LOCH LOMOND & THE TROSSACHS NATIONAL PARK

LIVE PARK

PLANNING FOR THE FUTURE OF OUR NATIONAL PARK

Population and Housing Background Paper

(Following adoption of LDP in Dec 2016)

May 2017

Local Development Plan

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Introduction

1. This paper should be read in conjunction with the Local Development Plan (Plan) and provides more detailed background information and statistics on population and housing. It updates previous versions which accompanied the proposed Local Development Plan and Main Issues Report (MIR).

2. It looks at how the Park's population is expected to change and the impact this may have on the future number and type of households within the Park. It summarises housing need and demand, as well as the current, and suggested future land supply. It also explains the rationale for the new housing requirement and land supply in the Proposed Plan.

3. The examination of the outstanding representations received to the Proposed Local Development Plan took place during 2016. The housing element of the examination focused on housing land supply, the role of the Housing Need and Demand Assessments in informing the housing land supply target, the Scottish Planning Policy requirement to meet a generous housing land supply of 10-20% in addition to the target over the Plan period, and clarity on how the 75 houses per year target came into being.

4. The full details of the examination including 'Issue 19 Housing Land Supply' and the National Parks and Reporter's responses can be found on our website.

5. In submitting for examination, our submission included updates to Appendices 1+2 and an additional Appendix 3, to summarise how housing land supply was separated between the 4 different Council areas. During the examinations, the Reporter asked for additional information to clarify points relating to the Housing Land Supply. This response can be read within Appendix 4 and includes consultation responses provided by Scottish Government, West Dunbartonshire Council, Stirling Council and Argyle and Bute Council during the Main Issues Report stage. As a result of the Reporters recommendation to include a site for 6 homes at Park Avenue, Gartmore, the Appendices have been amended to reflect 6 additional houses within the housing land supply.

Policy Framework

6. Scottish Planning Policy (SPP) requires that the Local Development Plan (LDP) identifies a generous supply of land for housing and an appropriate tenure mix, maintaining at least a 5 year supply of effective housing land at all times. It should enable provision of a range of attractive, well designed, energy efficient, good quality housing in accessible locations and have a sharp focus on the delivery of allocated sites embedded in action programmes.

Local Housing Strategies

7. Local Authorities have statutory responsibility to prepare a local housing strategy (LHS), supported and informed by an assessment of housing need and demand (HNDA). These in turn are used to inform housing land requirements in local development plans. The National Park is covered by four separate LHS's and HNDA's. Paragraphs 23-31 and Appendix 1 summarise these. Whilst desirable to have one separate LHS and HNDA for the National Park, we are not a housing authority and the park is not a functional Housing Market Area (HMA) - i.e. a relatively self-contained geographic area in which most households would look to address their housing needs - upon which a HNDA requires to be undertaken.

National Park Partnership Plan

8. The local development plan is a major tool for enabling the delivery of the vision and outcomes identified in the National Park Partnership Plan (NPPP) and ultimately the National Park aims. The NPPP identifies the following challenges:-

- Projected ageing and declining population without migration of younger people and families. There is a need to provide a wider range of housing, training and high quality employment.
- Declining public funding sources and challenging external economic climate mean that there are potential difficulties in realising affordable housing objectives over the next few years.

9. NPPP Policy RD1: Sustaining our Population highlights that projected population change in the form of a declining and ageing population will have a significant impact on the Park. Priority will be given to (a) responding to population decline in working age groups by increasing access to affordable housing, services, training and employment opportunities, and (b) supporting ageing population needs, including transport, housing, social and healthcare services.

Population and Household Projections (2012 based)

10. National Records of Scotland (NRS) population and household projections[1] indicate how the population is anticipated to change in the future and estimate the likely number, type and size of households that are likely to form. This information is used to help identify the amount of housing needed in the Park and to inform the Proposed Plan. The most recent projections are 2012 based and were published on the 21st August 2014.

Population projections

11. The NRS estimated population of the National Park in 2012 is 14,090. The Park Authority calculates the population of the Park to be 15,168 (based on the 2011 census information). There is a variance between these figures as different techniques and methodologies have been used.

12. Table 1 shows a summary of the percentage changes in population over the projection period 2012-2037 for the National Park, Scotland and the local authorities that cover the National Park.

Table 1: Projected Population Change

Area	Percentage change (2012 – 2037)
LLTNP	-10%
Scotland	+9%
Stirling	+16%
Argyll & Bute	-13%
West Dunbartonshire	-8%
Perth & Kinross	+24%

13. The key points over the projection period are:-

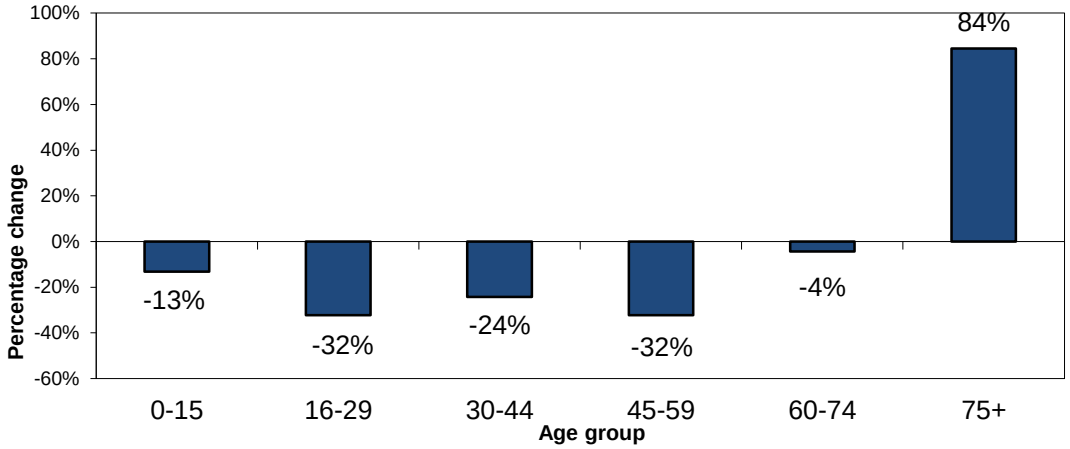
- The population of the National Park is projected to fall from 14,090 in 2012 to 12,620 in 2037 (a decrease of 10%).
- The number of children under the age of 16 is projected to decrease by 13% from 2,070 in 2012 to 1,800 in 2037.
- The number of people of working age[2] is projected to decrease by 21% from 8,250 in 2012 to 6,540 in 2037.
- The population of pensionable age[3] is expected to increase by 14% from 3,760 in 2012 to 4,280 in 2037, mainly due to the aging of the current base population.

[1] Population and household projections have limitations. A projection is a calculation showing what might happen if particular assumptions are made. The projections are trend based and do not for example take future policy into account. The National Park's population is relatively small and it should be noted that projections for such small populations are less reliable, especially in the distant future, than those for larger communities. Therefore care must be taken in their interpretation.

[2] Working age is 16-59 for women and 16-64 for men until 2010. Between 2010 and 2020 working age becomes 16-64 for women. Between 2024 and 2026 working age for both men and women becomes 16-65 and changes again to 16-67 by 2046.

14. Within the National Park there is projected to be more deaths than births across the 25 year projection period, but migration is projected to have no effect on the population of the area as net zero migration is projected across the period. Figure 1 shows that all age groups except 75 and over are projected to decrease by 2037.

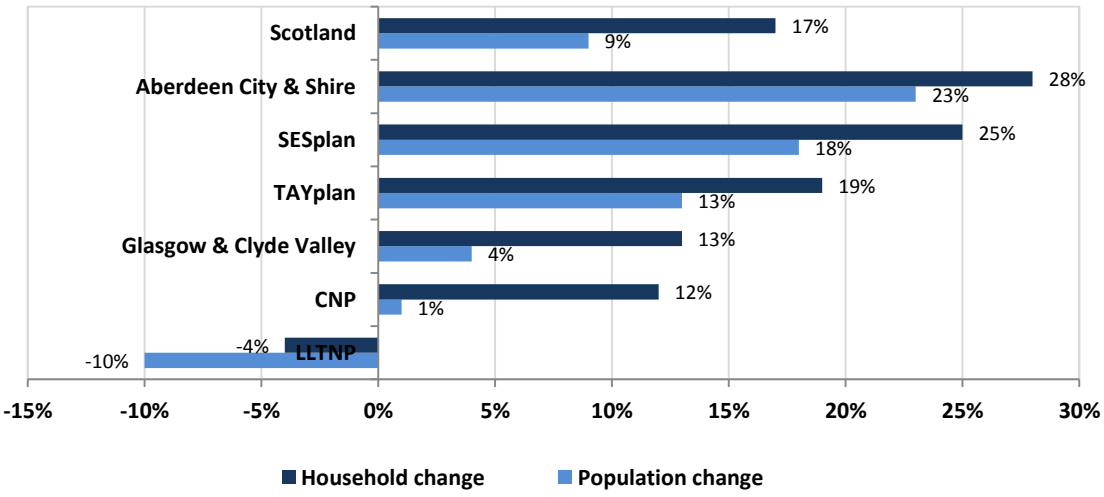
Figure 1: Projected percentage change in population by age group, 2012-2037
Source: NRS Population projections for Scotland's Strategic Development Plan Areas and National Parks (2012 based)



Household Projections

15. The number of households in Scotland is projected to increase by 17% between 2012 and 2037 to 2.78 million. The number of households in the National Park is projected to decrease by 4% between 2012 and 2037. Figure 2 shows a summary of projected population and household change in Scotland, the National Parks and strategic development plan areas.

Figure 2 Summary of projected population and household change in each area between 2012 and 2037
Source: NRS Household projections for Scotland's Strategic Development Plan Areas and National Parks (2012 based)



[3] *Pensionable age is 65 for men and 60 for women until 2010. Between 2010 and 2020 the pensionable age for women increases to 65. Between 2024 and 2026 the pensionable age for both men and women increases to 66 and changes again to 68 by 2046.*

16. The NRS projections are affected by the projected population trends and are also due to more people living alone or in smaller households. Within the National Park the average household size in 2012 is 2.16 people and is projected to decrease to 2.01 people in 2037.

17. The decreasing average household size is reflected in the changes in the number of households in each household type. There are large projected increases in the number of adults living alone, a 19% increase. One adult with one+ child households are projected to increase by 3%. There are projected decreases in the number of households containing two adults, two or more adults with children, or three or more adults.

18. An important driver of decreasing household size is the ageing population, as children tend to live in larger households and older people in smaller ones. The ageing population is reflected in the ages of heads of household between 2012 and 2037. Within the National Park an increase of 51% is projected in households headed by someone aged 65 or over. By 2037 half of the households in the National Park are projected to be headed by someone over 65.

19. The National Park Authority calculates there to be around 7470 household spaces within the Park, 88% of these are occupied houses with residents and the remaining 12% are unoccupied – either vacant dwellings or 2nd homes or holiday homes.

2011 Census

20. Analysis of the 2011 census statistics for the National Park, and trends between the 2001 and 2011 census estimates are contained within a separate report called Review of 2011 Census: http://www.ourlivepark.com/download/2011-census-review-3/

Key issues for the local development plan to consider

21. Population and household projections are recognised as a useful starting point to inform future housing and requirements in the local development plan. These need to be interpreted carefully and considered alongside other factors and trends, including housing need and demand as well as supply.

22. The predicted population decline, an increasingly elderly population and a decrease in population of working age will not enable the achievement of the Park plan's vision and the Park's fourth statutory aim to support sustainable social and economic development of our communities. To achieve these outcomes the local development plan needs to provide a pro-active policy basis that either promotes a stable population or population growth.

23. The reason for the projected decrease in population is due to their being more deaths than births and predicted equal levels of in and out migration. To address this trend, the Proposed Plan aims to enable more in migration and try to stem out migration, particularly in the younger age groups, through providing a supportive policy basis for more homes, jobs, services and facilities.

Establishing housing need and demand within the National Park

Background

24. Scottish Government guidance on Local Housing Strategies (LHSs) requires the LHS to set housing supply targets, informed by Housing Need and Demand Assessments (HNDAs) for the Local Development Plan to help it to identify the housing land requirement.

25. The NPA is not a housing authority and works in partnership with the four local authorities that cover the Park: - Stirling, Argyll and Bute (A&B), West Dunbartonshire (WDC) and Perth & Kinross (P&K) (listed in order of largest LA area within the NP). The information held by the housing authorities formed the housing evidence base for the Main Issues Report (MIR). This is supplemented to a small degree by work undertaken by the NPA in monitoring housing trends, decisions and completions on an annual basis.

Alignment of the Proposed Plan and Housing Need and Demand Assessments

26. The Housing Need and Demand Assessments (HNDAs) prepared by the four local authorities that cover the National Park are summarised in Table 2 below. Appendix 1 also shows how these relate to the new housing land supply.

Table 2: Local Authority HNDA's

HNDA	Summary
Stirling Signed off: July 2011 Provides outputs for whole Local Authority area and for National Park sub level area of Stirling Council.	Stirling Council re-assessed and updated HNDA evidence base August 2014 and December 2014.
Argyll and Bute (A&B) Signed off: April 2011 Provides outputs for whole Local Authority and for smaller market areas which cover the NP (Cowal and Helensburgh & Lomond)	Argyll and Bute are considering an update to this during 2014/2015.
West Dunbartonshire (WDC) Signed off: June 2011 Forms part of the Glasgow and Clyde Valley Strategic Development Plan (GCVSDP) area. HNDA is undertaken to fit to the GCVSDP boundary and excludes the National Park area of WDC.	The HNDA excludes the area of West Dunbartonshire that is located within the National Park. WDC has no plans to do anything standalone for the National Park.
Perth and Kinross (P&K) Signed off: 2009 Forms part of the TAYplan area.	HNDA covers a small part of the National Park - the village of St Fillans which is part of the wider Strathearn HMA. Perth & Kinross are part of TAYplan area which has been trialling the new HNDA toolkit. Results from this are awaited before it is decided whether to do a new HNDA or update parts of the existing HNDA.

Assessment of robustness of HNDA's for the Proposed Plan preparation

27. Scottish Planning Policy (SPP) requires that the Local Development Plan, HNDA and Local Housing Strategy processes to closely align. The HNDA should be completed in good time to inform the Proposed Plan, along with local authorities' views on housing supply targets and should provide results at housing market area and local authority level.

28. In the National Park's case there is clearly a time lag of a few years between the HNDA's being prepared and signed off and the preparation of the Proposed Plan. The robustness of the HNDA's for Stirling, Argyll and Bute and West Dunbartonshire Council was discussed at a meeting between the housing authorities and the National Park in August 2013.

29. The conclusions drawn were that as the National Park falls mostly within the Stirling and Argyll and Bute local authority areas it is these HNDAs that are of most relevance. Both these authorities have robust and credible HNDA's that were signed off in 2011. At the time of preparing the Proposed Plan, neither authority had agreed or confirmed dates for when their HNDA was to be reviewed/ or refreshed although this is likely to be 2015. The timescales for this were beyond the timescales for preparing the Proposed Plan and each authority was yet to decide on the approach they intended to take with regards to updating/reviewing their HNDA. A summary of the key findings of these HNDAs for the National Park is provided in paragraphs 61 to 102 below.

30. It would be unreasonable to delay the Proposed Plan preparation on HNDA updating, given that it is not known when this may occur and that there is not considered to have been a significant change in circumstances since when these were signed off. West Dunbartonshire HNDA does not cover the NP part of the Council area, leaving a gap. Perth and Kinross covers a very small area of the Park comprising the village of St Fillans and its surrounding landward area. This forms part of the Strathearn Housing Market Area.

31. The robustness of the evidence base derived from the HNDAs is assessed as:-
    - Sound HNDA guidance for the Stirling Council and Argyll & Bute Council areas of the National Park.
    - No HNDA guidance for West Dunbartonshire Council area of the National Park leaving a gap for this small area which comprises a small part of Balloch (which is within the wider Vale of Leven HMA) and the rural village of Gartocharn.
    - HNDA guidance for the wider Strathearn area, which takes in a small part of the National Park (St Fillans) within the Perth and Kinross area. Perth & Kinross advise that the Council does not hold a great deal of information specifically for St Fillans. The last HNDA, as well as a report used when applying for Pressured Area Designation, include information on the wider Strathearn Housing Market Area and this has been used to inform the Proposed Plan.

32. At a meeting during August 2013 it was decided to proceed with our MIR preparation on the basis of using the current HNDAs as these have been signed off as robust and credible, however given the time lag between these and the preparation of the MIR and the Proposed Plan, as well as some gaps in coverage, there was a need to update and/or supplement these with additional information.

33. The new HNDA tool prepared by the Centre for Housing Market Analysis (CHMA), the most recent population and household projections for the National Park, 2011 census statistics, analysis of secondary data, local housing needs survey information and an

up to date picture of the housing market have been used for this purpose and is described more fully below. At a meeting of officers' between the National Park Authority, Stirling, Argyll & Bute, West Dunbartonshire Councils and the Centre for Housing Market Analysis (CHMA) in August 2013 this approach was considered appropriate in the National Park circumstances.

HNDA Tool

34. The Centre for Housing Market Analysis (CHMA) has refreshed the tool for calculating housing need and demand and this can be run for the National Park area (to best fit datazones for Stirling, Argyll and Bute and West Dunbartonshire Council, excludes Perth and Kinross). This is a modified version of the local authority model and focuses on population and households projections and local economic considerations such as the labour force survey. The projections used in the tool are local authority, not National Park, based. Two sessions have been held. The first between the National Park Authority and three local authorities' (excluding Perth & Kinross) and the second between the National Park Authority, three local authorities (excluding Perth & Kinross) and the CHMA.

35. Two of the three sub areas for the National Park that are used in the HNDA tool have very small populations. As the tool is designed to be accurate to a population of 50 people, and used for larger areas, and populations than the National Park caution needs to be exercised. The tool is therefore considered most robust for looking at need and demand in the Stirling area of the National Park.

36. For the Stirling area of the National Park, the tool has been used for triangulation purposes against the existing Stirling Council HNDA. For Argyll & Bute area of the Park we have proceeded on the basis of current HNDA figures and a review of more recent secondary data listed below.

Secondary data analysis

37. Stirling and Argyll and Bute have undertaken analysis of waiting lists, lets and pressure ratios for the National Park (during August and September 2013). Stirling Council has produced a report 'Reviewing Stirling's Pressured Area Designation: An analysis of the evidence': September 2013 which provides an up to date snapshot of waiting lists, lets and pressure ratios.

38. West Dunbartonshire Council are not able to provide waiting list, lets and pressure ratio analysis for their area of the Park in the same way as Argyll and Bute and Stirling Council have due to differences in the way that information is held. The main issue is double counting and it is not possible to analyse the data in a meaningful way.

39. Perth and Kinross has provided a summary of the housing need figures compiled in March 2013 for the TAYplan HNDA. These are helpful in regards to the wider Strathearn HMA for which around 42 new housing units are needed per annum. Research into mid-market rent is currently underway and the outputs of this will be reviewed and used where relevant.

Local Needs Survey Information

40. Given the gap in HNDA coverage for the West Dunbartonshire Council area of the National Park and a perceived housing need in the Gartocharn area, a local housing needs study was undertaken during 2012 by the Rural Housing Enabler working within the National Park. This study was an independent piece of work overseen by an

advisory group comprising the National Park Authority, Rural Housing Service, the four Local Authorities, Rural Stirling, Dunbritton, Argyll Community and Fyne Homes Housing Associations. It identified a need for around 9 units within Gartocharn.

41. Previous analysis of sasines data (house moves) found that Gartocharn, although part of West Dunbartonshire, was more closely linked and formed part of a sub housing market area including Drymen, Croftamie and other Stirlingshire villages. More recent analysis (discussed below in paragraph 42) confirms this is still the case.

Private Sector engagement

42. The National Park Authority is represented on the Strategic Housing Forums of Stirling and Argyll and Bute Councils and engages directly with housing partnership members through these forums. In order to allow for a focussed session on the National Park area a stakeholder meeting was held with representatives for the private sector in June 2013. This was attended by planning agents, architects, landowners, house builders and Homes for Scotland.

43. The meeting focussed on delivery of housing in the Park and the role of the private sector in this. Issues highlighted included the need to link new housing with jobs, the financial challenges of developing small sites (lack of volume and continuity required for house builders to invest), the need to look at alternative models of affordable housing, the need for a flexible policy approach, the difficulties developers are experiencing in achieving the minimum 25% affordable housing requirement (as in many cases land for affordable housing has nil land value) and a desire for more housing to be allowed in the countryside.

44. Stakeholders also expressed a desire for more localised housing need and demand information to be available for the National Park. In response to this the NPA commissioned independent housing market analysis in autumn 2013. The purpose of this was to provide more detailed demand information, to supplement the updated information on levels of housing need provided by Stirling and Argyll and Bute Councils.

Housing Market Analysis

45. Housing market analysis for the National Park was undertaken in October 2013 by Craigforth and Newhaven consultants. This looked at housing market trends and provided information on demand, looking specifically at migration patterns, house prices, incomes and affordability. The work is based on analysis of house sales information for the last ten years and CACI Paycheck (2012) as well as a survey of practitioners involved in the housing market within the National Park. A dissemination meeting was held in November 2013 to which stakeholders from Local Authorities, RSL's, the private sector and landowners were invited.

46. The report can be found on our website The key headlines include:-

Housing Geographies in the National Park

47. The National Park does not form a single Housing Market Area (HMA) and has strong links with areas outwith its boundary. However, there are important spatial sub-divisions within it and several sub-areas with their own distinctive housing dynamics can be identified.

48. The wider Loch Lomondside area forms a distinctive area that has minimal connections to the rest of the National Park. The communities that fall within the Loch Lomondside area (as defined in the adopted local plan) as well as Arrochar, Succoth and other small communities adjacent to the Proposed Plan boundary experience very considerable housing demand from the Greater Glasgow HMA and long distance movers. Housing market dynamics of this area are therefore very strongly shaped by trends in the Greater Glasgow HMA and developments at the UK wide level. Within the Wider Loch Lomondside Area, Balloch is the only community in the Dumbarton HMA but it also has strong links with the Greater Glasgow HMA.

49. The Callander & Aberfoyle area forms part of the Stirling HMA, albeit it is an area where there is some overlap between the Stirling and Greater Glasgow HMAs. As such, the local housing market is shaped by developments in both of these markets.

50. The Cowal area seems to have experienced some spill over from the Greater Glasgow HMA in the boom years, but it continues to form an integral part of the Cowal HMA area, which is centred on the service centre of Dunoon (adjacent to the National Park area).

51. The housing markets in the communities of Crianlarich, Killin, St Fillans and Balquhidder have few functional links to each other, but their small size precludes robust statistical analysis of housing market trends for each individual area. However, any future work to examine each of these distinctive communities should take account of the fact that St Fillans forms part of the Strathearn HMA, whereas the other communities are very loosely connected to the Stirling HMA.

Housing Market Dynamics

52. Prior to 2007 house prices rose sharply, although the rate of inflation at all points in the house price distribution was broadly in line with those in Rural Accessible Scotland. Since the housing market downturn in 2007-08, prices have edged back, especially at the lower to middle end of the market. Nonetheless, the National Park has remained one of the more expensive areas to buy a house across Scotland.

53. In the case of the National Park, the flow of households from the Greater Glasgow HMA and further afield had been a factor contributing to high prices evident across much of the Park. The inflow of 'long distance' buyers is also contributing a growing age imbalance that has become more evident in recent years.

54. Incomes to price ratios indicate that households resident in the National Park seeking to access the housing market continue to experience very substantial affordability pressures. Available evidence suggests that affordability pressures remain more significant than for Scotland as a whole. That said, Park-wide house prices are not significantly less affordable for resident households than elsewhere in Rural Accessible Scotland.

55. Affordability pressures are not uniform across the Park area. As expected, the Wider Loch Lomondside, and more especially the Loch Lomondside area continues to demonstrate the most severe affordability pressures of all the sub-areas. Affordability pressures in the Callander & Aberfoyle area also in excess of the rate for Rural Accessible Scotland.

56. Available data does not support detailed exploration of the socio-economic profile of households by income. However the economic and age profile of the population would suggest that most lower income households with an income of £15,000 or less are

likely to be either working age households reliant on state benefits and/or low paid work or retired households, including those in receipt of pension credit or pension saving credit. For these households, house purchase is unlikely to be a credible option, unless they are already homeowners with substantial equity. Likewise, access to private renting is likely to depend on access to Housing Benefit.

57. In many of the more expensive housing markets across Scotland private renting can be a cheaper than home purchase, at least for those that require 1-2 bedroom properties. In theory, private lets at rents akin to the Local Housing Allowance would ease affordability barriers for households living in the National Park with modest incomes (e.g. £18-30,000). The challenge is that little is known about the operation of the private rental market, nor the numbers of modestly priced private lets that become available for re-let on the open market each year. In the absence of this evidence it is difficult to gauge what role private renting is or could play in addressing the affordable housing needs of local residents.

58. Prospective first time buyers looking to buy in the National Park are also reported to be hampered by the limited supply of smaller one and two bedroom properties within the housing stock. Although smaller properties tend to be resold more frequently, the numbers of these units becoming available for sale each year is reported to be very modest, especially in the years since 2008.

59. Market conditions remained subdued in 2011 and feedback from estate agents and others suggests this still was the case through 2012 and 2013. This reflects a combination of factors including wider economic trends such as the lack of real growth in earnings and tight mortgage lending criteria.

60. As the economic outlook and prospects for growth in earnings remain somewhat uncertain, it is likely that the recovery of the housing market will be a slow process. This may constrain household formation in the shorter term. On the other hand, without some increase in the annual supply of affordable housing at the lower end of the market, existing resident households that are in a financial position to buy are likely to continue to have to look outside the National Park. The risk is that this will hinder attempts to improve local economies and secure the sustainability of local communities, villages and towns.

Stirling Council Local Housing Strategy (2012 -2017) & Housing Need and Demand Assessment (2011)

Key issues and challenges

61. A key action identified in the Local Housing Strategy (LHS) is an 'improved supply of houses of all types and tenures that are affordable, particularly to households on low and middle incomes, and meet the needs and aspirations of households and communities across Stirling'. With the aging population and the desire to meet people's needs in their own homes, there will be an increasing need for smaller houses built or adapted to meet the needs of people with particular needs.

LHS & HNDA Guidance for the National Park

62. The LHS states that one of its roles is to review the findings of the HNDA and to develop housing supply targets for market and affordable housing that will inform the Local Development Plans of the Council and the National Park. The HNDA provided outputs for three sub-areas:- Stirling Core, Stirling Rural and the National Park part of Stirling Council.

63. The housing supply targets set in the LHS are for the two sub areas in the Council's Local Development Plan area – Stirling Core and Stirling Rural. The HNDA provides outputs for the whole Council area, including the National Park however the LHS does not provide land supply figures for the National Park. This is because the LHS was prepared to dovetail with the preparation of the Stirling Council Local Development Plan, not the National Park Local Development Plan the fact that the National Park had a relatively recently adopted local plan in place. This identified a target for 75 units a year within the National Park, and a significant proportion of land supply identified (around 60% of all sites) is the adopted local plan was within the Stirling Council area of the National Park, providing around 45 units per annum from identified sites, not including any contribution made from windfall sites. This is considered generous when compared to past development rates.

Identifying need and demand

64. The HNDA identifies a market housing need by house price quartiles. Overall the HNDA finds that across the whole of the Stirling Council area there is an undersupply of lower quartile properties and oversupply of higher quartile properties. There is a need for more market entry level housing throughout Stirling Council area but particularly in the Stirling Rural Area. The report also finds there to be no evidence of a need for additional development in Quartile 4 in any of the three housing sub areas. The HNDA analysis suggests that there is no need for any houses priced over £222k in any part of the Council area and that in the National Park area there is no need for further houses priced over £145k in order to meet need and demand. This evidence suggests that developers should refocus development away from more expensive houses.

65. The HNDA suggests that the Stirling Council area (all three sub areas) requires up to 2,600 private houses over the next ten years; up to 260 a year. The LHS refers to the need to take on board the more optimistic assumptions about market recovery suggested by Homes for Scotland and that the Council needs an average of 380 new private houses per year. The Council estimated that better use of existing housing stock could bring this figure down to 355 units per year. Private developers have built an average of 277 new homes a year over the last 10 years in the Stirling Council area excluding the National Park. To ensure that the targets do not stifle the recovery of private house construction the Council set a housing supply target of 328 units per year. These are to be met in the Stirling Core (288) and Rural Stirling (40) areas.

66. The LHS targets derived from the HNDA findings for the whole Council area for market housing are therefore being met in full in the Stirling Core and Stirling Rural Areas.

67. The HNDA calculates the need for affordable housing (Chapter 9). It disaggregates housing affordability by sub area and finds that within the National Park area of Stirling Council 55% (2,382) of all households could not afford to purchase housing priced within the lower quartile section of the housing market. 45% of households are anticipated to be able to meet their need within the market.

68. For the whole of Stirling Council (all three sub areas), the HNDA identifies a total shortfall of between 465 and 660 units depending on the assumptions about the level of new household formation in year 1 rising to around 7000 by year 10 if left unchecked. The LHS states that the Council determined the annual need for affordable housing as 700 units, reduced to 660 by assumed market interventions of 40 per year. This figure contrasts with the HNDA estimate that housing providers will only be able to deliver 64 affordable units per year. In order to ensure the construction of at least 64

affordable units a year, the Council set a housing supply target for the Stirling Council LDP area of 88 affordable homes a year – 62 in the Stirling Core area and 26 in Stirling Rural. No housing target is set for the National Park area within the Stirling Council area.

69. Whilst the LHS does not set targets for housing (private or affordable housing) in the National Park, the HNDA figures provide an indication of the scale of housing need and demand within the Park. This information is shown at disaggregated level on Table 114, page 89 of the HNDA report. For the National Park area this suggests a shortfall of 562 market houses over the next ten years; up to 56 a year. The HNDA identifies an affordable housing need for the National Park area of around 60 to 80 units in year 1, rising to 637 to 834 by year 10 if left unchecked ; averaging at 80 units a year (high projection).

70. The new CHMA tool suggests that 60 new units per annum are required within the Park. Whilst this tool has not been subject to the same level of scrutiny or testing as the approved HNDA, the figures generated appear to be more deliverable. This is also based on an assumption that backlog need will be met over five years, not ten (as per the HNDA). If this was addressed over ten years, this would reduce to around 30 per annum.

71. Whilst the HNDA provides an estimate of housing need and demand, these figures do not readily translate into housing land supply figures as an assessment requires to be taken over the capabilities of delivering this based upon factors such as land availability, known constraints (land, flooding and infrastructure) and the ability of the development industry, Council and RSL's to deliver this.

72. The HNDA is also based upon a series of assumptions which include high household formation rates and an aspiration to grow Stirling Council population to 100,000 by 2032, much of this via in-migration. The HNDA assessment of the need for affordable and market housing used a further estimate based on a much higher rate of household formation which would equate to a population of 111,000 by 2032. These corporate aims of Stirling Council administration need to be considered against the context for the National Park and its aims. The National Park's population is predicted to decline and in-migration is clearly needed to help address this but the ability (particularly in terms of infrastructure and service provision as well as environmental and landscape capacity) of the Park to absorb large scale growth means that the HNDA figures need further consideration.

73. Stirling Council's review of pressured area status in 2013 (Reviewing Stirling's Pressured Area designation: An Analysis of the Evidence, September 2013) summarises some of the findings from the HNDA and provides additional information on the supply and need for affordable housing. It states that the supply of social rented stock in both the National Park and Rural Stirling Area has significantly decreased with 63.3% of the Council's stock sold since the right to buy legislation was introduced in 1980. In 28 of the 30 allocation areas over half of the council stock has been lost under the right to buy and in 10 of these allocation areas more than 70% of the Council stock has been sold.

74. The following extracts shown in Table 3: Waiting List to Let Ratios and Table 4: Social Rented Stock/Stirling Council Right to Buy Sales by Allocation Area show figures for settlements within the National Park.

Table 3: Waiting List to Let Ratios

Allocation Area	2012/13	2011/12	2010/11
Croftamie	100:1	100:1	100:1
Port of Menteith	1:1	100:1	100:1
Drymen	14.3:1	28.5:1	19:1
Milton of Buchanan	100:1	11:1	11:1
Callander	8:1	23.4:1	13.4:1
Gartmore	6:1	100:1	6:1
Killin	8.8:1	26.5:1	8.8:1
Balquhidder	100:1	100:1	100:1
Crianlarich	100:1	0.3:1	0.7:1
Tyndrum	2.8:1	2.4:1	8.5:1
Aberfoyle	7.4:1	10.4:1	10.4:1
Strathyre	6:1	100:1	100:1
Lochearnhead	6:1	3:1	4.5:1
Stronachlachar	100:1	4:1	4:1
Kinlochard	100:1	100:1	100:1

Table 4: Social Rented Stock/Stirling Council Right to Buy sales by Allocation Area

Allocation Area	Council Stock	Council TRB Sales 2010/2013	Council Stock Sold RTB	Mainstream RSL Stock
Croftamie	10	0	60.0%	
Port of Menteith	5	0	44.4%	
Drymen	35	0	70.0%	16
Milton of Buchanan	10	0	54.6%	
Callander	159	2	50.8%	118
Gartmore	9	0	55.6%	8
Killin	34	2	60.0%	48
Balquhidder	2	0	50.0%	
Crianlarich	19	0	38.0%	
Tyndrum	2	0	75.0%	37
Aberfoyle	41	1	65.7%	10
Strathyre	0	0	0.0%	15
Lochearnhead	9	0	55.0%	22
Stronachlachar	0	0	0.0%	2
Kinlochard	0	0	0.0%	4

75. These figures show that some communities have very little social rented stock and that there is significant demand for this type of housing.

Findings and Conclusions

76. The targets set in the Stirling LHS addresses identified need and demand but assumes that this will be met outwith the National Park area, but within the same Housing Market Area. The approach taken in the adopted local plan is that locally arising housing need and demand is best met within the National Park in order to support and sustain rural communities. The Proposed Plan does not alter this strategy and seeks to

identify land for a mix of market and affordable housing across most communities, where land is available and no constraints identified. So whilst the LHS targets are addressed outwith the Park, it is considered that the Proposed Plan should still identify a housing land allocation to meet locally arising need and also support in migration to the National Park.

77. The Proposed Plan proposes that the ambitious target of 75 new dwellings per annum is continued across the whole of the National Park. This reflects the fact that the Stirling, and to a lesser extent the Argyll and Bute, HNDAs identify housing need and demand arising within the Park. Recent analysis of secondary data confirms that the position regarding need for affordable housing provision has not changed. Market housing demand is considered further in the housing market analysis which is summarised above. The evidence from the HNDAs and the housing market analysis suggests that more market housing is required but that this needs to refocus away from the upper quartiles of the market.

Stirling Council Review of Housing Need and Demand Assessment December 2014 (with earlier update in August 2014)

78. The August update paper identified that the demographic trends for Stirling of the increase in households in the older age groups has implications for the local development plan in terms of encouraging the construction of smaller, lower priced homes which are more appropriate to older people.

79. In terms of affordability, Stirling remains the third most expensive place to buy a home in Scotland. Market completions have on average been well below the housing supply target set in the local development plan [Stirling] over the last five years however there are some signs of a recovery in the market with a rise in property values and increase in the volume of residential sales over the last twelve months. The biggest barrier preventing first time buyers from getting on the property ladder is the size of the deposit, with the average being in the region of £20,000.

80. Whilst new initiatives such as the Help to Buy Scheme and the LIFT shared equity scheme have helped aspiring homeowners to get on the property ladder, there continues to be a need for more affordable rented housing in the area. Affordable housing continues to play a valuable role in the provision of development finance, helping to ensure the delivery of mixed tenure sites throughout the local area.

81. The December paper concludes that the most up to date evidence on household formation suggests that household growth is towards the lower end of the assumptions made in the existing HNDA. Meanwhile, recent information on housing supply indicates that private market activity is recovering a little more quickly than expected, while the actual number of affordable housing completions corresponds very closely with the assumptions made in the existing HNDA. Finally, the latest data on affordability presents a mixed picture, with a slight deterioration in the affordability ratio for Stirling during the period following the production of the existing HNDA, alongside an improvement in affordability nationally for first time buyers and existing homeowners moving home.

82. It found that overall, the general trend is one of little change in local housing market dynamics over the past three years. This in turn suggests that the calculations of need and demand contained in the existing HNDA provide a sound evidence base for the current Local Development Plan review [Stirling].

83. Although Stirling Council's review of their HNDA is prepared to infirm the Stirling LDP review, this information is relevant to the National Park LDP preparation and is a useful and informative update to the evidence base.

Argyll and Bute Local Housing Strategy (2011-2016) & Housing Need and Demand Assessment (2011)

Key issues and challenges

84. The LHS lists the following as some of the challenges that require to be tackled:-

- A substantial and increasing shortfall in affordable housing to meet current and future needs, as well as insufficient market housing to satisfy aspirational demand.
- A housing stock which is often no longer fit for purpose in terms of quality and condition and much of which does not match current or future requirements in terms of size, type, amenity or location.
- An increasingly ageing population living in accommodation which will not meet their needs in the future.
- The Council aims to encourage developers to build more houses suited to smaller households, more houses suited to older people and to those with disabilities or particular needs, more houses to address changing demographics and more houses that are affordable to households on low or modest incomes.

LHS Update 2013

85. This reports on progress made over year 2 of the LHS five year plan period. Under Strategic Aim 1: Facilitating Access to sufficient and affordable housing, effective land allocations, site access/capacity/servicing and land ownership/ developer restrictions are identified as ongoing challenges. A presumption for growth in local development plans as well as affordable housing policies are seen as means of addressing these issues. Other challenges identified include resources and access/uncertainty over funding, increasing levels of ineffective stock (empty and second homes) as well as mismatch of stock to need and a continuing backlog of unmet housing need.

Housing Need and Demand

86. For strategic housing planning purposes Argyll and Bute is disaggregated into a number of localised Housing Market Areas (HMA's). The National Park is part of both the 'Cowal' and 'Helensburgh & Lomond' HMA's. The Local Housing Strategy (LHS) and Housing Need and Demand Assessment (HNDA) provide information on need and demand at individual HMA level but not specifically for the National Park area. Information is therefore not available at National Park level but is for the wider local housing market areas within which the National Park falls.

87. The LHS states that Argyll and Bute is not particularly self-contained with only 57% house purchasers originating from within the area. Demand from in-migrant households for market housing is strong. Affordability is an issue across all of Argyll and Bute particularly for those seeking to access lower quartile or medium properties (typically first time buyers and households on low incomes). Affordability analysis based on lower quartile house prices shows that 29% of households in Argyll and Bute, in the Cowal area 31% and in Helensburgh & Lomond 33%, cannot afford to purchase at market entry level.

88. The disaggregated outputs from the HNDA established a substantial and sustained unmet requirement for both affordable and market housing across Argyll and Bute. At HMA level, over a ten year period and assuming no interventions are made, the shortfalls in affordable housing are - 114 units for Cowal and - 1,512 units for Helensburgh & Lomond HMA's. Once interventions are identified the need for new affordable housing provision decreases significantly. The HNDA identifies affordable housing targets of 13 (5 year target) which equates to 3 per annum for Cowal and 167 (5 year target) which equates to 33 per annum for Helensburgh and Lomond. These targets are to be seen as minimum goals.

89. For market housing the HNDA calculated total need and demand by house price quartiles. The analysis highlights a clear imbalance in the availability of market housing at specific price points, with an apparent under supply at the lower end of the market and oversupply at the upper end. There are substantial differences in unmet requirements for market housing at the lower end of the housing market with shortfalls concentrated in the Helensburgh & Lomond and Cowal administrative areas. From the evidence available it is likely that the estimated upper quartile surplus will tend to be absorbed by in-migrants and households with an existing level of equity. However the current mortgage environment should be borne in mind when considering the target market. Higher quality market housing for older households is likely to be a robust market sector.

90. The LHS identifies an ambitious new build target of 345 new build market housing per annum for the whole of Argyll and Bute. This figure is not disaggregated to individual HMA level.

91. The combined annual and cumulative targets for affordable and market housing are:-
    - Affordable Housing, annual target of 110, Year 5 total of 550.
    - Market Housing, annual target of 345, Year 5 total of 1,725
    - Totals, annual target of 455, Year 5 total of 2,275.

92. The LHS states that the projected level of unmet demand for market housing far exceeds the realistic potential for delivery of new build supply. It also highlights clear evidence that historically a substantial element of market demand arises from purely aspirational factors such as elderly retirees and other in-migrants seeking lifestyle changes and that in addition a significant proportion of market housing has been purchased in the past as second or holiday homes. The LHS focuses on addressing core, local needs meaning that the bulk of the in-migrant demand for market housing as projected in the HNDA will not be a material consideration in setting either the LHS supply targets or Local Development Plan land allocations.

93. The proposed target for new build provision is significantly in excess (approximately 50%) of historical completion rates and will be dependent on a range of factors, including the rate of economic recovery. In terms of delivery of housing through the supply of land through the Local Development Plan (Argyll and Bute), the 2013 LHS Annual Progress Report states that a total of 4,666 housing allocations are identified in the Argyll and Bute Local Development Plan, double that identified in the former local plan (Page 6).

94. In light of this, one option could be to assume that there is no need to identify further land for housing within the National Park area of Argyll and Bute on the basis that there is already a 'generous' supply already established within the wider HMA's. This option would require households to address their housing needs in adjoining areas to the National Park, but still within the same HMA. However, this option would not help

further the National Parks fourth aim of supporting the social and economic development of the Parks communities.

95. Feedback from communities, RSL's and landowners all indicates that there are housing needs within Argyll and Bute area of the Park as well as housing demand, albeit for a variety of factors, many of which are aspirational. A review of secondary data, summarised below, provides an up to date and more detailed picture of local housing need and demand in the Parks communities.

Kilmun, Strone and Blairmore

96. Information was provided by Argyll and Bute Council during 2013. Argyll Community Housing Association (ACHA) is the only social landlord within this area of the National Park that has local stock, a total of 46 units. Pressure ratios, shown in Table 5, are not considered to be currently excessive in Blairmore or Strone at 2:1 & 4:1 respectively (excluding transfers). However Kilmun is considered to be a relatively high pressure area given a ratio of 9:0 (excluding 1 transfer). In previous years the ratios were:

Table 5: Waiting List to Let Ratios

	2011/12			**2010/11**			**2009/10**		
	Waiting List (excl. Transfers)	Lets	Ratio	Waiting List (excl. Transfers)	Lets	Ratio	Waiting List (excl. Transfers)	Lets	Ratio
Blairmore	3	0	3:0	3	0	3:0	2	1	2:1
Kilmun	9	2	5:1	14	0	14:0	10	0	10:0
Strone	2	1	2:1	6	0	6:0	5	1	5:1
Area Total	**14**	**3**	**5:1**	**23**	**0**	**23:0**	**27**	**2**	**14:1**

97. In this context, it would appear that there is some unmet demand in the area overall and a degree of persistent pressure in Kilmun in particular. Other housing health check indicators include proportion of RSL stock to total dwellings; proportion of ineffective stock (empty & second homes) & affordability in the area. Using the SNS datazone figures, around 14% of total stock in the area is ineffective which is high. With a total of 46 units, the RSL sector makes up around 11% of the total stock which is reasonably healthy but would suggest scope for growth.

98. There have been around 78 sales over the last 3 years plus 1st quarter of 2013, approximately 25 per annum. The average price of all sales over the period was around £140k. Excluding transactions at £0-20k value, the average price would be around £173k. This would require average household income (at a standard x3.5 mortgage multiplier) of roughly £40-£49k for housing to be affordable to local residents.

99. 15 of the 78 house sales in last 3+ years have been to local residents (19%) and a further 7 house sales were to purchasers originating within Cowal. 11 sales were to purchasers origin unknown and the vast majority 67% were to incomers, again suggesting this is not a contained housing market & that the private market is not available to or being accessed well by local households.

100. Based on the above, it could be argued that there are some imbalances in the local housing system in this very localised area and sufficient indications of pressure to warrant further investigation.

Loch Lomondside & Lochgoil

101. Information was provided by Argyll and Bute Council during 2013. Table 6 below shows pressure rations for waiting list applicants to housing re-lets, and the pressure ratios show that Luss is a consistently pressured area (lowest waiting list but nil turnover). Whilst Arrochar & Succoth is currently reasonably low, this appears to be due to slightly higher than usual turnover last year. In previous years it has been very highly pressured. Since the recent housing development in Lochgoilhead (jointly between ACHA and Dunbritton Housing Associations), the pressure ratio appears to have reduced pressure considerably.

Table 6: Waiting List to Let Ratios

	2012/13			**2011/12**			**2010/11**			**2009/2010**		
	W/L	Lets	Ratio	W/L	Lets	Ratio	W/L	Lets	Ratio	W/L	Lets	Ratio
Lochgoilhead	19	3	6:1	20	18	1:1	25	1	25:1	34	1	34:1
Arrochar/Succoth	34	7	5:1	39	2	20:1	47	1	47:1	36	5	7:1
Luss	18	0	18:0	15	1	15:1	10	0	10:0	13	2	7:1
Area Total	**71**	**10**	**7:1**	**74**	**21**	**4:1**	**82**	**2**	**41:1**	**83**	**8**	**10:1**

Findings and Conclusions

102. Based on the above, it is concluded that there is a need to identify land for housing in the Argyll and Bute area of the National Park, focussing on Luss, Arrochar (linked also to economic development and job creation) and to a smaller degree in Kilmun, Blairmore and Strone area. This will help achieve LHS targets in the HMA's overall and will be monitored on annual basis.

National Park Housing Trends and new Housing Land Supply

103. In the preceding sections of this report, having analysed the current household and population trends, local housing strategies of the statutory housing bodies and their housing needs and demand analysis, the following sections consider the how the new Local Development Plan must take these matters into account and also identify enough land for at least 10 years from the date of plan adoption. The Local Development Plan is anticipated to be adopted in 2017 so it needs to plan for 10 years from this, to 2027. We therefore need to think about where the housing land supply will come from over the next 12 year period. Before doing so we need to ascertain what the housing target/requirement should be, based upon the evidence on need and demand, and upon the Park's capacity to accommodate future development.

104. New housing must delivered to meet the needs of the communities of the Park and the Proposed Plan must demonstrate that there is an adequate supply of land to meet the aspiration and growth of communities with a suitable range, distribution and type of sites.

105. This section of the report sets out an analysis of current trends in regard to

- Socio-economic policy context and implications
- Recent trends, land supply and completions
- The housing land target of 75 units per annum (all tenures)

- Housing land supply
- Windfall Assumptions and Flexibility
- Housing Land: Scale and Location after 2027

Socio-economic policy context and implications

106. Housing delivery within the National Park is challenging. Some of the key challenges and considerations that influence future planning policy include:-

a. Funding for the provision of affordable housing comes from a variety of sources including the Affordable Housing Investment Programmes (AHIP), made available by the Scottish Government. There has been a significant decline in the level of Scottish Government funding over recent years meaning that other sources of funding are necessary such as borrowing, sourcing funds from other revenues such as second homes council tax, sale of local authority assets and commuted sums from developers.
b. It is no longer possible to rely heavily on Scottish Government funding and it is necessary to look at a mix of funding opportunities for the provision of affordable housing on private sites.
c. The stringent, but necessary, affordable housing requirements placed upon developers by the current adopted local plan also appears to be a disincentive for developers. This plan requires an affordable housing contribution on all sites of 4 or more units of either 25% or 50% depending on location, and up to 100% affordable/local needs for all (including under 4 units) sites in the Loch Lomondside communities. Whilst there is flexibility in the application of this policy, agents and developers cite this as being off putting and that landowners are less inclined to release land as a result. The slump in land values due to the economic downturn makes landowners more reluctant to sell.
d. Whilst we know from the above evidence that there remains significant levels of housing need within the National Park and that we need more affordable housing to help address this, the delivery of this has been a key issue and one that looks set to continue.
e. Given the current and anticipated restrictions in the social rented sector, it is likely that the private rented sector will be required to plan an increasingly important role within the local housing system.
f. Delivery has been a significant challenge. This has been affected by a range of factors including - slump in land values, landowners general reluctance to sell, high development costs, remote locations, poor infrastructure, many sites have environmental issues (flooding) or landscape sensitivities. Most development sites are small scale – many developers need volume to ensure a development can be financially viable.
g. There is a need to plan for the projected dramatic growth in the number of older people and people with particular needs.
h. An ageing Population has implications for the local housing market, as the increase in older person households signals that the development of appropriate housing and care options will be an increasing priority for housing planning and provision in the future. Any substantial decline in the younger and working age population could also impact adversely on the operation of the local housing system.
i. Key issues for home owners in the future will be the costs of maintaining and heating properties and, as households decrease in size whilst owners increase in age, the ability to remain in homes that are either too big to manage and/or unsuitable to meet changing needs, such as restricted mobility.

j. The impact of the economic recession and current economic factors which affect the ability of buyers to secure housing has affected development rates, and the take up of sites designated for development has not progressed as anticipated. Many sites with planning permission have not been developed to date due to non-planning factors, such as developers gaining necessary funding to progress sites.

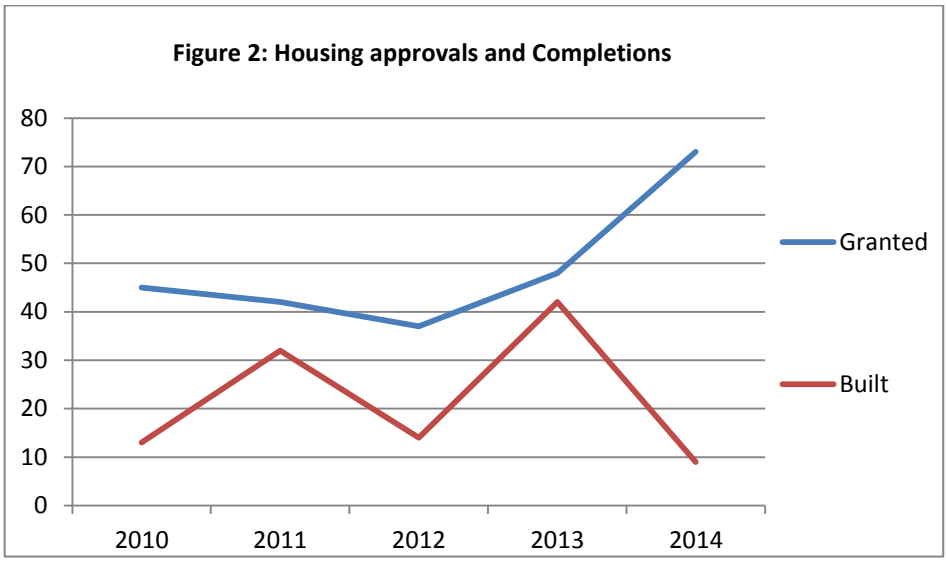
k. The impact of the economic recession and current economic factors, whilst perhaps not reducing the aspirational demand for housing, will also affect the ability of buyers to secure housing. This is likely to have the effect of reducing the demand for housing in the short to medium term and purchaser ability to buy and sell. Whilst it is unclear for how long this situation will continue, it is clear that housing market recovery will depend on a return to a more positive lending practice.

Recent trends: land supply and completions

How much housing has been built over the last few years?

107. Looking at planning applications over the last five years (2010 to 2014), planning permission has been granted for an average of 49 new dwellings per annum between 2010 and 2014. Figure 3 shows that 2014 had the highest number of approvals over the last five years with 73 homes being approved. Completions data shows an average of 21 new dwellings per annum over this period.

Figure 3: Housing Approvals and Completions



108. Figures 4 and 5 illustrate the significant role which windfall development (development that occurs on sites that are not specifically identified for housing in the plan) has made over recent years. An average 39 units per annum have been approved on windfall sites. In light of this, and taking on board comments received in response to the MIR, all allocated adopted local plan sites have been reviewed in the annual audit process and their effectiveness re-assessed and confirmed. It is considered that market conditions over this period have been a key factor delaying the development of many allocated sites.

Figure 4: Number of houses granted planning permission 2010-2014

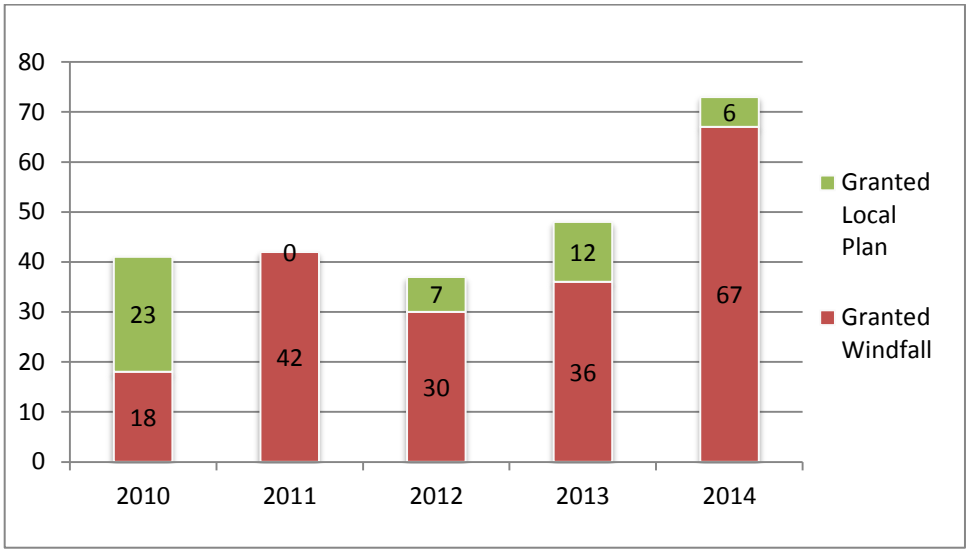
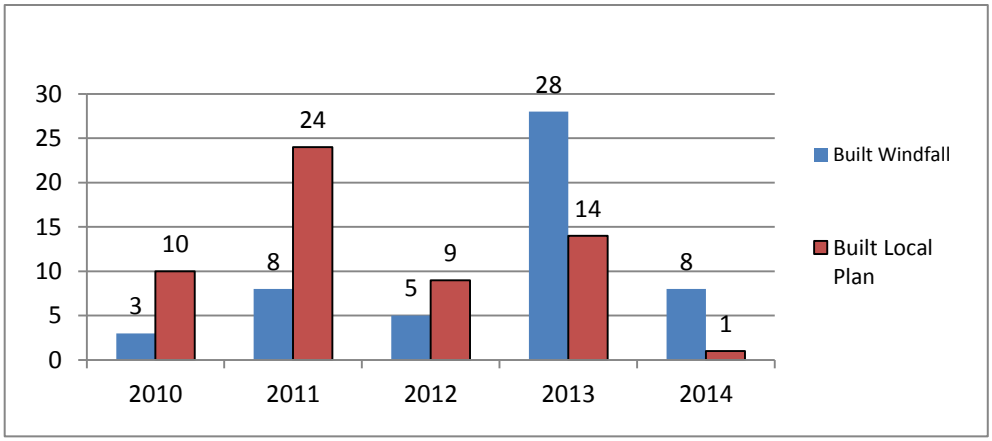
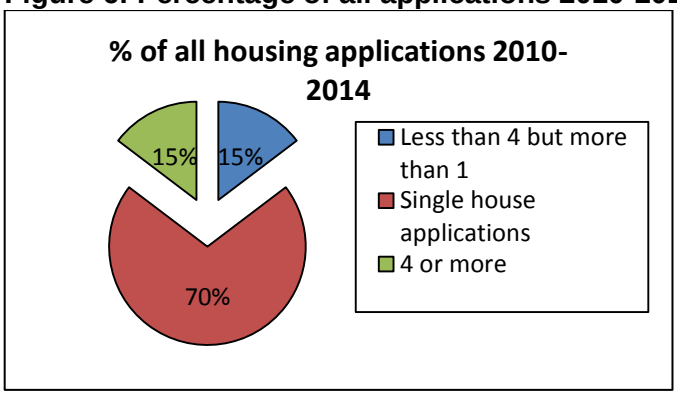


Figure 5: Number of homes built



109. Figure 6 shows that 70% of applications approved over the 2010-2014 period were for single dwellings, mostly on small gap or infill sites within the settlements. All these units are counted as windfall development. Taken together, single units and small sites of under four units make a significant contribution to the new housing supply every year.

Figure 6: Percentage of all applications 2010-2014



110. 74 affordable homes were granted Planning Permission (28%) within the Park during the 2010-2014 period. Provision of affordable housing remains a challenge within the current financial climate and particularly when considered within the context of development trends within the Park being skewed towards small scale or for single units which fall below the current local plans threshold set for the requirement for affordable housing provision (4 units).

The housing land target of 75 units per annum (all tenures)

111. The adopted local plan set a 'target' of 75 new dwellings per annum. To accept and plan for a declining population was not desirable for National Park and the adopted local plan therefore sought to establish an approach to reverse this projected trend and support modest growth in population with a particular focus on retaining and attracting working age households. Coupled with this, the information on housing need and demand provided by the housing authorities for the Park, showed significant levels of housing need, particularly within the Stirling Council area of the Park and the Helensburgh and Lomond Housing Market area which is part of Argyll and Bute.

112. A target of 75 new dwellings per annum, whilst ambitious, was considered necessary in order to grow the housing supply within the Park and ensure that it became more 'fit for purpose' with more affordable housing being provided and more diversity in the types and sizes of housing provided in order to meet the needs of different household types, particularly younger households, families, smaller households and older people. This also ensured that a generous housing land supply was identified, as required by the Scottish Government.

113. Consideration was has been given as to whether the adopted local plan target of 75 new houses per annum remains appropriate for the local development plan. In terms of the need for more housing, the evidence suggests the target does remain relevant. The most recent population projections continue to show anticipated population decline. The ageing population and increase in smaller household sizes means that we need to ensure that the housing supply is increased to help meet the needs of these sectors of the community. Delivery of affordable housing to help retain and attract population of working age remains a key issue for the National Park.

114. But is this target realistic and achievable? Looking at recent development trends and completions rates (shown in more detail below), the evidence would suggest that this is very ambitious. However these do reflect development at a time of recession and there is a notable rise in the number of planning permissions for housing in 2014. Achievement of 75 units per year will be dependent on a number of factors, primarily the rate of economic recovery. As this still remains somewhat uncertain, it is likely that the recovery of the housing market will be a slow process and that this may constrain household formation in the shorter term. A more realistic target might be to assume a lower rate of household formation and growth and the target of 75 could be reduced to reflect this.

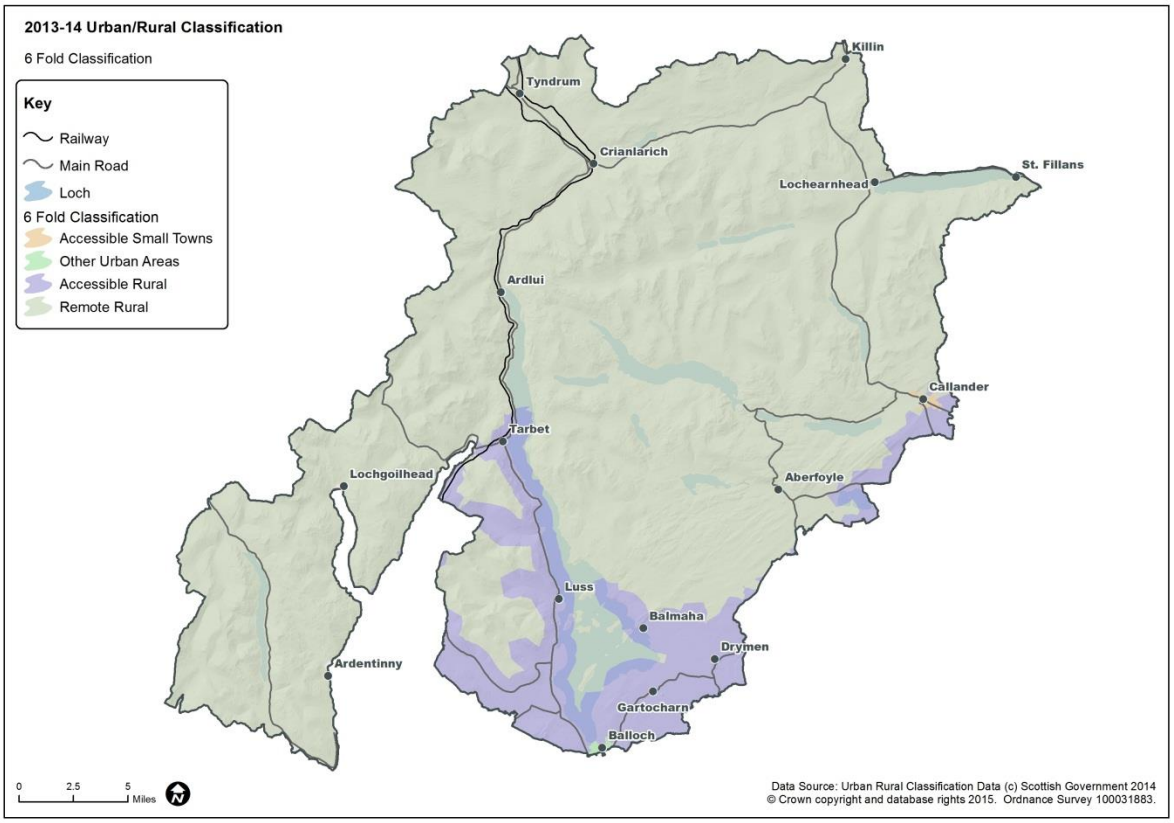
115. The Main Issues Report of the local development plan offered the opportunity to consult on what an appropriate level of growth might be for the National Park to support development which sustains local services and facilities whilst ensuring planning does not form a constraint to economic recovery. Table 7 provides a summarised extract of responses to this.

Preferred Option: Continue planning for 75 new houses a year	The Scottish Government, Stirling Council, Argyll and Bute Council and West Dunbartonshire Council all support the preferred option of continuing the current local plan target of 75 units per year, as well as Rural Stirling Housing Association which has also questioned effectiveness of some sites. 75 units per year ensures a generous land allocation and provides for flexibility.
Alternative Options 1 (modest reduction to 60 units) and 2 (lower target that reflects recent development trends)	There was support for a modest reduction in housing supply targets with comment that there is little justification for continuing to plan for 75 new homes per year. There was also some support for significant reduction in housing supply targets with one respondent stating lower target of 30-40 houses better reflects building levels and allows modest growth. One respondent considers no new housing is required. Kilmun Community Council questions the need for scale of housing proposed.
New Options suggested	A landowner who is promoting land at Callander supports 75 units per year but challenges housing land supply, stating insufficient effective land is identified, no inclusion of 10-20% generosity allowance (as now required by SPP) and that housing land requirement should be higher. Minimum of 434 homes are needed (additional 274). Mactaggart and Mickel also refer to SPP requirement for margin of 10-20% to be applied to housing land supply and suggest a housing land target of around 90 units per annum.

116. The role of the development plan is to take a longer term view and to provide a positive planning framework that will enable new development to come forward in the future. For this reason it is considered important to retain an ambitious housing land target of 75 new units per annum. The policies in the local development plan have been reviewed and amended to help to aid delivery. The proportion of affordable housing required on sites of 4 or more units in towns and villages has been reduced to be more in line with SPP guidance and the policy of restricting occupancy on new housing within the Loch Lomondside towns and villages has also been removed.

117. In determining the levels of affordable housing contribution required cognisance has been given to the need for a different policy approach between the more pressurised accessible rural areas of the Park and the remoter rural areas. These are illustrated in Figure 7 below.

Figure 7 Urban Rural Classification



118. This HNDAs and the Housing Market Research report point to the more pressurised housing market areas as being in the south and the eastern villages of the Park and these generally are located within the areas shown as accessible rural in the classification. These areas have demonstrable housing needs and the most severe affordability pressures when compared to other areas of the Park. SPP requires planning authorities to tailor planning policies to fit to different areas and their different characteristics, pressures and issues. It also states that affordable housing percentage requirements should generally be no more than 25%.

119. This is a challenging issue within the National Park where there are significant levels of housing need but also key challenges in housing delivery. The current approach of requiring a mix of 100% affordable housing in the pressurised Loch Lomondside villages, 50% in the Stirling Council area towns and villages and 25% elsewhere is not considered appropriate in terms of delivery.

120. Following consultation with housing authorities and other stakeholders, including landowners, communities and agents, a range of lower quotas is now recommended. In Loch Lomondside, which is arguably a unique housing market in the whole of Scotland, there remains a need for a robust policy approach to ensure a range of housing is delivered. To date planning policy for new houses in the Loch Lomondside villages has restricted the occupancy of these to people who either already live or who need to move to the area for work or social reasons. Whilst sound in theory, in practice this policy is considered to be hampering development. This will no longer be applied and instead a policy which balances affordable and open market is considered more appropriate and deliverable. The quota set is 50%. This should not hinder delivery as land values have been suppressed for a period in the region of 30 years as a result of

the local needs housing policy restrictions. Instead this should allow for uplift in land values and entice some landowners to release land.

121. Within the accessible rural Stirling area – which includes Callander, Aberfoyle and Gartmore – a requirement of 33% is identified. This acknowledges the housing pressures in these villages, which are within commuting distance from Glasgow, and also ensures consistency with the neighbouring Stirling Council Local Development Plan and Local Housing Strategy.

122. The rest of the National Park is remote rural, with the exception of Balloch which forms part of the wider Vale of Leven Housing Market. Whilst these areas do experience affordability pressures, overall they are not as pressured as the accessible rural area and therefore a 25% affordable housing requirement is set.

123. Consideration has been given to the role of single dwellings and small sites within the Park and the fact that these make a significant contribution to the housing land supply. To ensure these make a stronger contribution to the long term sustainability of the Park's communities and the rural economy policy guidance has been introduced for sites of up to three houses in the accessible rural area. The preference is for affordable housing delivery on such sites however in lieu of this a commuted sum will be accepted to be used towards affordable housing elsewhere, or other community benefit.

Windfall Assumptions and Flexibility

124. The SPP requirement that a margin of 10 to 20% should be added to the housing supply target has not been applied. This is not considered appropriate given the method used to identify the housing land supply target and the fact that the target of 75 new homes per year is already considered to constitute a generous housing land supply and is highly ambitious for the Park in light of recent completions and market activity. Even if market condition were to rapidly increase the capacity of the infrastructure and supply of effective land would give rise to significant concern as to whether a higher housing land supply target could be achieved.

125. As set out above the annual target of 75 units per annum whilst ambitious provides the level of land supply to deliver the strategy for growth for the National Park. The composition of the land supply is allocated sites and sites from windfall with planning permission. The contribution to windfall is estimated at 30 units per annum. Analysis of planning permission granted over the last five years shows that annual windfall contributions were 39 units per annum. The assumption has been lowered for the local development plan taking cognisance of comments made in response to the Main Issues report Consultation. The Proposed Plan aims to direct most new development to identified sites however it also seeks to recognise the contribution of windfall in the rural area, particularly the role of small sites and single dwellings.

126. The nature of the National Park with small towns and villages communities in remote locations far from urban housing market areas and volume house building pressures, it is expected that windfall will continue to make a strong contribution to the housing land supply . It is considered therefore that to assume that 30 units per annum can be achieved is a reasonable approach.

Housing Land Supply

127. Appendix 2 shows the housing land supply over the 10 year period of the plan, split between effective and established sites. This includes both land which is allocated in the Proposed Plan and sites with Planning Permission.

128. There is an identified housing land supply of 315 units considered effective and 420 units overall in the established land supply. In addition to this, there are 130 units with planning permission that are undeveloped. This additional output comes from other development sites which have planning permission but are yet to be built. Monitoring shows that there are also a number of sites which have remaining development potential (which had planning permission but have recently lapsed) however these have not been included. It is expected that these will contribute to future windfall development opportunities. Combined, the identified housing sites and the remaining undeveloped windfall sites therefore provide land for 445 units (effective) and 550units (established).

129. We must ensure that there is a 5 year effective supply of land for housing development at all times. The adopted local plan target is 75 units per annum 445units/7 years provides 63 units per year which under the 75 target. This would only require an additional 12 units per year from windfall to achieve a 5 year effective land supply which is considered to be achievable. The adopted local plan allowed for a contribution from windfall (current allowance is 37 units per year from windfall) and monitoring demonstrates the significant contribution which windfall development plays in the Park as a rural area in which a proportion of development is small scale and ad hoc.

Housing Land: Scale and Location after 2027

130. We are not required to specifically identify land for the period after 2027 but are required to provide an indication of the likely scale and location of land for future housing up to 2037 (beyond year 10 and up to year 20). Table 9 shows the proposed longer term sites.

131. It is expected that over the longer term the housing policies and housing land requirement will continue to form a key element in the strategy to address population decline and create a more balanced age structure within the Park. It is anticipated that most housing growth will continue to be focussed within the more populated Stirling Council area of the National Park, with Callander playing a key role as the main rural service centre. This reflects the vision established within the Callander Charrette which favoured long term growth on land south of Callander and is dependent measures being put in place over the medium to long term period to address infrastructure issues (new bridge crossing over the river and education). Long term tourism opportunities are also identified at land to the east of Callander (currently being used as a sand and gravel quarry). The Drymen Charrette identified land to the east of the settlement as having potential for development should this be required over the longer term. Aberfoyle experiences significant constraints to development which, unless overcome, are likely to preclude housing opportunities becoming available over the longer term. All other communities are expected to support small scale housing development, where infrastructure allows.

Table 10: Longer term sites

Settlement	HMA	Location	Indicative number of units
Drymen	Stirling	Stirling Road Phase 2	30
Callander	Stirling	Callander South	100
Callander	Stirling	Balgibbon Drive	22
TOTAL			**152**

132. The Arrochar/Succoth and Tarbet, and Luss, areas are expected to benefit from significant inward investment over the medium term and new housing allocations are proposed in the Proposed Plan to compliment this. Over the longer term the capacity of these settlements to accommodate more growth will require to be carefully assessed.

Appendix 1: Housing Need and Demand Assessment (HNDA) and Local Housing Strategies (LHS):

Implications for the National Park Local Development Plan – Summary Table

Housing Need and Demand Assessment	**Housing Supply Target (HNDA findings and LHS Supply Target)**		**Local Development Plan**	
Local Authority (a)	**Affordable Housing (b)**	**Market Housing (c)**	**Implications for National Park Local Development Plan (d)**	**National Park Housing Land Requirement (e)**
Stirling • HNDA Signed off: July 2011 • Reviewed 2014/15 • Provides outputs for whole Local Authority area and for National Park sub level area of Stirling Council. • LHS (2012-2017)	• HNDA estimates need for 700 new affordable homes per year for the whole of Stirling Council area (LHS reduces this to 660) • HNDA estimates that housing providers will be able to deliver 64 affordable units per year. • The LHS sets an annual supply target for affordable homes of 88. • This target is to be met within the Stirling Core area (62) and the Rural Stirling Area (26). • No Housing Supply Target for affordable housing is set for the National Park area of Stirling Council.	• HNDA estimates need for up to 260 new market homes required per year for whole of Stirling Council area. • The LHS incorporates a more optimistic assumption that housing market recovery will deliver more homes than suggested by HNDA and sets an annual housing supply target for market homes of 328. • This target is to be met within the Stirling Core area (288) and the Rural Stirling Area (40). • No Housing Supply Target for market housing is set for the National Park area of Stirling Council.	• Whilst the LHS does not identify a Housing Supply Target for the National Park part of Stirling Council area the HNDA does identify need and demand within it. • The disaggregated raw outputs from the HNDA suggest a shortfall of market housing of 562 over the next 10 years (56 per year) and an affordable housing shortfall of between 637 to 834 over the next 10 years (around 80 per year). Combined this suggests 1360 over the next 10 years: 136 per year. • These figures do not readily translate into housing land targets as no assessment has been undertaken at disaggregated level, only at area wide level as detailed in columns (b) and (c). The LHS sets targets based on aggregated HNDA findings for Stirling Core and Rural area only. No target is identified for the National Park part of Stirling Council area; however the LHS	• For the Stirling Council area, there are 279 homes required within the 10 year housing land supply period to 2027 (56% of total). See Appendix 3. • The Plan is anticipated to be adopted in 2021/22 – over this 7 year period there is an effective land supply identified of 204 homes, 29 homes per year. This excludes any contribution from individual homes with planning consent (Park wide total of 48 homes) and any future windfall contribution (Park wide total of 30 homes per year).

Appendix 1: Housing Need and Demand Assessment (HNDA) and Local Housing Strategies (LHS):

Implications for the National Park Local Development Plan – Summary Table

Housing Need and Demand Assessment	**Housing Supply Target (HNDA findings and LHS Supply Target)**		**Local Development Plan**	
Local Authority (a)	**Affordable Housing (b)**	**Market Housing (c)**	**Implications for National Park Local Development Plan (d)**	**National Park Housing Land Requirement (e)**
			recognises that additional land allocations are required. • Key issues for the LDP are the scale of provision that the National Park can support on environmental, landscape and infrastructure grounds. • Considered reasonable and necessary to identify more land for housing across most villages to aid sustainability objectives and support mainly locally arising needs with some in- migration.	
Argyll and Bute (A&B) • Signed Off: April 2011 • Provides outputs for whole Local Authority and for smaller housing market areas which cover the NP (Cowal and Helensburgh & Lomond)	• HNDA estimates annual target of 110 new affordable homes per year. At disaggregated level this is 3 new affordable homes per year for Cowal (HMA) and 33 homes per year for Helensburgh and Lomond HMA. • These findings are for the whole of the Housing Market Area (not just the National Park part). They are to be seen as minimum goals.	• HNDA estimates need for 345 new market homes per year across Argyll and Bute. This figure is not disaggregated to individual HMA level.	• Need to have an adequate provision of housing for local needs and to allow for element of in-migration within the National Park targeted towards families and people of working age. • The demand for affordable housing is notable in Kilmun, Luss, Arrochar and Succoth. • The LDP should ensure these locations have land identified for housing.	• For Argyll and Bute Council area, there are 133 units within the 10 year housing land supply period to 2027 (26% of total). See Appendix 3. • The Plan is anticipated to be adopted in 2021/22 – over this 7 year period there is an effective land supply identified of 117 homes, 16/17 homes per year. This excludes any contribution from single homes with planning consent (Park wide total of 48 units) and any

Appendix 1: Housing Need and Demand Assessment (HNDA) and Local Housing Strategies (LHS):

Implications for the National Park Local Development Plan – Summary Table

Housing Need and Demand Assessment	**Housing Supply Target (HNDA findings and LHS Supply Target)**		**Local Development Plan**	
Local Authority (a)	**Affordable Housing (b)**	**Market Housing (c)**	**Implications for National Park Local Development Plan (d)**	**National Park Housing Land Requirement (e)**
• LHS (2011-2016)	• The LHS identifies high pressure ratios in Kilmun, Luss and historically in Arrochar and Succoth.			future windfall contribution (Park wide total of 30 per year).
West Dunbartonshire (WDC) • Signed Off: June 2011 • Forms part of the Glasgow and Clyde Valley Strategic Development Plan (GCVSDP) area. • HNDA is undertaken to fit to the GCVSDP boundary and excludes the National Park area of WDC. • LHS (2011-2016)	• No HNDA evidence for the National Park part of West Dunbartonshire. • For West Dunbartonshire, excluding the National Park area, the LHS sets a target of 70 new affordable homes per year. • Element of housing need in Gartocharn, evidenced by local Housing Needs Survey. Need identified for around 9 units.	• No HNDA evidence for the National Park part of West Dunbartonshire. • For West Dunbartonshire, excluding the National Park area, the LHS sets a target of 250 new market homes per year.	• The lack of HNDA coverage does not equate to there being no housing need or demand within the West Dunbartonshire Area of the National Park. • Balloch forms part of the wider Dumbarton and Vale of Level HMA. Whilst housing need and demand could be met within the wider HMA it is appropriate to ensure that there is opportunity for some new housing in Balloch. • Whilst Gartocharn forms part of Dumbarton and Vale of Leven HMA, this rural area is more open and shows linkages to the Stirling HMA. Local housing needs are apparent in the village.	• For the West Dunbartonshire Council area, there are 71 units within the 10 year housing land supply period to 2027 (14% of total). See Appendix 3. • The Plan is anticipated to be adopted in 2021/22 – over this 7 year period there is an effective land supply identified of 51 homes, 7 units per year. This excludes any contribution from single units with planning consent (Park wide total of 48 units) and any future windfall contribution (Park wide total of 30 per year).

Appendix 1: Housing Need and Demand Assessment (HNDA) and Local Housing Strategies (LHS):

Implications for the National Park Local Development Plan – Summary Table

Housing Need and Demand Assessment	**Housing Supply Target (HNDA findings and LHS Supply Target)**		**Local Development Plan**	
Local Authority (a)	**Affordable Housing (b)**	**Market Housing (c)**	**Implications for National Park Local Development Plan (d)**	**National Park Housing Land Requirement (e)**
Perth and Kinross (P&K) • Signed Off 2009 • HNDA covers a small part of the National Park - the village of St Fillans which is part of the wider Strathearn HMA. • LHS (2011-2016)	• The HNDA identifies an annual affordable housing need across Perth and Kinross of 557 per year. For the Strathearn HMA this is 62 new homes per year.	• The HNDA identifies a need for 1540 new market homes per year across Perth and Kinross.	• The small village of St Fillans forms part of the wider Strathearn Housing Market Area. • It is important to ensure that land is available to meet locally arising needs, and to contribute to those from the wider HMA. Land identified for housing in the current Local Plan should provide for housing needs over the duration of the Plan period.	• For the Perth and Kinross area, there are 19 homes within the 10 year housing land supply period to 2027 (4% of total). See Appendix 3. • The Plan is anticipated to be adopted in 2021/22 – over this 7 year period there is an effective land supply identified of 19 homes, 2/3 units per year. This excludes any contribution from single units with planning consent (Park wide total of 48 units) and any future windfall contribution (Park wide total of 30 per year).

Appendix 2: Housing Land Supply 2015-2027

Local Authority	Settlement	Address	Effective	Remaining Capacity	Established Supply	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total Post 2022 to 27	Total Post 31 March 2027	Total
(A) Allocated Sites																					
Argyll and Bute	Arrochar H1	Cobbler's Rest	Yes	12	12	0	0	0	4	8	0	0	12	0	0	0	0	0	0	0	12
Argyll and Bute	Arrochar H2	Succoth	Yes	26	26	4	12	12	0	0	0	0	26	0	0	0	0	0	0	0	26
Argyll and Bute	Arrochar H3	Church Road	No Post 2022	6	6	0	0	0	0	0	0	0	0	3	3	0	0	0	6	0	6
Argyll and Bute	Arrochar VE1	Ben Arthur Resort	Yes	16	16	0	0	0	0	0	8	8	16	0	0	0	0	0	0	0	16
WDC	Balloch MU2	Carrochan Road	Yes	23	23	0	0	0	8	5	5	5	23	0	0	0	0	0	0	0	23
WDC	Balloch H1	Land north of Craiglomond Gardens	No Post 2022	8	8	0	0	0	0	0	0	0	0	0	4	4	0	0	8	0	8
Stirling	Balmaha H1	Forestry Commission Site	Yes	15	15	0	8	7	0	0	0	0	15	0	0	0	0	0	0	0	15
Stirling	Callander H1	Pearl Street	Yes	5	5	0	0	0	5	0	0	0	5	0	0	0	0	0	0	0	5
Stirling	Callander H3	Churchfields	No Post 2022	30	30	0	0	0	0	0	0	0	0	10	10	10	0	0	30	0	30

Local Authority	Settlement	Address	Effective	Remaining Capacity	Established Supply	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total Post 2022 to 27	Total Post 31 March 2027	Total
Stirling	Callander H2	Old telephone exchange, Station Road	Yes	23	23	0	10	13	0	0	0	0	23	0	0	0	0	0	0	0	23
Stirling	Callander MU2	Claish Farm	Yes	90	90	0	0	0	15	15	15	15	60	15	15	0	0	0	30	0	90
Argyll and Bute	Carrick Castle H1	Former Carrick Hotel	Yes	8	8	2	1	1	1	1	1	1	8	1	0	0	0	0	1	0	8
Stirling	CrianlarichH1	Willow Brae	No Post 2022	6	6	0	0	0	0	0	0	0	0	0	0	0	3	3	6	0	6
Stirling	Croftamie H1	Buchanan Crescent	No Post 2022	5	5	0	0	0	0	0	0	0	0	0	0	2	3	0	5	0	5
Stirling	Drymen H1	Stirling Road	Yes	36	36	0	12	12	12	0	0	0	36	0	0	0	0	0	0	0	36
Stirling	Drymen MU1	Former Salmon Leap site	No Post 2022	4	4	0	0	0	0	0	0	0	0	2	2	0	0	0	4	0	4
Stirling	Drymen H2	Laurelfields	Yes	10	10	0	5	5	0	0	0	0	10	0	0	0	0	0	0	0	10
Stirling	Gartmore H1	Park Avenue	Yes	6	6	0	0	0	0	0	0	6	6	0	0	0	0	0	0	0	0
WDC	Gartocharn H2	France Farm	No Post 2022	6	6	0	0	0	0	0	0	0	0	0	0	3	3	0	6	0	6
WDC	Gartocharn H1	Burnbrae Farm	Yes	10	10	0	0	5	5	0	0	0	10	0	0	0	0	0	0	0	10
Argyll and Bute	Kilmun H1	Finnartmore	Yes	13	13	8	5	0	0	0	0	0	13	0	0	0	0	0	0	0	13

Local Authority	Settlement	Address	Effective	Remaining Capacity	Established Supply	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total Post 2022 to 27	Total Post 31 March 2027	Total
Argyll and Bute	Strone H2	High Road	Yes	10	10	0	0	0	0	4	3	3	10	0	0	0	0	0	0	0	10
Stirling	Lochearnhead H1	Former Lochearn-head Holiday Centre	Yes	12	12	0	0	0	0	4	4	4	12	0	0	0	0	0	0	0	12
Argyll and Bute	LochgoilheadH 1	Land north and east of Donich Park	Yes	6	6	0	0	3	3	0	0	0	6	0	0	0	0	0	0	0	6
Argyll and Bute	Luss H1	Hawthorn Cottage	Yes	10	10	0	0	5	5	0	0	0	10	0	0	0	0	0	0	0	10
Argyll and Bute	Luss H2	Land north of Loch Lomond Arms	Yes	4	4	0	0	4	0	0	0	0	4	0	0	0	0	0	0	0	4
Perth and Kinross	St Fillans H1	Station Road, land west of Kiloran Road	Yes	16	16	0	4	4	4	4	0	0	16	0	0	0	0	0	0	0	16
Argyll and Bute	Tarbet H1	Site South of A83	No Post 2022	10	10	0	0	0	0	0	0	0	0	0	0	0	5	5	10	0	10
Total units for Section A				426	426	14	57	71	62	41	36	36	315	31	34	22	17	8	109	0	426

Local Authority	Settlement	Address	Effective	Remaining Capacity	Established Supply	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total Post 2022 to 27	Total Post 31 March 2027	Total
(B) Other Sites / Commitments																					
Stirling	Balquhidder	Stronvar House and its grounds	Yes	10	10	0	2	5	3	0	0	0	10	0	0	0	0	0	0	0	10
Stirling	Brig O' Turk	Glenfinglas Road	Yes	4	4	0	2	2	0	0	0	0	4	0	0	0	0	0	0	0	4
Total Units for Section B				14	14	0	4	7	3	0	0	0	14	0	0	0	0	0	0	0	14
(C) Windfall >1 unit capacity																					
Argyll and Bute	Blairmore	Benmore Botanic Gardens	Yes	2	2	2	0	0	0	0	0	0	2	0	0	0	0	0	0	0	2
Argyll and Bute	Lochgoilhead	Land North of Coromonachan	Yes	2	2	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2
Perth and Kinross	St. Fillans	Land to the West of Earn View	Yes	3	3	0	0	3	0	0	0	0	3	0	0	0	0	0	0	0	3
Stirling	Killin	Tigh Na Brauch Hotel	Yes	4	4	0	0	2	2	0	0	0	4	0	0	0	0	0	0	0	4
Stirling	Callander	Fairview, Leny Road	Yes	10	10	0	0	0	0	0	5	5	10	0	0	0	0	0	0	0	10
West Dunbartonshire	Gartocharn	Third Farm	Yes	2	2	2	0	0	0	0	0	0	2	0	0	0	0	0	0	0	2
West Dunbartonshire	Balloch	Former garage site, Balloch (Mixed use site for housing and	Yes	22	22	22	0	0	0	0	0	0	22	0	0	0	0	0	0	0	22

Local Authority	Settlement	Address	Effective	Remaining Capacity	Established Supply	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total Post 2022 to 27	Total Post 31 March 2027	Total
		commercial)																			
Stirling	Callander	Clinic, South Church Street	Yes	2	2	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2
Stirling	Drymen	Land North West of Creitendam	Yes	3	3	0	0	3	0	0	0	0	3	0	0	0	0	0	0	0	3
Stirling	Drymen	Buchanan Home Farm, Buchanan Castle	Yes	4	4	0	0	2	2	0	0	0	4	0	0	0	0	0	0	0	4
Argyll and Bute	Ardentinny	The Anchorage	Yes	3	3	0	3	0	0	0	0	0	3	0	0	0	0	0	0	0	3
Stirling	Drymen	Coldarach Farm	Yes	6	6	3	3	0	0	0	0	0	6	0	0	0	0	0	0	0	6
Argyll and Bute	Tarbet	Former Ben Lomond Gift Shop	Yes	5	5	0	0	2	3	0	0	0	5	0	0	0	0	0	0	0	5
Total Units for Section C				68	68	29	10	12	7	0	5	5	68	0	0	0	0	0	0	0	68
(D) Windfall = I unit capacity																					
	Single Dwellings with planning permission		Yes	48	48	20	20	5	3	0	0	0	48	0	0	0	0	0	0	0	48
Total Units for Section D				48	48	20	20	5	3	0	0	0	48	0	0	0	0	0	0	0	48

Local Authority	Settlement	Address	Effective	Remaining Capacity	Established Supply	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total Post 2022 to 27	Total Post 31 March 2027	Total
Total Housing Allocations (section A)				420	420	14	57	71	62	41	36	36	315	31	34	19	14	8	106	0	420
Total Sites with Planning Permission still to be developed (Section B,C&D)				130	130	49	34	24	13	0	5	5	130	0	0	0	0	0	0	0	130
TOTAL ESTABLISHED LAND SUPPLY (A+B+C+D)				550	550	63	91	95	75	41	41	41	445	31	34	19	14	8	106	0	550
Annual Windfall Estimate 2015 to 2027				0	360	30	30	30	30	30	30	30	210	30	30	30	30	30	150	0	360
TOTAL ESTABLISHED LAND SUPPLY PLUS WINDFALL				550	916	93	121	125	105	71	71	71	655	61	64	49	44	38	256	0	916
Longer Term Housing Sites Post 2027																					
Stirling	Drymen	Stirling Road Phase 2		30	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	30
Stirling	Callander	Callander South		100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	100
Stirling	Callander	Balgibbon Drive		22	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22	22
Total Long Term Supply				152	152	0	0	0	0	0	0	0	0	0	0	0	0	0	0	152	152

Appendix 3: Housing Land Supply by Local Authority Area

Local Authority Area	Established Supply (No. of Homes)	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	7 Years Total Effective Output	2022/23	2023/24	2024/25	2025/26	2026/27	Total no. of homes 2022 to 27	Total homes Post 31 March 2027	Total homes	% of Total
Argyll & Bute Council	133	16	23	27	16	13	12	12	117	4	3	0	5	5	17	0	**133**	26
Stirling Council	279	3	44	51	39	19	24	24	204	27	27	12	9	6	81	0	**285**	62
West Dunbartonshire Council	71	24	0	5	13	5	5	5	57	0	4	7	3	0	14	0	**71**	14
Perth & Kinross Council	19	0	4	7	4	4	0	0	19	0	0	0	0	0	0	0	**19**	4

Appendix 4: National Park Authority response to Reporters Information Request (01) during examinations of Proposed Local Development Plan

PROPOSED LOCH LOMOND AND THE TROSSACHS LOCAL DEVELOPMENT PLAN
THE TOWN AND COUNTRY PLANNING (DEVELOPMENT PLANNING) (SCOTLAND) REGULATIONS 2008
RESPONSE TO FURTHER INFORMATION REQUEST 01:
ISSUE 19 HOUSING LAND SUPPLY

Information requested:-

1. **The Park Authority is requested to provide a clearer and more detailed explanation of the role of the HNDA's, and how the evidence from them was used, including details of any methodology in calculating the housing supply target for the National Park as a whole. It is also requested to explain more clearly and in more detail how it took account of the West Dunbartonshire Council part of the Park in calculating the housing supply target.**

The role of the HNDA's that cover the National Park

1.1. The National Park is not a standard Housing Market Area (HMA). There is no Housing Need and Demand Assessment (HNDA) for the National Park. The National Park is covered by four separate HNDA's for the local authorities that cover the Park which are Stirling, Argyll and Bute, West Dunbartonshire and Perth and Kinross. The HNDAs are prepared by the local authorities in line with their own respective local development plans, we engage in this process, significantly for Stirling and Argyll and Bute. Table 2 on page 7 of the Population and Housing paper summarises these as they stood at the Main Issues Report drafting stage when the housing land supply target was being considered.

1.2. The HNDA for Stirling Council is the only one that provided outputs for the National Park area that falls within Stirling Council area. The other three HNDA's do not. Instead they cover the wider Housing Market Area's within which the National Park is included within, but on the periphery.

1.3. At one point, prior to commencing the Main Issues Report (2013), a standalone HNDA for the National Park was considered. This was not progressed due to the fact that the National Park does not constitute a HMA, is a rural area on the periphery and overlapping with several HMAs, is 'open' in terms of housing market dynamics, and has a small population (15,168 at 2011 census) upon which the robustness of the methodology of undertaking a HNDA was questioned.

1.4. Around this time the Centre for Housing Market Analysis (CHMA) produced a new HNDA tool (please see Paragraphs 30 to 33 on pages 8 and 9 of the Population and Housing Background paper) and it was initially hoped that outputs for the National Park could be generated from this. However upon investigation, it was concluded that its offering was limited for the National Park given the need to run it for smaller

sub areas of the wider HMA's and the low population levels involved. This meant that the outputs were not as robust or reliable as for larger concentrations of population. More detailed commentary on this is provided in the Population and Housing Background Paper in paragraphs 30 to 33 on pages 8 and 9. The use of the HNDA tool was therefore not progressed and the limited outputs from it were used solely for triangulation and cross checking with other data sources for the Stirling Council area of the Park.

1.5. To be clear on the role of the HNDAs as they apply to the Park, it can be said that they were of mixed use in regards to their relevance, robustness and applicability to the National Park. With the exception of Stirling, they do not provide outputs of direct relevance to calculating the housing supply target for the National Park, instead they provide an indication of housing need and demand for a wider area than the predominantly rural area that comprises the National Park.

<u>How has the evidence from the HNDA's been used, including details of any methodology in calculating the housing supply target for the National Park as a whole</u>

1.6. Paragraph 113 of Scottish Planning Policy (SPP) states that plans should be informed by a robust HNDA and that this forms part of the evidence base to inform both local housing strategies and development plans (including the main issues report). The key point to stress here, which perhaps is not articulated clearly or as pointedly in the Population and Housing Background paper is that the HNDA evidence forms only part of the evidence base for the National Park, rather than acting as the sole basis upon which the Housing Land Supply target is based.

1.7. Given that there is very limited evidence in the HNDAs that is directly applicable to the National Park - it is therefore not possible to directly apply Paragraph 115 of Scottish Planning Policy from the evidence provided in the HNDAs to the Plan.

1.8. With the exception of Stirling, none of HNDAs set a housing supply target for the National Park. For the Stirling Council area of the National Park, the HNDA does provide outputs clipped to fit the National Park area (raw outputs only – these were not translated into actual housing supply targets in the LHS), albeit these are informed by corporate policy views of Stirling Council, not the National Park (please see Population and Background paper page 14, paragraph 69). However the decision taken in the Local Housing Strategy (LHS) was not to set a specific National Park housing land supply target, focussing instead on the Stirling Council Urban and Rural planning areas outwith the Park boundary.

1.9. This approach reflected the fact that the current adopted NPA Local Plan already includes a Park-wide target of 75 homes per year, of which a significant proportion of these are located within the Stirling Council area (circa 60% - 45 homes per annum from allocated sites, notwithstanding any contribution from windfall sites). Preparation of the new PLDP acknowledged the LHS anticipation that the Park will make a contribution towards overall housing land targets, over and above the housing supply targets set. Paragraphs 58 to 80 of the Population and Housing Background Paper provide more detail on how the evidence from the HNDA was used and the methodology behind the consideration of the evidence.

1.10. It is considered that this fully complies with SPP. Indeed, paragraph 121 states that National Park Authorities should aim to meet the housing land requirement in full in their area but are not required to do so. This is as long as the any remaining part of the housing land requirement for the National Park is met in immediately adjoining housing market areas.

1.11. Should circumstances dictate the need for it, theoretically the methodology used in undertaking the HNDAs could be adjusted to allow for reporting at the National Park level. Aside from Stirling, it has not been considered pragmatic to do so. This is because the population for the three other local authorities within the Park is very small which would bring the methodology and outputs used in HNDA assessment in question, as demonstrated when the CHMA's HNDA tool was run and tested for the National Park.

1.12. The evidence from the HNDA's was therefore used *to help* consider and determine whether the current adopted housing land supply target of 75 new houses per year remains reasonable for the new PLDP or whether this needed to be adjusted. This was consulted on through our Main Issues Report.

1.13. The HNDAs are used to assess the extent of need and demand in the wider area, to provide the context of this and consider the role of the Park in meeting this need as part of the strategy of supporting sustainable economic and social development of the areas communities in line with the four aims set out in the National Parks (Scotland) Act 2000.

1.14. The target of 75 homes per year is therefore not derived directly from any HNDAs, instead it is a pragmatic judgement which seeks to balance the need to increase housing supply to help address population decline against the capacity of the Park to support housing growth in landscape, environmental and social terms. This is explained in the Population and Housing Background Report paragraphs 108 to 113. The target of 75 homes has been proportionately split, as far as possible, between the four local authority areas/HMA's to reflect the extent of population within these and the settlement strategies therein. This has been summarised in the proposed new Appendix 3 of the Population and Housing Background Paper to show how we have apportioned the supply by area and demonstrate fair and proportionate distribution of supply across the HMAs.

1.15. The target of 75 homes per year was identified and determined in the current adopted local plan, after close scrutiny at the previous local plan examination stage (at which it was regarded as being ambitious but necessary). Given that there were no new targets established via the HNDA's or any significant change in circumstances within which we are planning for new housing within the Park, it was not considered necessary to significantly depart from this target nor any requirement to reinvestigate this target again from scratch. However, monitoring of development trends over the current plan period revealed that the land supply target was not being met and this prompted some further consideration of the target, alongside the housing policies and allocations in the plan and any necessary adjustments to these.

1.16. The Main Issues Report stage in the PLDP's preparation was the key stage at which we did this as highlighted above, including consideration and seeking views on what the housing land supply target should be for the National Park. Please see pages 57 to 61 of the Main Issues Report which show how consideration was given towards the new housing supply target.

1.17. The Scottish Government's response to the Main Issues Report commented on housing need and the target of 75 houses per year and said:

"SPP 2014 states that NPA's should utilise the HNDAs of the constituent housing authorities (in the case Stirling, Argyll & Bute, West Dunbartonshire and Perth & Kinross). We are content that the NPA meets this requirement, in that the MIR is informed by the constituent HNDAs where available. We are content that there is a clear link demonstrated between the Council's HNDAs and the Housing Supply Targets for the area, well supported by evidence. Please note the revised HNDA guidance is now published.
The current Local Plan set an all tenure target of 75 houses per year. The MIR questions whether this target is still achievable over the LDP period and sets out 3 options for consideration:

- *Continue to plan for ambitious growth of 75 units per year – the Preferred Option;*
- *Plan for modest growth at 50/60 units per year;*
- *A lower target of 35 units per year.*

We note that the Preferred Option is to continue to plan for growth at 75 units per year, which creates a shortfall in Land Supply of around 160 units. We consider that the approach described in the MIR is sensible and pragmatic, with the housing supply target being reasonable and supported by evidence….."

1.18. A full copy of the Scottish Government's response to the Main Issues Report is appended for information. We took comfort from this response and progressed towards PLDP preparation based upon a continuation of 75 homes per annum, providing further consideration towards the role of windfall development within the Park. Three of the four local authorities – Stirling, Argyll & Bute and West Dunbartonshire Council - also confirmed at Main Issues Report stage that their preferred option was a continuation of 75 homes per year. These responses are also appended for information.

1.19. Following discussion with the Scottish Government it was agreed to amend the table in 'Appendix 1: Housing Need and Demand Assessment (HNDA) and Local Housing Strategies: Implications for the National Park Local Development Plan – Summary Table' to show at a glance the HNDA findings, LHS supply targets, consideration of their implications for the PLDP and its housing land requirement.

How did we take account of the West Dunbartonshire Council part of the Park in calculating the housing supply target?

1.20. There is no HNDA or LHS target set for the West Dunbartonshire Council (WDC) part of the Park. WDC has not asked that the Park Authority make allowance for accommodating any part of the overall HMA housing supply target. In the absence of housing supply targets, the pre-Main Issues Report engagement phase

was used to elicit opinion and demand for housing. This is explained more under Question 2 below, specifically via a call for sites and issues exercise.

1.21. Notwithstanding, there is an evidenced need for some new housing in Gartocharn and an additional site has been identified in the new PLDP in order to provide for choice and flexibility in delivery options for housing in this rural village. Balloch forms part of the wider Vale of Leven corridor yet is a key gateway settlement in the National Park with an important tourism role, it was felt important to make allowance for some further housing development to support and consolidate this.

1.22. In its response the Main Issues Report, West Dunbartonshire Council confirmed that the proposed allocations helped ensure a generous housing supply in the area overall.

2. Additionally, the way in which other factors were taken into account in establishing the policy view of the housing supply target should be explained in detail, with a list of each factor and the role it played set out. The split of the housing supply target between the affordable and market sectors should be provided (and justified).

<u>The factors that were taken into account in establishing the policy view of the housing land supply</u>

2.1 As explained above in paragraphs 1.13 to 1.18, the housing supply target was not re-examined from scratch. The approach taken in the currently adopted local plan was continued, having being re-examined as part of the Main Issues Report consultation to consider whether the supply target of 75 new homes per annum is actually the preferred approach.

2.2 The key factor that informed the policy view on the number of homes needed was the strong placemaking approach that was adopted from the outset to prepare the new PLDP. Our approach to placemaking meant working at settlement level to consider their ability to grow, informed and shaped by the wider National Park Plan strategy (with which there is a statutory duty that the local development plan complies), given planning considerations including capacity, land availability, constraints, infrastructure, service capacity (particularly schools) as well as community views and aspirations. This was based upon extensive engagement that was undertaken to inform the MIR stage and involved focussed design led planning workshops (and charrettes in 6 communities) This process allowed genuine engagement and discussion amongst communities and other parties, including landowners and developers, on the role of new housing, who this is for and how it might be achieved.

2.3 Key outcomes from this are the policy decision to direct most housing growth to the strategic locations of Callander and Arrochar – where significant economic development and investment is anticipated over the lifetime of the Plan. By way of example, the Callander charrette, the first one to be held in the Park in 2011, identified that the town should grow to the south in order to build on its role as a key National Park gateway settlement and fulfil community aspirations for this to become the outdoor capital of the National Park. The identification of further land for housing

in Callander is informed by a shared desire to achieve this strategic outcome rather than a direct response from a HNDA requirement. (Further detailed information on this is supplied in Core Documents 38A + 38B, 39 + 40).

2.4 This highlights the value of a 'bottom up' approach being used, strongly focussed on placemaking and outcomes, to compliment and aid interpretation of the wider HNDAs that are prepared for larger geographic areas, often with very different characteristics to the National Park.

2.5 To supplement this and test demand for new housing further, a Call for Sites exercise was used to build on the outputs from Callander and Tyndrum, Arrochar, Drymen and Aberfoyle Charrettes. The Call for Sites stage allowed for sites including allocated Local Plan sites to be re-evaluated. The Site Assessment Report (Core Document 26) explains the process of assessing these sites. Sites were assessed in regard to planning, landscape, ecology, flood risk and the water environment, and accessibility considerations. Key agencies (Scottish Environment Protection Agency, Transport Scotland, Scottish Natural Heritage, and Historic Environment Scotland) and Local Authorities were also consulted and their responses have informed the assessment of the suitability of taking sites forward for inclusion in the Main Issues Report. Sites were sifted by those considered too small 0.2Ha. A traffic light system was used to determine how a site would progress (green = preferred, amber = alternative, red = not preferred).

2.6 A further assessment of sites (which were raised in representations at the Main Issues Report stage) took place and included consultation with key agencies and local authorities Additional Sites Report (Core Document 27 CD27). Six sites were fully assessed (PMIR1-6) using the traffic light system (Green represented preferred sites and Red represented non-preferred sites). 8 other sites were assessed at a high level and not fully because of numerous reasons explained in Table 2 on p10 of CD27. 4 of these six sites were included in the Proposed LDP as short term (PMIR3) or long term sites (PMIR 1, 2 + 4)

<u>The split of the housing supply target between affordable and market sectors</u>

2.2 There are no housing supply targets (separated into affordable and market sector housing) set for the National Park by the HNDAs. In the absence of this, the Main Issues Report consultation stage was used as the main basis for consulting on the approach to determine the appropriate levels of affordable and market housing within the Park.

2.3 The Scottish Government Urban Rural Classification was used to differentiate between the more accessible, pressured areas of the Park and the remoter, rural areas, and different targets were set for these – 25% affordable housing requirement except for the more pressured accessible rural area where the requirement is either 50% or 33%. These quotas are significantly lower than those identified in the current local plan and are intended to help bring forward development and aid delivery whilst addressing the challenging nature of housing demand in the National Park.

2.4 This was informed by the factors described in the Population and Housing Background Paper in paragraphs 114 to 120 on pages 25-27. Taking Paragraph 129 of SPP into account – which states that affordable housing contributions on market sites should generally be no more than 25% - the divergence from this is considered justified as being necessary in respect of the housing pressures placed upon the Park and the affordability pressures within it. The key source of information for this is the Housing Market Analysis undertaken in 2013. The pertinent outputs of this are summarised in the Population and Housing Background Paper with the salient points being that affordability pressures are most severe [across the National Park] in the Loch Lomondside area, as well as the Callander and Aberfoyle areas. This helped justify the approach taken in terms of setting the targets for the percentage split between market and affordable housing.

2.5 The PLDP does indicate that flexibility may be applied to these contributions as the overall objective is to achieve more housing delivery on the ground (page 97 of the PLDP). This is explained in the accompanying Supplementary Guidance on Housing (which does not form part of this examination).

3 The explanations required by (1) and (2) should include possible wording that could be used in the proposed plan to allow users to better understand the approach of the Park Authority to the housing supply target set. The approach should be justified against the terms of Scottish Planning Policy.

3.1 Taking the above explanations into account it is suggested that the following brief explanation is included in the Plan, with the Population and Housing Paper remaining the core reference document for readers who seek a more detailed explanation of the approach to identifying a housing supply target of 75 new homes per annum. Given that the PLDP has been deliberately written in a plain English and succinct manner, with the more detailed and technical information removed to sit in supporting documents this has been kept short and focussed, whilst addressing the requirements of SPP. It has been written so that it can be inserted on page 25 of the Plan, at the start of the paragraph which begins 'Land for new housing is identified……

"Whilst the local authority housing need and demand assessments reveal housing need and demand in the wider housing market areas which cover the Park, they do not set any formal housing supply targets for the Park. However, in order to support sustainable rural communities it is important to plan for more housing in the Park. This needs to be a realistic assumption of what can be delivered whilst ensuring a generous supply of land is available to ensure new housing is delivered."

4 The Park Authority is requested to provide a detailed explanation of the way in which it calculated the housing land requirement from the housing supply target because, on the face of it, over the 10 year period of the plan, they appear to have different totals (900 and 750 units respectively). It is also requested to provide a detailed explanation (and justification) for its view that it does not have to apply the margin of 10% to 20% of the housing supply target, taking into account the terms of Scottish Planning Policy (including paragraph 121).

4.1 The housing land requirement (HLR) was calculated from the housing supply target of 75 new homes per year. Over the 10 year period of the Plan the requirement is 750 houses. The HLR is met from existing allocated sites that are still to be developed, other sites/commitments, windfall sites that have remaining capacity and an anticipated annual contribution from windfall development each year.

4.2 SPP Paragraph 120 requires local development plans to set out the housing supply target and HLR up to year 10 from the anticipated year of adoption. It is anticipated that the Plan will be adopted by the end of 2016/early 2017. Ten years from this date is 2026/27. The base year for the HLR is 2015/16 which means that the HLR needs to cover a 12 year period with a HLR of 900 homes. The HLR identified provides for 910 homes.

4.3 The requirement in SPP Paragraph regarding the addition of a 10% to 20% margin to the HLR might have been applicable, had this been derived from reliable and robust housing supply targets that were identified for the National Park in the housing need and demand assessments and via the local housing strategies. In the absence of these it seems artificial to do and lacking in justification. It is explained above how the National Park meets the HNDA requirements for Stirling, whereby the contribution from the National Park can be counted over and above the housing supply targets set for the rest of the HMA area outwith the Park.

4.4 Our interpretation of the reasoning behind this requirement in SPP is to ensure that a generous supply of land is provided for in order that housing delivery is not hindered by stalled or ineffective sites that are slow in coming forward. This principal is supported and agreed, however the method – the addition of a 10-20% flexibility allowance – is not considered the only way to achieve this.

4.5 The need to provide for a generous supply of housing land was factored into consideration of the housing supply target at Main Issues Stage (please see Main Issues Report pages 60 and 61). It is acknowledged in the Main Issues Report that 75 houses per year remains ambitious, when compared with approvals and completions data, and it is still questionable as to whether this will actually be achieved in the National Park, however setting this as the supply target will ensure that there is a generous supply identified. The challenges around this are related to ensuring an effective supply, which is why windfall contribution from single units and small sites is so important within the Park.

4.6 Caution also needs to be exercised in regards to the current SPP's focus on numbers. Housing delivery here is not simply going to increase if more supply is identified, particularly not in a rural area such as the National Park where many sites are constrained due to infrastructure, flooding, topography and or landscape/environmental sensitivities. In some other instances the challenges in the National Park in regards to housing delivery are not so much around numbers and supply, but more around policy and the challenges in delivery in rural areas. The PLDP amends the housing policy in order to aid delivery and there is already evidence of this approach working. An example being in Luss, where there has been virtually no new housing development for years,

where Luss Estates is bringing forward an overall package of development proposals, including a recently consented affordable housing development in Luss for five units (Planning Application Ref 2015/0441/DET).

4.7 It is intended that the revised policy framework in the PLDP will support and enable more housing development, key policy amendments include the removal of the restrictive local needs planning policy that applied to Loch Lomond, removal of the requirement for 100% affordable housing in this area of the Park, and the introduction of a more flexible approach where market housing will be supported (at a higher proportion if necessary) in instances where viability is demonstrably challenging. Within the Park it is our view that the policy approach, and getting this right, is of most importance in delivering housing on the ground.

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