Dundee City Council

Dundee Local Development Plan 2 Housing Background Paper (Finalised) August 2017



Contents

1 - Introduction	2
2 - Context and Overview	3
3 - Supply of Land for Housing	5
4 - Dundee LDP2 Housing Strategy	10
5 - Specialist Housing Provision and Other Specific Needs	13

1. Introduction

- 1.1. The purpose of this paper is to provide further context to the housing strategy of the Dundee Local Development Plan 2 (LDP2). The paper provides information on the housing land supply, addresses both market and affordable housing, provides information on the strategic and local context and provides explanation and justification of the approach taken in the LDP2.
- 1.2. The paper identifies and interprets the housing requirements for Dundee City within the context of Scottish Planning Policy 2014 and the TAYplan Strategic Development Plan 2017.

2. Context and Overview

Scottish Planning Policy 2014

- 2.1. Scottish Planning Policy (SPP) sets out the Scottish Government's policies and vision for delivering new housing in Scotland. In order to achieve this Local Development Plans are encouraged to take a positive approach to development and promote a sustainable pattern of growth primarily through the efficient use of land, buildings, infrastructure and previously developed land.
- 2.2. SPP identifies the requirement to ensure there is a 'generous' supply of appropriate and effective land for the provision of a range of housing. In addition, LDPs are required to allocate land for housing on a range of sites that are effective or capable of becoming effective to meet the housing land requirement up to year 10 from the predicted date of adoption, ensuring a minimum of 5 year supply of effective housing land at all times. There is also a requirement for LDPs to ensure the release of future phases of effective sites where the annual Housing Land Audit identifies a shortfall in the effective 5 year land supply.

TAYplan Strategic Development Plan 2017

- 2.3. TAYplan Strategic Development Plan (SDP) has incorporated the vision set out in Scottish Planning Policy (SPP) for creating successful places within the context of the TAYplan region. Central to this is providing for good quality homes and communities to best ensure that there are homes for everyone to live in. The population is expected to increase across the TAYplan region and this requires a continuous supply of housing land for new homes to meet the needs of different households throughout their lives.
- 2.4. In summary Policy 4 of TAYplan SDP requires the LDP to:
 - Plan for the average annual housing supply target and housing land requirement to assist in the delivery of the 23,172 homes up to year 2028 across the TAYplan area.
 - Identify land which is effective or expected to become effective to meet the housing land requirement up to year 10 from the predicted date of adoption. A minimum of 5 years effective land supply should be ensured at all times.

Housing Background Paper

- Ensure that the mix of housing type, size and tenure meets the needs and aspirations of a range of different households throughout their lives, including the provision of an appropriate level of affordable housing.
- For Dundee City only, have the flexibility to plan for housing numbers in excess of the housing land requirement.
- 2.5. The housing supply targets have been informed by the TAYplan-wide Joint Housing Need and Demand Assessment 2013 (HNDA). This was considered to be robust and credible by the Scottish Government in February 2014. The TAYplan-wide HNDA highlights that Dundee has a high percentage of flats, that comprise over half of the housing stock within the City and that as a result there is a need to provide further choice to the market by increasing the availability of high quality family housing.

3. Supply of Land for Housing

Supply of Land for Housing

- 3.1. The following Table 1: Supply of Land for Housing is a calculation that presents the additional housing land that is required to be allocated in LDP2 for 2019-2029.
- 3.2. The following sections of the paper will provide further background to the figures that have been presented within Table 1.

	TAYplan Housing Supply Target (10 years at 480 homes per annum)	
	+10% generosity (to provide HLR figure below)	480
А	Housing Land Requirement	5,280
в	Established Land Supply (Housing Land Audit March 2016)	4,826
С	Take up 2016-2018 (2 years)	800
D	Potential Established Supply at 2018 (B-C=D)	4,026
E	Windfall Sites at 15% of 4,800 (HST)	720
F	Small Sites Contribution (10 years at average 20 per annum)	200
G	Identified Housing Land Supply (D+E+F=G)	4,946
н	Additional Housing Land required for 2019-2029 (A-G=H)	334

Table 1: Supply of Land for Housing

Housing Supply Target and Housing Land Requirement

- 3.3. TAYplan SDP sets the housing supply target and the housing land requirement for each local authority in the TAYplan area. The housing supply target is the total number of new homes that will be delivered over the plan period. The housing land requirement provides a baseline to guide the level of new land allocations required, ensuring that a generous supply of land for housing is provided which will allow further choice and flexibility in the housing market.
- 3.4. The housing supply targets were informed by the TAYplan-wide HNDA 2013 as well as consideration of wider social, economic and environmental factors and issues of deliverability, resources and capacity. TAYplan SDP set the housing supply target figure for Dundee City as an average annual build rate of 480 homes per annum.
- 3.5. SPP 2014 (para 116) requires this figure to be increased by a margin of between 10% to 20% to establish the housing land requirement, in order to ensure that a generous supply of land for housing is provided.
- 3.6. Within Policy 4 of TAYplan SDP a 10% level of generosity has been added to the Dundee City housing supply target of 480 homes per annum which provides a housing land requirement figure of 528 homes per annum. Policy 4E of TAYplan SDP allows Dundee City the flexibility to plan for housing numbers in excess of the housing land requirement.

Established Land Supply

3.7. The established housing land supply shown in Table 1 is the total housing land supply from the Dundee Housing Land Audit (HLA) 2016 and includes constrained and unconstrained sites. This figure includes the effective housing land supply, plus the remaining capacity of sites under construction, sites with planning permission as well as the allocated sites within the LDP 2014.

Completions and Take Up

3.8. Table 2 shows the number of completions in Dundee City since the LDP 2014 was adopted. The continuing effects of the economic downturn on housebuilding in Dundee can be seen from the low number of completions over this period, with an average annual build out rate of 234 homes per annum. This figure is substantially lower in comparison to pre-recession housebuilding levels shown in the Dundee

HLA 2016. Whilst it is apparent that the annual trend for housing completions has been relatively low it is also clear that the completion rate is now steadily increasing.

Table 2: Dundee Total Housing Completions

Year	2014	2015	2016	Average
Total Completions	168	210	323	234

Dundee HLA 2016

- 3.9. The Council use the Dundee Housing Land Audit and the Action Programme to monitor the effectiveness of housing sites.
- 3.10. The take up figure shown in Table 1 is estimated using information from ongoing house site monitoring as well as from the build rates from recent Housing Land Audits. It has been estimated that the average annual completions will provide a total take up of 800 homes over the two year period until the approval of the LDP2. The take up figure is deducted from the established land supply in order to take account of the time period that elapses between the drafting of the Proposed Plan and the approval of the LDP2.

Windfall Sites

- 3.11. Windfall sites are those which become available for development unexpectedly during the life of the local development plan and so are not identified individually in the Plan.
- 3.12. The urban nature and the ongoing regeneration within the City has resulted in windfall sites making a sizeable contribution to the supply of land for new housing in Dundee.
- 3.13. Over recent years, the average number of completions on windfall sites shown in Table 3 has often accounted for in excess of 50% of the total number of completions per annum. This has been a result of a number of factors such as an overall low number of completions due to the financial constraints on the housing market; the demolition of Council housing and other property creating windfall development sites; and the time gap between the Local Plan Review 2005 and the adoption of the LDP 2014.

3.14. Table 3 displays that there were no completions in 2014 on allocated housing sites. This was as a result of the LDP 2014 having only being published earlier that year and also reflects the time period between a site being allocated for housing in the LDP, obtaining planning permission and then being developed. The trend shown for 2015 and 2016 displays an increase in completions on allocated sites and it is expected that this trend will continue.

2014	2015	2016	Average
0	37	193	101
168	173	130	157
168	210	323	233
	0	0 37 168 173	0 37 193 168 173 130

Table 3: Dundee Housing Windfall completions

Dundee HLA 2016

- 3.15. The Council has monitored the status of all housing sites since the adoption of the LDP 2014 and prepared a Housing Land Monitoring Map to provide a visual representation of the progress across the City on a six monthly basis.
- 3.16. The latest <u>Housing Land Monitoring Map Dec 2016</u> shows that there have been a total of 2,192 homes approved over the three year period since the adoption of the LDP 2014 with 58% of these homes approved on LDP allocated housing sites and the remaining 42% located on windfall sites. It is clear that a considerable number of units within Dundee have been granted on windfall sites and therefore it is reasonable to plan for a windfall proportion within the LDP2.
- 3.17. As well as analysing recent completions and approvals on windfall sites, the Council have produced a Development Site Assessments document (DSA) 2017. This is effectively an urban capacity study which includes an assessment of all sites considered for housing during the production of the LDP2, including those that could come forward as windfall. Table 1 contains a windfall proportion of 15% of the housing supply target of 4,800. Over the ten year plan period this windfall proportion would equate to an average completion rate of 72 homes per annum. This is a reduced figure in comparison to the LDP 2014 which had a 20% windfall proportion. The reduction to the windfall proportion is also in recognition that several major regeneration and renewal projects within the City are now in their later phases and as a result it is less likely that as many significant windfall sites will be coming forward.

3.18. Based on the above information as well as the housing strategy for the LDP2 it is considered that a 15% windfall proportion would be reasonable and appropriate in order to continue a plan led growth of the City.

Small Sites

- 3.19. Housing development sites of 5 or less residential units on land that has not been allocated for housing are known as small sites. These sites are recorded separately within the Dundee HLA and so are in addition to windfall completions. It is clear from analysing completion rates that small sites make a consistent contribution to the supply of new housing within Dundee.
- 3.20. The Dundee HLA 2016 shows a historic average build out rate of around 20 homes per annum. It is therefore considered realistic that a small sites figure of 200 homes over the ten year period of the Plan has been identified within Table 1.

Additional Housing Land Required

3.21. The purpose of Table 1 is to identify the additional housing land that is required to be allocated within the LDP2. To meet the housing land requirement it has been established that land sufficient to accommodate an additional 334 units is required to be allocated in LDP2.

4. Dundee LDP2 Housing Strategy

- 4.1. The Report of Examination for the Dundee Local Development Plan 2014 confirmed that the overall vision and approach of the housing strategy was appropriate and that the strategy of prioritising the reuse of brownfield land with limited greenfield land release that largely focused on the Strategic Development Area at Dundee Western Gateway was in accordance with Scottish Planning Policy and the approved TAYplan Strategic Development Plan 2012.
- 4.2. Since the adoption of the LDP 2014 there has been significant progress on many of the allocated brownfield sites with planning permission approved for a range and choice of housing types and tenures. In addition to this there has been considerable progress at the Western Gateway with the land now in the control of a willing developer and planning permission having been granted for the allocated sites and development having commenced. As a result of this progress it is anticipated that the number of completions at the Western Gateway will increase and will contribute towards achieving the housing supply target.
- 4.3. The housing strategy for identifying land to meet the housing land requirement for LDP2 is to continue to prioritise the reuse of brownfield land within the existing urban area and to plan for a managed release of greenfield land across the City in both the first and second five year period of the Plan. All of the allocated housing sites within LDP2 are either close to employment opportunities or have good access to them. Overall the housing strategy provides a generous supply of housing land that will provide further choice and opportunities within the City and deliver high quality homes and successful places where people want to live.
- 4.4. The principal focus for greenfield land in LDP2 is a phased release at the Dundee Western Gateway. This will build on the strategy from the LDP 2014 and will ensure the continued successful delivery of this Strategic Development Area.
- 4.5. The developer has demonstrated a clear commitment to the ongoing delivery of the Dundee Western Gateway. It has been established that there are no significant infrastructure constraints and the developer will provide land to ensure the development of a primary school within the area. The housing strategy for LDP2 will support the growth of the Dundee Western Gateway and in doing so will allow for a critical mass of housing required to deliver key education and other related (community uses and small scale shopping) infrastructure that will further encourage and support the growth of an attractive and sustainable residential community.

- 4.6. In addition to the land release at the Dundee Western Gateway further greenfield sites have also been allocated across the City. These additional greenfield sites will provide further choice in location and housing type for both home builders and occupiers but it is considered that they are not of a scale that would result in a significant detrimental impact on existing infrastructure within the City. Furthermore it is considered that the scale of these sites would not undermine the progress of the Western Gateway Strategic Development Area.
- 4.7. The greenfield sites that were allocated for 2020 release in the LDP 2014 at Baldragon and Linlathen will both be allocated for the first 5 year period of the LDP2 as will the site at Land to East of Strathyre Avenue.
- 4.8. To offer further choice of housing type and location there will be a greenfield land release at Ballumbie which will support the nearby community infrastructure and continue the revitalisation of the north east area of the City.



Fig 1: Housing Land Release

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Housing Background Paper

11

- 4.9. The TAYplan-wide HNDA identified that Dundee has a high percentage of flats that comprise over half of the housing stock within the City. The housing strategy for LDP2 has allocated a generous supply of land in a variety of locations with the purpose to continue to address the limited choice of housing type within the City and to encourage the further delivery of high quality family housing.
- 4.10. As can be seen in Figure 1: Housing Land Release the LDP2 has identified a generous supply of housing land across the City that will exceed the housing land requirement shown in Map 4 of TAYplan SDP. This is consistent with TAYplan Policy 4E, which enables Dundee City to do this and it is considered that by doing so the LDP2 housing strategy bolsters TAYplan SDP Policy 1A which concentrates the majority of new development within principal settlements.
- 4.11. Progress on the release of housing land will be monitored through the Action Programme and Housing Land Audit to ensure that this greenfield land release does not undermine the priority to reuse brownfield sites.
- 4.12. Where the annual Housing Land Audit identifies a shortfall in the effective 5 year land supply the Council will look to bring forward additional housing land with sites that have been allocated within the second 5 year period of the Plan to be considered first and these sites can be seen in Appendix 3 of the LDP2.

Release of Council Owned Sites for Housing

- 4.13. The priority for the redevelopment of brownfield land for housing has been carried forward into LDP2. In order to support this strategy the Council are committed to the ongoing release of a range of Council owned brownfield sites that vary in size, development capacity and location.
- 4.14. The Council will continue joint working and engagement with the housebuilding industry and the release of these sites will provide choice to the housing market and will appeal to a variety of prospective local and national developers.
- 4.15. Furthermore the ongoing release of Council owned brownfield sites will continue to support the delivery of the housing strategy in the LDP2 and assist in the delivery of the housing supply target.

Housing Background Paper

5. Specialist Housing Provision and Other Specific Needs

Affordable Housing

- 5.1. SPP (para 128) requires local development plans to clearly set out the scale and distribution of the affordable housing requirement for their area.
- 5.2. TAYplan SDP states for the whole of the TAYplan area the level of affordable housing will be an approximate ratio of 25% affordable to 75% market homes but that this may vary between housing market areas and Local Authorities and encourages a mixture of housing type, size and tenure.
- 5.3. The LDP 2014 and previous Dundee Local Plans have not contained an affordable housing policy. Instead the City Council has worked in partnership with the Scottish Government, Registered Social Landlords (RSLs) and private housebuilders to deliver affordable housing across the city. This supply has been largely enabled by the sale of surplus City Council land to RSLs and financial support from the Scottish Government. There are also examples in Dundee of private housebuilders using innovative funding and construction methods to deliver low cost housing without subsidy.
- 5.4. The LDP2 supports the partnership approach to the delivery of affordable housing by allocating a range of sites across the City, and encouraging the delivery of a variety of housing type, size and tenures during the Plan period.
- 5.5. In terms of the future supply of affordable housing provision across Scotland the Scottish Government announced a national target of 50,000 affordable homes over the 5 year period from 2016/17 to 2020/21. To contribute to meeting this national target Dundee City Council has been allocated funding from the Scottish Government's Affordable Housing Supply Programme for the period 2016-2021.
- 5.6. The Council is committed to the delivery of affordable housing in the City and the funding allocation from the Scottish Government would support the development of around 150 affordable homes per annum. The Council will continue to work closely with Registered Social Landlord (RSL) partners and support housing delivery through the allocation of the Affordable Housing Supply Programme via the Strategic Housing Investment Plan.

- 5.7. Policy 4 of TAYplan SDP also states that LDPs are best placed to determine the appropriate scale and mix of housing type, size and tenure. Within Dundee City the anticipated affordable housing completions of 150 per annum would account for around 31% of the 480 homes per annum housing supply target. This will make a significant contribution to the housing strategy in Policy 4 of TAYplan 2017.
- 5.8. Table 4 displays housing completions from the Dundee Housing Land Audit for the previous three years since the adoption of the LDP 2014. The table contains the number of affordable and private housing completions, displaying these as a percentage of the total completions from that audit year.

Year	2014	2015	2016	Average as percentage of total
Affordable (RSL) Completions	62 (37% of total)	68 (32% of total)	90 (28% of total)	32%
Private Completions	106 (63% of total)	142 (68% of total)	233 (72% of total)	68%
Total Completions	168	210	323	n/a

Table 4: Dundee Housing Completions and Tenure Split

Dundee HLA 2016

- 5.9. Since the adoption of the LDP 2014 the average completion rate of affordable housing as a percentage of the total completions has been 32% with the remainder being comprised of private housing. As can be seen from Table 4 the total housing completions across all tenures have been steadily increasing since the adoption of the LDP 2014 and this is anticipated to continue over the next few years. As the private housebuilding figures have increased substantially the affordable housing completions as a percentage of total have slightly fallen. Given the future committed funding for affordable housing it is anticipated that the average percentage split will not alter considerably over the lifetime of the LDP2.
- 5.10. It is considered that the Council is strategically aligned to continue to support the delivery of affordable housing within the City. This will be achieved through the ongoing commitment to work in partnership with Registered Social Landlords, Scottish Government and housebuilders to deliver high quality and well located affordable housing within the City without the introduction of an affordable housing policy in the LDP2.

Gypsy/Travellers and Travelling Showpeople

- 5.11. Dundee City Council provides a purpose built Gypsy/Travellers caravan park located in a rural setting at Balmuir Wood, Tealing about 6 miles from Dundee. The site has 20 individual pitches each with its own utility unit, a hook up facility for electricity and hardstanding for parking caravans and motor vehicles.
- 5.12. The research carried out during the production of the Dundee Local Housing Strategy identified that the Gypsy/Travellers site at Balmuir Wood has a young transient population with fluctuating levels of occupation but that predominantly the site tends to be under occupied.
- 5.13. The TAYplan-wide HNDA stated that there will be a need for continued maintenance of the existing sites but did not identify a specific additional housing need for Gypsy/Travellers within the Dundee area. In addition there were no specific additional needs identified for Travelling Showpeople that could not be dealt with through the existing arrangements for temporary encampments or fairs.
- 5.14. Therefore there will not be any sites allocated for Gypsy/Traveller or for Travelling Showpeople within the LDP2.

Housing Background Paper



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