual average City of Edinburgh net HST of 2,696 could not be delivered within the capacities and constraints of Edinburgh. That combined level of house completions was not achieved even in the high dwelling completions era of 2004 to 2008 and has only been achieved once in the last 26 years (3,096 gross completions in 1998/99) (ASD22). Therefore it is not reasonable to set that as a combined average HST, net of demolitions, over a 12 year period. A 12 year period where the economy and housebuilding industry is still recovering from the credit crunch and recession.

The City of Edinburgh market HST takes account of the consistent increase in completions that will be required over a 12 year period from 2018 to 2030. As set out in table 7.2 of the Housing Background Paper, whilst the CEC 1,220 average market HST is less than the HNDA market demand average of 1,496 per annum, it is 53% higher than what has been delivered on average over the five year period (2010-2015) prior to the production of the Proposed Plan. Whilst market completions were higher in 2015/16, citing the change over a single year is misleading as nearly all completed schemes can be counted in one year even though much of the construction can take place in the previous year. Therefore this analysis of longer term completions is more appropriate.

The Housing Market Area Assessment (ASD39) sets out that SESplan is a single HMA with 13 Sub HMAs. This was accepted in the approval of SDP1 and the 2015 robust and credible HNDA. The SPP 115 (ASD06) requirement is that the market estimate of demand is met across the HMA. There is no requirement for the HST in City of Edinburgh to match the HNDA figure. Therefore the shortfall in the City of Edinburgh market HST of 276 market dwellings per annum against the City of Edinburgh market demand estimate must be met across the other 5 authorities.

Wallace Land Investment and Management (930071), supported by Homes for Scotland (040551), state that the distribution should be 19% or 9.7% from City of Edinburgh to the other authorities. These are the gross and net movement of house buyers from City of Edinburgh to the other SESplan authorities set out in the Housing Market Area Assessment (ASD39) as part of the HNDA. This mathematical approach is not appropriate as it does not consider a range of factors for identifying HSTs, as required by SPP and the HNDA Managers Guide (ASD32). The HMAA figures are based on the purchases of homes and therefore do not take account of those renting privately and new build purchases (and therefore the locations of those new homes) only form a small percentage of the overall sales market, which is dominated by the sales of existing properties. Therefore it is not appropriate to base the scale of location of new housing solely on it. This approach also does not take account of future planning influences and objectives that will change the direction and location where people move to in the future. The Wallace Land Investment and Management (930071) approach also looks to distribute affordable need. This is not appropriate as it cannot be expected for other authorities to meet affordable needs from other authorities when they cannot meet the affordable estimates for their own areas.

The Market HNDA estimate is also not a cap. Market HSTs can exceed the HNDA estimates if there is evidence that a higher level of market housing can be delivered. Combined with the need to meet the overall market demand figure, all

the authorities except City of Edinburgh considered if they could justifiably exceed their market HNDA estimates. The reasons for this are set out in paragraphs 7.17 to 7.20 of the Housing Background Paper. The approach was qualitative and based on upward adjustments to the HSTs rather than calculated mathematical assessments. Therefore the level of information set out in the Housing Background Paper is appropriate.

As a result of upward adjustments to market HSTs compared to market estimates in East Lothian, Fife, Midlothian, Scottish Borders and West Lothian, the overall SESplan market HST exceeds the market HNDA estimate by 571 dwellings per annum (23%).

- **Housing Supply Targets to Match HNDA Estimates Summary**

Several representations state that the targets are not ambitious. SESplan disputes this. The targets are ambitious compared to current and recent levels of delivery, are reasonable and are based on evidence. They are challenging as they will require a sustained increase over recent completion levels to be achieved but they are considered deliverable. The market HSTs are clearly ambitious as they exceed the Wealth Distribution estimate. The Affordable HSTs are ambitious as they require a significant sustained rise over recent and long term rates of affordable completions.

Representations state that the targets do not match Scottish Government aspirations and the statement in NPF3 (ASD40) that “Led by SESplan, we wish to see greater and more concerted effort to deliver a generous supply of housing land in this area.” SESplan disputes this. Firstly, the SESplan HSTs comply with SPP (ASD06) and other government guidance for setting HSTs. As Scottish Government documents, they reflect their aspirations and how they required HSTs to be set. Secondly, the statement in NPF3 relates to generosity not HSTs. Thirdly, the NPF3 was approved in June 2014 and that statement referred to the production of SESplan Housing Land Supplementary Guidance (adopted November 2014) (ASD41) and the subsequent LDP preparation. Representations make reference to the letter from Kevin Stewart to City of Edinburgh Council (RS11) regarding the adoption of the LDP. SESplan considered that this letter is not material evidence in setting SESplan HSTs as it solely relates to the City of Edinburgh LDP. City of Edinburgh Council prepared a response to the letter which looks to clarify many of the points made (ASD42).

Responses make reference to the potential impacts on house prices, rents and the regional economy that will occur if the SESplan HSTs do not equal the HNDA estimates for the Wealth Distribution alternative future. Firstly SESplan does not agree that house prices will rise due to a lack of supply of market properties as the SESplan market HST exceeds market HNDA estimates. With regards to rents and the regional economy it is un-evidenced speculation as to what will happen as impacts on these are dependent on multiple factors. Affordable HSTs are set at levels which are considered challenging but deliverable based on potential funding levels and innovative forms of delivery but these are much higher than recent levels of affordable housing completions. What is clear is that as set out in Table 9.2 of the Housing Background Paper (ASD22), the combined annual average HSTs (5,321) are 35% higher than the combined annual average completions for

the previous five years (3,941) and 9% higher than the last 10 years (4,877). Therefore delivery of these HSTs should see a significant improvement in regional economic performance over recent trends as housebuilding contributes to the economy in a range of ways.

If higher HSTs are set, then they will not be delivered based on market estimates from the HNDA and the likely availability of affordable housing funding. HSTs are required to be deliverable. Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609) representations state that it doesn't matter if targets are not met because there will be a supply of available land if demand increases. This excess of land will not give certainty regarding delivery of the plan and subsequent impact on infrastructure investment and delivery. When setting a significant higher HST than recent completion rates the Reporter in the East Ayrshire LDP finds that "I agree with the council that an overly ambitious target risks creating an over-supply of housing land and the associated problems which that would bring" (Paragraph 7, page 66 of Reporters Findings) (ASD34).

With regards to the HSTs not equalling the HNDA estimate, the Scottish Government have not submitted any representations or proposed modifications.

Ashfield Land (038483), Hargreaves UK Services Ltd (038489), Barratt and David Wilson Homes (799597), Lawfield Estate (930075), WS Crawford (040107), CALA Management Ltd (929806), Hallam Land Management Ltd (039805), Park Lane (Scotland) Ltd (039990), Homes for Scotland (040551), Wallace Land Investment and Management (930071), Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609), New Ingliston Ltd (929755), Scottish Property Federation (037013)

For the reasons set out above, SESplan does not accept the modifications that the HSTs should be increased to match the total HNDA Wealth Distribution Estimate. The HSTs in the Proposed Plan are reasonable, are higher than the estimate of demand in the market sector, are supported by compelling evidence and deliverable across the plan period. By achieving this they are compliant with requirements set out in SPP, NPF3 and the HNDA Managers Guide. **No Modification Proposed**

Homes for Scotland (040551), Wallace Land Investment and Management (930071)

As SESplan does not accept the modifications to increase the HSTs to match the HNDA estimates, it does also not accept the modification to delete the 3 bullet points in paragraph 3.4. These summarise the reasoning behind the HSTs set out in the Proposed Plan. **No Modification Proposed**

Liberton and District Community Council (790396)

SESplan note the requested modification that HSTs should be based on realistic delivery rates. However, no modification is required to the HSTs as they are reasonable and deliverable and therefore realistic for delivery across the plan period. The Affordable HSTs are based on levels of funding that are anticipated to become available and therefore are realistic. The Market HSTs are based on levels of market demand and therefore can be expected to come forward with the land

available. The market and overall HSTs are broadly within past completion rates set out in tables 7.1 and 9.2 of the Housing Background Paper. **No Modification Proposed**

Hallam Land Management Ltd (037571)

Do not accept modification that the Proposed Plan should roll forward the West Lothian Housing Requirement from the Housing Land Supplementary Guidance as the HST for the period 2018-2030. It would not be taking account of up to date factors to simply roll forward housing land requirements from SDP1 or purely base them on the level of supply. This would not comply with SPP or any related guidance. Sought modification conflicts with the separate Hallam Land Management Ltd (039805) representation that proposed that the HSTs should equal the HNDA estimates. The West Lothian HNDA estimate is significantly different than the SDP1 requirement. **No Modification Proposed**

Kelso Community Council (039365)

The Proposed Plan is seeking to increase the delivery rates of both affordable and market housing. The market HST is set above the level of estimated demand based on a consideration of other factors. **No Modification Proposed**

'All Tenure' Housing Supply Target

CALA Management Ltd (929806), Homes for Scotland (040551), Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609), Wallace Land Investment and Management (930071)

Do not accept modification that the HST should be on an 'all tenure' basis.

The Proposed Plan accords with SPP paragraph 115 (ASD06) by having a HST separated into affordable and market housing. The purpose of this is to ensure that both market and affordable housing are clearly identified and that delivery of both can be monitored and not blurred into an 'all tenure' completions level. Separate targets are identified within the Proposed SDP because **demand** for market housing and **need** for affordable housing are not the same thing. Focusing on an all tenure target would dilute the focus on the need to deliver affordable or market housing over the plan period. It is considered unlikely that significant affordable housing need will be met by market housing as this would most likely be taken up by the demand for market housing. Conversely, demand for owner occupier market properties would not be met by the provision of social rent properties.

Representations from Wallace Land Investment and Management (930071) and Homes for Scotland (040551) highlight quotes from the Reporters Findings into the Glasgow Clyde Valley SDP in 2012 (ASD67) as reasoning as to why the HSTs must be on an 'all tenure basis'. Here the SDP was required to identify all tenure housing requirements. However, these arguments do not apply to the current preparation of SDP2 as the examination and subsequent modifications were made under the now superseded 2010 SPP. This did not require the housing supply target to be separated between tenures in the deliberate and specific way which is now set out in 2014 SPP paragraph 115. Subsequently the Reporter's findings into the most recent Clydeplan (formerly Glasgow and Clyde Valley) SDP in 2017 have been published (ASD67). Here the Reporter finds the importance of setting an all

tenure HST as this would contribute to meeting overall housing need and demand. SESplan do not consider this approach to be the intention of paragraph 115 of SPP 2014 and further consider that this approach may not be appropriate to address the SESplan region's significant affordable housing needs. As indicated above, SESplan consider that the separation of the HST by tenure is important to accurately reflect these significant affordable housing needs and the resources available to deliver them. SESplan's HST in relation to market housing are already increased above the HNDA levels in order to increase the amount of affordable housing which will be delivered alongside. An all tenure HST without separation into market and affordable would not consistently ensure the delivery and subsequent monitoring of the region's challenging affordable housing needs. The HLRs in Table 5.2 are a combined figures. This is because this is about the level of land to be identified whilst the targets are about which tenures are delivered.

The Proposed Plan accords with SPP paragraph 115 by having an HST separated into affordable and market housing. HLRs are tenure blind. **No Modification Proposed**

Generosity

SPP paragraph 116 requires that the number of new homes required to meet the HST should be increased by a margin of 10% to 20% to calculate the HLR. This creates a generous supply of land and will provide flexibility for the HSTs to still be met if programmed sites are not developed as anticipated. Reasoning for which margin is used has to be set out in the SDP.

Edinburgh Association of Community Councils (040476), Cockburn Association (037249), Grange and Prestonfield Community Council (790304), Juniper Green Community Council (028859), Moorfoot Community Council (906008), South West Communities Forum (805601)

As set out above the generosity margin has to be from 10% to 20%. Therefore reducing the margin used to 2% or 0% and removing all references to generosity would not be in compliance with SPP. **No Modification Proposed**

Barratt and David Wilson Homes (799597), CALA Management Ltd (929806), Gladman Scotland (783418), H&H Group Plc (927998), Hallam Land Management Ltd (039805), Homes for Scotland (040551), Lawfield Estate (930075), Mactaggart and Mickel Homes (038949), Murray Estates (930087), Persimmon Homes (040349), Shawfair LLP (039940), Shepherd Offshore (Scotland) Ltd (038954), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609), Wallace Land Investment and Management (930071), Wemyss and March Estate/Socially Conscious Capital (037270), WS Crawford (040107)

Do not accept modifications that current generosity margin is unjustified and that it should be increased to 20%.

Various representations confuse the purpose of the generosity margin. Wallace Land Investment and Management (930071) and Scottish Property Federation (037013) state that the 10% generosity allowance does not meet growth ambitions. The HSTs in the Proposed Plan reflect the growth ambitions to increase housing delivery over the 12 year period. Lawfield Estate (930075) state that to reflect

historic failures to meet strategic housing requirements (SDP1 and previous Structure Plan), the generosity allowance should be increased to 20%. This is incorrect as the housing requirements for SDP1 were not met because of steep fall in house completions post-recession, lower levels of market housing demand and change in mortgage and development finance. Shepherd Offshore (Scotland) Ltd (038954) state that a higher margin should be used as need estimates from the HNDA are not being met in the HSTs. Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), and Taylor Wimpey and Barratt Homes (040609) responses state that the generosity margin is based on the assumption that a higher generosity margin will entail more housing being delivered than identified in the HSTs, and that this will have a harmful impact. HLRs and generosity margins are not about ambition or to ensure that additional houses over and above the target are built. A generous supply is to allow the HSTs to be met if sites are not built out as planned. It is not to increase the chances of delivering greater levels of housing.

Some representations refer to the statement in NPF3 (page 13) (ASD40) as justification that SESplan should use a 20% majority margin "Led by SESplan, we wish to see greater and more concerted effort to deliver a generous supply of housing land in this area." This statement was included following the housing modifications to SDP1 and the requirement for subsequent Housing Land Supplementary Guidance (ASD41). It instructed SESplan that through the latter document, LDPs should be required to provide a generous level of housing land. NPF3 was formally published in June 2014, whereas the Housing Land Supplementary Guidance was formally adopted in November 2014. A generous supply of housing land has been identified through the adoption of the City of Edinburgh, Fife and Scottish Borders LDPs and ongoing preparation and examination of the East Lothian, Midlothian and West Lothian LDPs.

The HLRs in the Proposed Plan are generous as they are a 10% margin higher than the HSTs. Therefore it is generous as per definition in SPP paragraph 116 (ASD06) of a generous requirement is one which is 10% to 20% above the HST.

Paragraph 5.3 of the Proposed Plan sets out that a 10% margin was used because a higher margin could lead to an over-supply of land compared to demand with the subsequent effects on the viability of allocated sites. Further explanation behind the use of the 10% margin is set out in paragraphs 10.4 to 10.6 section 10 of the Housing Background Paper (ASD22). Increasing the generosity margin to 20% will not deliver more affordable housing as delivery of affordable homes is primarily related to the funding that is available rather than increased level of sites above the HST.

The market HSTs have inbuilt generosity as they exceed the estimates for the Wealth Distribution alternative future, conditions for which are not expected to occur in full over the 12 years from 2018 to 2030. The actual level of market demand over the plan period may be less than the market HSTs. Therefore the HSTs are already generous by providing a greater level of land than likely demand and adding a further margin of generosity above 10% would lead to an over-supply of housing land and subsequent delivery related issues.

The position that viability of land would be affected by a higher generosity margin is challenged by representations. Allocated sites in the development plan would be less certain to be developed if further sites are required to be identified above the level of demand. This lack of certainty then affects communities and infrastructure investment, an issue that was highlighted throughout the Planning Review Panel Statement (ASD68). Supplies of land that significantly exceed demand do not provide infrastructure providers and authorities the certainty to plan for development to come forward across the plan period. It creates difficulty in committing resources and funding streams towards supporting development and infrastructure to see the strategy delivered. That an over-supply of land can have harmful impacts is reflected in the East Ayrshire LDP Reporters Findings “I agree with the council that an overly ambitious target risks creating an over-supply of housing land and the associated problems which that would bring.” (Paragraph 7, Page 66) (ASD34). It is considered that a 20% generosity margin applied to ambitious targets compared to recent and long term delivery would create an over-supply of housing land.

Wallace Land Investment and Management (930071) state that a 20% generosity margin should be used, reflecting the constraints in delivering completions from the established land supply. Whilst there is constrained land within current established land supplies, as set out earlier, they are delivering the level of market demand identified in the HNDA estimates (set out in Table 1 previously). What is holding back further housing completions is the level of funding to deliver needed affordable housing.

Murray Estates (930087), Persimmon Homes (040349), Stewart Milne Homes (930082), Taylor Wimpey and Barratt Homes (040609) representations state that the SESplan member authorities’ optimism regarding the delivery of the established housing land supply is very high, and this needs to be reflected by the application of the highest level of generosity i.e. 20%. This is not logical. If SESplan Councils have a high confidence in their housing land supplies being built out, then it would not need a higher generosity margin to ensure HSTs are met.

With regards to the generosity margin, the Scottish Government have not submitted any representations or proposed modifications.

For the reasons set out in the preceding paragraphs, in paragraph 5.3 of the Proposed Plan and section 10 of the Housing Background Paper, SESplan considers that the 10% generosity margin is robustly justified. **No Modification Proposed**

Rural Renaissance (039402)

The 30% generosity margin proposed modification does not comply with SPP paragraph 116. Also it would further exacerbate the problems regarding certainty and over-supplies of land set out above. **No Modification Proposed**

Ashfield Land (038483), Hargreaves UK Services Ltd (038489)

SPP 118 is clear that Housing land Requirement is required to be set for the SDP area, each local authority and each functional HMA. Therefore it is not appropriate that flexibility is applied whereby one local authority area’s HLR can be met in

another. They have been set at levels factoring in deliverability in each local authority area and therefore flexibility is not required. SESplan local authorities will continue to work in partnership over a number of issues. **No Modification Proposed**

Concentrated in SE Scotland

Cockburn Association (037249), Juniper Green Community Council (028859)

The spread of growth across Scotland is a matter for the NPF. NPF3 (ASD40) makes clear that south east Scotland, as home to Scotland's capital and second largest city, is a major location for growth. Similarly the robust and credible HNDA (ASD23), concludes that there is housing need and demand projected for this part of Scotland. SESplan's role is to plan for the future of this area. SESplan does not have the role, remit or responsibility to plan for other areas of Scotland. **No Modification Proposed**

City of Edinburgh Housing

Cockburn Association (037249)

Does not accept the modification that the City of Edinburgh HSTs should be reduced based on community views and community plans. The City of Edinburgh HSTs has been informed by the MIR process, including a 10 week consultation period. Previous SESplan responses in this schedule set out how it complies with SPP (ASD06) and the HNDA Managers Guide (ASD32). The Cockburn Association (037249) survey presented is not robust and cannot be used to make long term land use planning decisions.

Does not accept the modification that 75% of the revised City of Edinburgh HST should be met on brownfield land. The plan has a brownfield first placemaking principle and paragraph 5.9 specifically refers to brownfield land in Edinburgh to be given sequential priority before any greenfield sites in Edinburgh are required to meet the Housing Land Requirement or shortfall. The exact proportion of housing land supply in Edinburgh on brownfield land is a matter for the City of Edinburgh LDP. **No Modification Proposed.**

H&H Group Plc (927998)

The approach promoted that the City of Edinburgh HST should be increased by 10,777 does not comply with the requirements for setting HTSs in SPP and the HNDA Managers Guide and transcribed into the process set out in the Housing Background Paper and in this S4. The shortfall figure presented in the representation is also incorrect. The City of Edinburgh LDP Reporters Findings (ASD03) set out that the shortfall was to 2019 and not a shortfall in land supply and not even a shortfall in delivery over the entire plan period (to 2026). The reporter's replacement for figure 7 (page 151 of report of examination) showed a minimal shortfall (408 units) in anticipated delivery over the plan period and with the additional sites recommended (which have been included in the adopted local plan), no shortfall is anticipated. The shortfall was in delivery by the development industry only. There is not shortfall in land supply.

East Lothian Housing

Prestonpans Community Council (039835)

HSTs in East Lothian reflect the approach required by SPP (ASD06) and the

HNDA Managers Guide (ASD32) and transcribed into the process set out in the Housing Background Paper and in this S4. The affordable HST maximises the potential funding to deliver affordable housing but cannot match the affordable need estimate in the HNDA for the Wealth Distribution alternative future. The market HST exceeds the demand estimate from the Wealth Distribution HNDA alternative future based on helping to meet some of the affordable need that cannot be met and based on what reasonable market delivery rates might be expected. This help meets some of the market demand that cannot be met in City of Edinburgh. The overall HST is higher than recent post-recession delivery levels but with the expected recovery, is reasonable over a 12 year period. **No**

Modification Proposed

Midlothian Housing

Damhead and District Community Council (039328)

The specific location of currently proposed housing in Midlothian is a matter for the Midlothian LDP and its ongoing examination. Paragraph 5.8 of the Proposed Plan sets out that there is already sufficient housing land supply in the Midlothian LDP to meet the Midlothian HLR for the next Midlothian LDP. However, this will depend on the land supply at the time of LDP preparation. **No Modification Proposed**

Roslin and Bilston Community Council (790524)

HSTs in Midlothian reflect the approach required by SPP (ASD06) and the HNDA Managers Guide (ASD32) and transcribed into the process set out in the Housing Background Paper (ASD22) and in this Schedule 4. The affordable HST maximises the potential funding to deliver affordable housing but cannot match the affordable need estimate in the HNDA for the Wealth Distribution alternative future. The market HST exceeds the demand estimate from the Wealth Distribution HNDA scenario based on helping to meet some of the affordable need that cannot be met and based on what reasonable market delivery rates might be expected. This helps meet some of the market demand that cannot be met in City of Edinburgh. The overall HST is in line with recent delivery levels in Midlothian, which are higher than pre-recession averages (Housing Background Paper Table 9.2). Paragraph 5.8 of the Proposed Plan sets out that there is already sufficient housing land supply in the Midlothian LDP to meet the Midlothian HLR for the next LDP. However, this will depend on the land supply at the time of LDP preparation. **No Modification Proposed**

Scottish Borders Housing

Peebles Community Trust (810911)

Meeting the full level of affordable need in the Scottish Borders would not be reasonable or deliverable. The affordable HST is ambitious and higher than recent levels of affordable housing delivery in the Scottish Borders. However, it does not match the level of need estimate from the Wealth Distribution alternative future. This cannot be met due to current and forecast levels of financial resources to deliver affordable housing. **No Modification Proposed**

Housing Types

Mr Keith Bedborough (856480)

House types and household sizes are not the same thing. The HNDA does not provide information of the former and it is not the role of the SDPs to set this out.

Matters relating to house types are more appropriate at an LDP or proposal level of detail. **No Modification Proposed**

Cockburn Association (037249), Mr Russell Salton (039632), Mr Julian Siann (024823)

Matters relating to house types are more appropriate at an LDP or development management level. Local Housing Strategies will include details on housing for the elderly. Local authorities do not seek a monoculture of house types to be delivered and paragraph 44 of SPP (ASD06) requires development to be adaptable.

Regarding the re-use of office blocks, this is a more appropriate matter for LDPs and urban capacity studies. The HNDA indicates that there will be an increase in all household sizes not just single person. **No Modification Proposed.**

Other 2018-2030 HST Related Modifications

Gullane Area Community Council (037068)

The purpose of the spatial strategy is to locate a greater proportion of development in Edinburgh to minimise levels of commuting in from remoter parts of the region.

No Modification Proposed

Musselburgh Conservation Society (927996)

Do not accept modification to modify HLRs in table 5.2. Representation mistakes HLRs as additional housing land above that set out in SDP1, the Housing Land Supplementary Guidance and emerging LDPs. This is not the case as HLRs are the total amount of housing to be made over the plan period 2018-2030, not additional land supply from previous plans. HLRs for City of Edinburgh, East Lothian, Fife and West Lothian have been set so that need and demand is located as close to possible as to where it arises and not distributed elsewhere across the region to comply with spatial strategy objectives of locating housing nearer jobs, reducing need to travel and subsequent minimising of impacts on CO₂ emissions, climate change and congested transport infrastructure. **No Modification Proposed**

Aithrie Estates (032643)

Does not accept the modification to change the title of section 5 to Consolidating Housing Delivery. The section is called Increasing Housing Delivery because an increase above the current levels of house completions will be required to meet the HSTs set out in the plan. HSTs are based on meeting demand, not on how much housing land is available. **No Modification Proposed**

Housing 2030-2038 Period

Paragraphs 9.7 to 9.10 in the Housing Background Paper (ASD22) set out the approach to setting indicative scale of housing required over the 12 to 20 period. For the Proposed Plan that will be the 8 years from 2030 to 2038. This approach follow the requirements of SPP paragraph 118 which states "Beyond year 12 and up to year 20, the strategic development plan should provide an indication of the possible scale and location of housing land, including by local development plan area."

Homes for Scotland (040551), Wallace Land Investment and Management (930071)

The analysis by Wallace Land Investment and Management (930071) and

supported by Homes for Scotland (040551) is not credible in this time period. To use pre-2013 owner occupier housing movement patterns for a housing period that starts 17 years later would continue past trends and would not be tailored to the relevant factors in that specific time period. The factors that apply in the first 12 years of the plan would be the most appropriate assessment of factors at this time. The HSTs that will be approved for this period will not be set until the next SDP. The HSTs will be reviewed twice before the 2030-2038 period begins. **No Modification Proposed**

Barratt and David Wilson Homes (799597), Lawfield Estate (930075), WS Crawford (040107),

Using the exact HNDA estimates would not factor in that there is likely to be some relocation of need and demand as SESplan is a single housing market areas. **No Modification Proposed**

Barratt and David Wilson Homes (799597), Lawfield Estate (930075), WS Crawford (040107), Homes for Scotland (040551), Wallace Land Investment and Management (930071)

Generosity margins only apply in setting HLRs. SPP paragraph 118 is clear that HLRs are not required beyond year 12 of plan approval. Generosity margins and HLRs for the first five years of this period will be set out when this SDP is reviewed. **No Modification Proposed**

Mrs Mirabelle Maslin (928549)

Do not accept change as the HNDA is the best indication of the need for delivery in this period and it indicates that the total level of additional housing set out in table 5.3 is required. The HSTs will be reviewed twice before the 2030-2038 periods begins. **No Modification Proposed**

Musselburgh Conservation Society (927996)

Paragraphs 3.3 and 3.4 set out the approach to growth beyond 2030s. They provide an indication of the possible location of housing land to accompany the scale set out in Table 5.3. Assessments of the Housing Supply Targets and location of additional development will be undertaken during the preparation of next SDP. It would not be appropriate at this stage to indicate that half of the need and demand estimated for East Lothian and City of Edinburgh should be met outside these areas. **No Modification Proposed.**

Mr Charles Strang (907037)

It is not possible at this stage to have undertaken land capacity assessments for the 2030-2038 period as housing land capacities vary significantly over short periods of time. It is not possible to set out whether agriculture land will be required or indicative levels of brownfield and greenfield sites. **No Modification Proposed.**

Homes for Scotland (040551), Crawford and Douglas Ritchie (040552), Wallace Land Investment and Management (930071)

Paragraphs 3.3 and 3.4 set out the approach to growth beyond 2030s. They provide an indication of the possible location of housing land to accompany the scale set out in Table 5.3. The statutory review period for SDPs requires submission of a proposed plan within 4 years of the current plan's approval date.

This presents several opportunities in the run up to 2030 to monitor progress and establish the principles necessary to clarify how Long Term Growth Corridors will be delivered. This will include which, if any of these corridors carries comparatively higher or lower priority. **No Modification Proposed**

Support was received from four organisations for Table 5.3 and paragraph 5.13.

Promotion of Sites

Ashfield Land (038483), Hargreaves UK Services Ltd (038489), Hallam Land Management Ltd (039805), Park Lane (Scotland) Ltd (039990)

The exact makeup of sites to meet HLRs is a matter for LDPs dependant on estimates of land supply during LDP production and site assessment undertaken at that time. Therefore it is not appropriate for the SDP to set out which sites should be identified in future LDPs. **No Modification Proposed**

Reporter's conclusions:

[Note: For DPEA use only.]

Reporter's recommendations:

[Note: For DPEA use only.]