

Notes from Q & A from Planning Skills Land for Rural Housing Seminar July 2020

FAQ

Background

In 2019 the Scottish Land Commission appointed Savills to carry out research on Land for Rural Housing. The research is part of a wider Review of Land for Housing & Development. The Commission were aware that many rural communities saw housing as a significant issue, with not enough affordable homes to meet need and allow the community to meet its full potential.

The research follows a report by Highlands and Islands Enterprise – Stimulating Housing Development in the Highlands and Islands – which set out several challenges around affordability and supply in the region. It also followed up on An Investigation Into Scale and Concentration of Land Ownership by the Scottish Land Commission, which found that a lack of affordable housing was an issue for many rural communities. It was suggested that not being able to access suitable affordable land may be an underlying cause of the shortage of housing.

Savills were commissioned because of their extensive knowledge of rural planning and land and development economics. The brief was to set out the main challenges (particularly relating to land for housing), share good practice and innovation and make recommendations for any policy or legislative changes to increase the supply of well planned homes to meet need and demand

Main Issues

- Concerns that there is a clash between promotion of rural development and housing and low carbon targets
- Suggestions that rural housing development will put pressures on services (GP surgeries, waste collection, schools)
- Argument that depopulation and move to towns suggests that it is wrong to suggest that there is an undersupply of rural housing

Draft FAQs

Sustainability

Q There is a need to ensure that new development is sustainable and does not lead to significant increases in carbon emissions. Does supporting increased rural housing development not run the risk of promoting unsustainable development?

A There is a danger that policies to promote sustainable development become confused with a presumption against development in rural areas. Good rural housing development should take a place based approach and look to develop well planned communities based on an analysis of what the community needs, and developed in partnership with the community. The Applecross Case Study sets out one approach to this, with a survey of local need and demand followed by a Land Use Plan created in collaboration by the local community, the council and the landowner.

Providing housing and other facilities required to meet local need and sustain a community is arguably more sustainable than developing estates based on car use on the urban fringe.

Pressure on Local Services and Resources

Q Would more rural housing development not lead to additional pressures on rural services such as waste collection, school buses and GP services?

A The approach suggested in the study is to undertake a survey of need and demand for housing in an area and then take a place-based approach to meeting that need. This planned approach would allow for the impact of development on local services to be considered when projects are being planned. The development of a local place plan or land use plan would consider what a community or places needs on the whole to meet local needs and make it sustainable.

In many cases, the development of well planned housing that meets an identified local need can help to sustain places and make services viable rather than putting pressure on resources.

Need and Demand for Rural Housing Development

Q There has been a population shift from rural areas to towns and cities. Is there evidence that there is demand for more housing in rural areas?

This study followed work by both the Scottish Land Commission and Highlands and Islands Enterprise which found that a failure to provide sufficient housing to meet need and demand in rural areas prevented some areas from meeting their potential, made it difficult for younger people to remain in areas and in some cases had an impact on the sustainability of the place.

In each of the three project based case studies – Tarland, Rothiemurchus and Applecross – housing developments are based on fine grained surveys of housing need and demand in the area. We are suggesting that where a community has identified a need for more homes then a local survey can quantify what is needed to meet need and sustain the community.

There are also moves by the Scottish Government and councils in the Highlands and Islands to tackle population decline in affected rural areas.

Rural Housing Delivery, the Speculative Housebuilding Model and the Role of Planning

Q The study found that large housebuilders were not active in rural areas as they couldn't meet their 20% target profit. Is there a danger that we “blame the planners” for a shortage of housing rather than looking at other actors?

The Commission believes that there are issues with the speculative housebuilding model not working or being active in most of rural Scotland or in large parts of urban Scotland which require regeneration. Our research on land and housebuilding found, however, that speculative housebuilders require this level of profit because of the time that developments take to come to fruition and because of the complexity of delivering projects. In our view this means that there is a need to reduce risk and increase certainty around land for housing, and to support other models of housing development. We believe local authorities,

especially planners can play a major role in this and that the training proposed in the report could help to deliver rural housing developments where the public sector has played a leading role in identifying need and working with communities to shape a Local Place Plan.

Rural Housing Demand and Affordability

Q Is there Scope for Affordable Rural Housing for Sale

As the section of the report looking at development costs and sales prices highlights, this could be a challenge in many rural areas. There may be scope, however, for development of plot sales to cross subsidise affordable plot sales for self-build as highlighted in the Tarland and Rothiemurchus Case Studies. There could potentially be scope for models of housing for sale where the owner pays a ground rent to the landowner but this would require further investigation and development.

Q Should Restrictions on Second Homes be Imposed in High Pressure Areas?

The report highlights two approaches to meeting need and demand in rural areas. One was the approach set out in the Applecross Case Study where a local survey establishes need and demand before a local plan sets out how to meet need. The second was the cross subsidy approach highlighted in the Tarland and Rothiemurchus Case Studies where a demand for high value self-build plots was used to deliver affordable housing. Since the study looked at the role of land in delivering more affordable rural homes (all tenures) to meet need it doesn't really consider restricting sales.