

AGENDA ITEM 9

APPENDIX I

HOUSING SUPPLEMENTARY GUIDANCE

TABLE OF CONSULTATION POINTS RAISED AND CNPA RESPONSE

CNPA Responder ID	Response organisation	Extract of comment raised	How this is proposed to be addressed and what changes will be made to the SG
SM1		Considers the commuted sums set out in the SG are unaffordable for local people to build their own homes. The cost cannot be borrowed against a mortgage and this approach penalises those who can least afford it. The option of getting a viability assessment also adds another significant cost for trying to build a home which many may not be able to afford. Alternatives should be considered such as using the Rural Housing Burden for self-build house plots.	It is acknowledged that the commuted sums set out in Table I (Page 11) are a significant increase from the current rate, particularly for single dwellings. The commuted sums have been revised for one to three dwellings to 10% of the total charge per unit (As set out in the updated SG). Reference to the use of rural housing burdens will be included within the delivering affordable housing section (4) and greater detail is also included within Appendix I.
SM2	Grantown and vicinity community council	Concern expressed about the high levels of commuted sums proposed. Whilst it is accepted an increase is required, a development of a single home is different from a development of 2 or 3 dwellings and as such, single dwellings should not have to pay the unit price but a percentage of the unit price as previously. In addition, the exemption based on value does not recognise that a single dwelling could be for a single person.	As noted above, the sums have been significantly reduced to just 10% of the total charge per unit.
SM3	NatureScot	Cross reference needed to other relevant policies such as Policy 3: Design and Placemaking which could help develop high quality affordable homes. Reference should be included in the introduction for the need to consider other policies and seek pre-application advice to identify constraints and opportunities.	It is agreed that all policies apply and a line in the introduction will be added highlighting this. However the focus of the SG is affordable housing and it is not considered necessary to cross reference to other specific policies within the Supplementary Guidance.
SM4	Scotia Homes	<p>The statement that the cost of land cannot be considered a valid reason for a project to be unviable should be removed or reworded. From experience, other authorities have suggested that abnormal costs should be absorbed by the price of land but landowners will not consider selling for such a price which does make a project unviable. A fair land price or close to market value needs to be included to enable the project to happen.</p> <p>A statement should also be included to encourage engagement with communities who may have an interest in the tenure and methods of delivery for affordable housing.</p>	<p>These concerns are noted, however the cost of land is the starting point for any development and its cost has to be taken into account when costing a development as it is known from the outset. Only in exceptional circumstances will land value be taken into account and therefore the wording in Section 8 will be amended to 'The cost of land is not generally accepted as a valid reason'.</p> <p>Other 'unforeseen costs' can be taken into account in a viability assessment such as those associated with preparing land to make it ready for development which had not been known at the time of purchase.</p>

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			Engaging with communities is encouraged Section 4 already supports collaboration between groups is welcomed. This has been expanded to specifically include community groups.
SM6		<p>Objects to the commuted sum for single houses as this will exclude those on lower and average incomes from building their own homes. Obtaining finance for self-build is already very difficult and the additional amount will have a major impact. Of the view that the cost of land does need to be taken into account as it forms a significant part of the build cost, particularly within the CNP. The 'market values' in Appendix 3 are unrealistic as the market value of a property includes the land upon which it is built.</p> <p>Demonstrating viability will incur more upfront fees before finance can be secured (and there is no guarantee that it will be accepted). Self-builders need to know what they are going to have to pay before submitting the planning application and not find they have more money to pay to release their planning permission. The commuted sum levy will put massive pressure on build budgets and will result in people experiencing financial hardship or be unable to complete their homes.</p> <p>There is no direct commuted sum for second homes (or other general open market house sales) which are a key factor affecting housing affordability and availability. The amount required should be akin to the same as stamp duty for purchasing an existing house not the 'obscene' figure many times that. This does not answer the affordable housing problem. Pressure needed on the Scottish Government to legislate against the scourge of second homes or include legal text in title deeds led by planning conditions to ensure new houses are kept as full-time dwellings in perpetuity and not sold as second homes. Ultimately, people building their own homes helps to reduce pressure on housing stock and supports the local economy so should not be penalised.</p>	<p>As noted above, the sums have been significantly reduced, particularly for single dwellings to just 10% of the total charge per unit making it much more affordable for those building a single house.</p> <p>The reduction in the commuted sum for single dwellings will reduce the need for a viability assessment. It is not intended that the commuted sum will render a development unviable and by setting out the required sums in the SG provides all applicants with a clarity on what they will be required to pay.</p> <p>Committed sums will be required for all small-scale developments of three or less dwellings irrespective of whether they are proposed to be or become second homes. Any developments bigger than this must comprise the appropriate proportion of on-site affordable housing.</p> <p>Legislating against second homes or charging a commuted sum for any existing second home is outwith the remit of planning or this SG.</p>

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SM7	Kincraig and Vicinity Community Council	Feshiebridge becoming a holiday village with no residents - 1 resident and 3 holiday lets. Nearby housing in Kincraig is priced well out of local wages so become holiday homes.	The LDP and this SG acknowledge the impacts of second homes and the need to support more affordable housing. No amendments sought.
SM8	HIE	When considering the developments that will require contributions HIE suggest that all Staff accommodation or hostel style accommodation should be treated as a commercial development.	It is not possible to amend the LDP policies to which this SG relates however it is agreed that staff accommodation / hostel accommodation is in itself a form of affordable housing. The SG will be amended to exempt staff accommodation and hostel accommodation from affordable housing contributions. It may be necessary to condition such developments to ensure they can only be used for this purpose.
SM9		Greater focus needed on the importance of wildlife, meadows, trees and biodiversity. Under Designing for Affordability (Permitted Development Rights), reference is made to planning criteria including road access, neighbour amenity, wildlife, landscape and heritage considerations and more information should be provided on each of these elements. No mention of Choice based letting or how the situation can be managed to ensure that local people get access to properties. No mention of the turnaround of properties where planning needs to take account of settlements with a large retired population which will have a quicker turnaround than those with a younger demographic.	<p>Whilst it is acknowledged that natural heritage is an important consideration in any planning application, it is not considered that detailed guidance on this should be provided within this Affordable Housing SG. Further detail is provided in Policy 4: Natural Heritage/ Policy 3: and the Natural Heritage SG and all housing proposals should be considered against these.</p> <p>Choice based letting and specifying who can get access to properties is not a matter than planning or this SG can control or influence.</p>
SM10	Aberdeenshire Council	<p>Seeks clarity on where the evidence is for the higher levels of affordable housing (45% in Ballater & Braemar) and the Housing Supply Target. Local Housing Authority should be abbreviated to 'LA'. Clarity needed on what a 'smaller' dwelling is i.e. is it no. of bedrooms or physical footprint.</p> <p>The SG does not correctly outline the current funding and approval mechanisms for affordable housing which should be in accordance with the Local Housing Strategy (LHS) for each area. Reference is made to the Affordable Housing Investment Programme but this should be the 'Supply' Programme which is led by the local authority as the Strategic Housing Authority (SHA).</p>	The option to introduce increased affordable housing rates within the National Park was agreed through the National Park Partnership Plan (2017) and evidence to support the increase to 45% for Aviemore, Ballater, Blair Atholl and Braemar was set out in the evidence reports accompanying the Main Issues Report and Proposed LDP. This approach was agreed by the Scottish Government and has therefore been implemented within the LDP 2021 and this SG provides detail on how the Policy should be implemented and does not provide justification for the policy.

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		<p>Page 9, para. 2 should be amended to read 'Councils can also derive funding'. Reference to the Local Housing Association (LHA) should be removed as there is no such thing and replaced with Local Housing Authority (LA).</p> <p>On page 9, under the 'With public subsidy' heading, it should be made clear that developers need to approach the local authority to gain funding as it is the SHA who enable the drawdown of funding.</p> <p>Under 'Financial contributions' it states that they will be used to provide housing elsewhere in the local authority/housing market area however monies within Aberdeenshire are allocated within the same academy catchment area in which they are generated.</p> <p>For all rented affordable housing, applicants must be taken from or nominated from the housing waiting lists of the LA or housing associations.</p> <p>'Offsite Contributions' - should only be considered where the SHA has been consulted and agrees to ensure compliance with the LHS.</p> <p>'Commuted Sums' - Include 'Academy catchment area' in addition to housing market area.</p> <p>'Affordable Housing Exception Sites' - Clarity requested on what is meant by an 'independent assessor' - who would that be/qualifications needed. Suggests that it could be approved by the SHA as a relevant body with appropriate experience and evidence. For social rented properties, applicants are not asked for financial information or assessed on this. In respect of the criteria that 'Details to confirm the residents of the new development have a need to live in the locality chosen', housing need is not local connection and should come first but have a Local Lettings Initiative (LLI) to further assess.</p> <p>'Viability' - There price paid for land is not justification for failing to accord with development plan policies and only unforeseen costs should be taken</p>	<p>In relation to 'smaller dwellings' it is acknowledged that space standards vary between authorities, and this will be referenced within section 9: Designing for Affordability. The sizing guide which sets out internal areas of smaller dwellings has also be moved to be more prominent.</p> <p>Section 4. Delivering Affordable Housing will be amended to better reflect the need for developers to contact the relevant Local Authority in relation to funding for affordable housing which should be in accordance with the LHS and ensuring that sites are set out within the Strategic Housing Investment Plan.</p> <p>Reference to Affordable housing Investment Programme (page 9) will be removed and the first paragraph amended to read 'Funding for affordable housing is directed to LAs (as the Strategic Housing Authority who prepare the Strategic Housing Investment Plan) and RSLs (who also receive grant funding to deliver homes). Developers should contact the relevant LA as early as possible to discuss funding and delivery opportunities.</p> <p>Wording amendments on page 9 are agreed and the above amendment provides clarity that developers need to approach LAs to obtain funding</p> <p>It is acknowledged that in Aberdeenshire and some other local authorities that contributions should be spent within the academy/secondary school catchment area. It is therefore agreed that secondary school catchment will be added in the Financial Contribution section (page 9) and Commuted Sums section (page 11).</p>

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		<p>into account and justification provided as to why they could not be taken into account. The outcome of any viability assessment should be discussed and agreed with the relevant LA. The NPA should not be the only arbiter as the LA will have to determine if they can meet shortfall. In respect of flexibility, further clarification is sought on how the length of time a house must remain affordable affects the viability of the scheme. Aberdeenshire Council deliver a range of affordable housing schemes without the need for a time limit and could only be considered where the site does not require any public subsidy and suggests adding the following wording at the end of the paragraph: "delivered by a Registered Social Landlord or Local Authority".</p> <p>'Designing for affordability' - Affordable housing should be visually in character with the open market housing and be physically integrated (and not located in the less desirable parts of a site). The Design section does not deal with subdivision of larger sites into multiple developments to avoid contributions which should not be supported. Where multiple related applications are received over a period of time, consideration should be given to the cumulative impact of the development and full affordable housing contributions should be based on site capacity.</p> <p>Consideration needed for effects of the pandemic including more people working from home, home schooling which could be considered. In addition, whilst exemption for larger properties to accommodate special needs is noted, Government policy requires a percentage of affordable homes to be fully wheelchair accessible and Aberdeenshire's LHS requires 15% of new build affordable housing to be suitable for particular needs and 10% wheelchair accessible.</p> <p>Appendix I is not needed. It attempts to define how affordable housing tenures work in practice however they vary between LA and could change within the lifetime of the LDP. Suggests a note that affordable housing can be delivered by a recognised form of affordable housing which could include serviced land, social rented accommodation, mid-market rented accommodation (MMR), shared equity and discounted low-cost housing for sale (including plots).</p>	<p>It is not considered necessary for offsite contributions to only be considered acceptable where in compliance with the LHS. However it is reasonable to include that. 'Consultation with the Strategic Housing Authority may be required'.</p> <p>An independent assessor does not need to be a specific person but a suitable person or organisation who can confirm that the application will meet an identified need and this could as suggested include the Strategic Housing Authority.</p> <p>It is noted in the second paragraph (page 12) under '100% Affordable Housing' that for rented accommodation 'applicants and those eligible for any form of affordable housing must be taken or nominated from the housing waiting lists of the local housing authority, housing associations or from another organisation'.</p> <p>Given that the National Park covers five local authority areas with differing housing allocation policies, it is not considered appropriate for CNPA to create a local lettings initiative.</p> <p>In respect of viability, in section 8 (page 1 (now 16)) it is acknowledged that the cost of land will generally not be accepted as a valid reason for a development being unviable. Where necessary the outcome of a viability assessment will be discussed with the relevant local authority, and this will be reflected at the end of the first paragraph (page 14 now 16).</p> <p>In terms of flexibility in the amount of time a house must remain affordable will vary depending on the circumstances of the individual application. The preference is for all affordable housing to be delivered through a LA or RSL which will help to keep it affordable in perpetuity, but the SG does acknowledge there may be circumstances where a time frame is suitable, but no further clarity is considered necessary.</p>

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		<p>If the Appendix is retained, the following amendments are suggested: Under 'Social Rented', replace 'been gifted' with secured. Under 'Mid-market Social Rented', it states that 'This is accommodation provided by either a developer or a LHA/RSL' however is usually RSL or LA, not developer. In last paragraph, amend wording to read 'for those who are unable to access social housing, and who cannot afford the private sector'. Amend page 21 wording to reflect that the Scottish Government do not give guarantees. Amend page 22, 3rd paragraph to read 'there are a number of models to deliver MMR. In general rent levels are about 80% of Local Housing Allowance. Please speak to the Local Authority who will advise which models are available'.</p> <p>In respect of shared equity, shared ownership is not really done anymore and each LA have their own schemes.</p>	<p>Including 'or Local Authority' at the end of the last paragraph (page 14) is agreed.</p> <p>Comments in respect of designing for affordability are noted. It is expected that on site affordable housing provision is integrated within a proposed development and all proposals should meet the criteria set out in Policy 3: Design and Placemaking. The subdivision of sites will be closely monitored however it is not considered necessary to include this within the SG.</p> <p>The SG does recognise that in some cases that affordable houses may need to be larger due to number of occupants or specialist needs. It is considered that this is appropriate as the types of affordable homes being delivered will be influenced and allocated by the RSL/LA and therefore it is not necessary to explicitly include this within the SG. There is no criteria within this SG (or the policy) that would in any way prevent the delivery of specialist housing.</p> <p>It is not considered appropriate to remove Appendix I which is intended to provide developers/applicants with further details about the ways in which affordable housing can be delivered. It will be clarified at the beginning of the section that developers should always approach their LA in the first instance and that this is not an exhaustive list of mechanisms for delivery.</p>
M13	Highland Council	It is suggested that a section is included setting out the process for applying and the consideration of planning permission within the CNP and some form of mapping is provided to illustrate the correct LA to apply to. In addition, it is suggested that the need for pre-application advice is set out in the	The CNPA website already provides guidance about making a planning application within the National Park and provides contact details for each Local Authority. However it is agreed

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		<p>introduction along with links to each respective LA's advice page. Reference should be made to encourage developers to engage early with LA's as the Strategic Housing Authority.</p> <p>In respect of Commuted Sums, whilst the payments are outlined in Section 6, the 'Valuation Study' which the figures have been calculated from should be linked/made public given the significant rise in payment which is likely to be scrutinised.</p> <p>Highland Council query whether any grace period will be applied - will it only apply to applications validated after 1st April or applications determined or will a phased introduction be used.</p> <p>Appendix 3: Queries how the value of properties expressed in number of 'persons' is calculated in relation to the number of bedrooms within a property i.e. is a 3-bed for 4 or 6 persons.</p> <p>Custom and Self Build plots are being promoted by the Scottish Government and THC has recently established a self-build register which should be reflected in the document. THC wish to discuss the practical implementation of the guidance to ensure consistency of approach between CNPA and LAs, particularly how and when the new commuted sums will be implemented. In respect of restrictions on permitted development rights, use of 'large' is vague when applying restrictions to any decision.</p>	<p>that links to these could be provided within the introduction and encourage developers to engage early with LAs.</p> <p>Due to the significant reduction in proposed commuted sums, it is not considered that the Valuation Study needs to be provided for justification at this stage.</p> <p>As set out above, the commuted sum figures have been significantly reduced particularly for single houses and this will apply across the plan period once this Supplementary Guidance is adopted. We will notify all LAs once the SG is in place and the expectation is that</p> <p>As noted above, CNPA will notify and engage with all LAs following the approval of the SG and how the revised commuted sums will be implemented.</p> <p>Appendix 3 has been removed and integrated within the viability section as the commuted sum for single houses will be significantly reduced and therefore the exemption based on market value will no longer apply.</p>
	Badenoch and Strathspey Conservation Group	<p>The Guidance should reflect the necessity, urgency and scale of the climate and nature emergency and should represent a break from 'business as usual'. Reference is made the NPPP (2017-2022) however it should clarify how it integrates and adapts to the forthcoming NPPP 2022.</p> <p>100% Affordable Housing - Concerned how natural heritage interests are to be safeguarded in practice and the SG should provide information on this.</p>	<p>This SG provides clarification on the intention and implementation of Policy I: Housing. It cannot introduce new policy criteria or considerations that are not already set out in the adopted policy.</p> <p>As with all development proposals, applications for housing and affordable housing will be assessed against all relevant policies including Policy 4: Natural Heritage to ensure natural heritage interests are considered and safeguarded.</p>

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		<p>Viability - Whilst supporting that the cost of land is not accepted as a valid reason, concern expressed that there is too little information as to what is and is not considered to be an 'abnormal cost' associated with 'where the development would otherwise be considered to be unviable'. It should be added that 'unforeseen costs' would only apply in extreme circumstances and clarity/examples should be included as to what can reasonably be considered 'unforeseen costs'.</p> <p>Concern about including high infrastructure costs as reason as such sites are likely to be of high natural heritage value and this may drive biodiversity loss. The SG acknowledges the sensitivity of financial information however clarification is sought as to what information will be available to the public and process to safeguard public interest. Clarification is needed in the SG if any restrictions will be in place as to when a viability claim/assessment can be made and whether there is scope for public to comment on this as it could be made after the period of public consultation is over.</p> <p>The SG should include information about how the public can challenge non-viability and the processes that the CNPA and District Valuer have gone through to assess the viability. This should be made available public.</p> <p>The SG needs to be clear on when it is referring to open market housing that is being counted as affordable, and other open market housing.</p> <p>The SG should make clear the importance of Design in helping to achieve net zero, for example through choice of materials, and Passivhaus standards of energy use. Concern expressed about the short time spans on which affordable houses may remain in the affordable sector. Releasing houses onto the non-affordable open market, generates further demand for new affordable houses, so driving biodiversity loss and other impacts on natural heritage through use of land for built development. This does not represent a sustainable approach to provision of social and affordable housing, and is likely to erode amenity and green space.</p>	<p>Assessing viability is a complex process and it is not absolute what 'unforeseen costs' will be. As set out in the SG, the applicant must demonstrate – via a suitably qualified person providing justification – why the costs were not factored in initially. It is then for the authority to determine the acceptability – which should be 'proven without doubt'- of the viability assessment and consider whether an appropriate reduction in commuted sum/affordable housing requirement is appropriate.</p> <p>Viability information at this stage cannot be made public or available for public scrutiny. As highlighted above, CNPA will determine – with assistance from a suitably qualified assessor or the relevant LA if necessary – whether the applicant has adequately demonstrated that the required commuted sum or affordable housing requirement will render a development unviable.</p> <p>The majority of the SG relates to affordable housing and the contribution of affordable housing as part of developments. The only section that refers to all housing is section 10 – Other Housing Matters. It is considered that the current structure and headings are clear.</p> <p>Whilst it is acknowledged that housing design is important, all proposals are assessed against Policy 3: Design and Placemaking and is not necessary or relevant to repeat within the Housing SG.</p> <p>The amount of time which homes are expected to remain affordable, will vary depending on the circumstances of the individual application. Whilst the intention is that affordable homes will remain affordable in perpetuity, depending on the</p>

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			method of delivery this may not always be the case depending on the method or mechanism of delivery.
	Mid Deeside Community Council	<p>Disagrees with the commuted sums proposed. Local people/families who have saved up to purchase a plot of land (which is already incredibly difficult to secure), pay for plans to be drawn up and submit the planning application, and then are confronted with another fee in order to get the planning permission. This cost cannot be added to a mortgage or form part of the value of the finished house and therefore for some people they won't be able to build their home. Getting an independent assessor to do a viability assessment costs more money and there is no guarantee that the assessment will show it that the applicant cannot afford it. Therefore the applicant is in a worse situation than they started.</p> <p>The proposed increases in affordable housing contributions will penalise those who can afford it least and alternatives should be used such as the rural housing burden or allowing self-builders to show the costs of building their house compared to the valuation.</p>	As noted above, the sums have been significantly reduced, particularly for single dwellings to just 10% of the total charge per unit.
	Perth and Kinross Council	<p>On page 9 (4. Delivering Affordable Housing), developers should be referred to the Local Authority to gain access to funding and ensure the site is in the Strategic Housing Investment Plan (SHIP). The Local Authority is the SHA which directs and controls where funding is invested in affordable housing through Local Authority building as well as through Housing Associations and other partners. The Scottish Government also approaches the Local Authority on any application made for funding through the Rural Housing Fund.</p> <p>References to Local Housing Associations and RSLs should be in line with the accepted definitions - RSL covers both Councils and Housing Associations - LHA is not used - generally just Housing Association as it may not need to be a local housing association.</p>	<p>The wording in the first paragraph will be amended to reflect the need for developers to contact the relevant Local Authority in relation to funding for affordable housing and ensuring that sites are set out within the Strategic Housing Investment Plan (SHIP).</p> <p>Reference to Local Housing Associations will be removed/replaced.</p>
	Scottish Government	The Scottish Government raised a number of minor changes to wording in the document. They also encourage engaging with individual local authorities	The changes proposed are agreed (with the exception of those listed below) and will be reflected in the revised SG.

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		<p>on the use of Rural Housing Burdens and it might be helpful if the guidance explicitly highlighted local authorities' support. For example, Highland Council's Local Housing Strategy indicates that the Council continues to support the 'golden-share' arrangements currently operating in relation to Shared Equity housing in rural areas, so that the social landlord (RSL) which built the houses is able to retain a share of the equity and ensure that housing remains available for future affordable housing needs.</p> <p>It is also highlighted that space standards can differ between local authority and registered social landlord design guides and alignment is encouraged. For example, Highland Council has an agreed design guide for affordable housing which the developing RSLs in Highland also align too.</p> <p>Page 15 - Section 9 'Designing for Affordability' – there is no reference to housing being designed to be affordable to heat. Suggest a subsection on properties being designed to be energy efficient with appropriate heating systems so as to be affordable to heat and reduce the likelihood of fuel poverty.</p> <p>On page 4, paragraph 3 states 'it is the aim of the NPPP to ensure that when new houses are built, more of them are affordable to people working in the Park, and that the range and size of new houses are better targeted at meeting local needs'. We suggest clarifying how this aligns with local authority housing allocation policy.</p>	<p>Appendix I includes further information and support for the use of Rural Housing Burdens as an important mechanism for securing affordable housing in perpetuity.</p> <p>In Section 9. Designing for Affordability, reference will be made the different authorities space standards and the need to align with these.</p> <p>The CNPA does not consider this to be within the remit of this guidance.</p> <p>A short paragraph on page 4 has been inserted to highlight that delivering affordable housing requires working in collaboration</p>