

Inverclyde Local Development Plan: Proposed Plan (April 2018)

Local Development Plan Examination Further Information Request 01

This document is Inverclyde Council's response to Further Information Request 01. The response is structured with reference to the numbered paragraphs of the further information request.

3. The Council's position is not changed from the position set out in Clydeplan. It is an adjusted position, taking account of a more up-to-date housing land supply position, 2017-based rather than 2013-based. The different interpretations of the Clydeplan figures are based on the two commonly recognised ways of updating figures to a new base date: compound and annualised. As there is currently no clear guidance at a national level on which approach is preferred, in order to support transparency, the Housing Land Technical Report presents both approaches. It is this, rather than the use of housing market areas which straddle council boundaries, that introduces different interpretations of housing land requirements.

6. Table 1 of the Main Issues Report (March 2017) only sets out figures in relation to what is now referred to as the 'compound approach' to calculating the housing land requirement. It also uses a method of comparing completions with the housing land requirement when, in fact the correct comparison would be completions with the housing supply target. Since publication of the Main Issues Report, use of the 'annualised' approach has gained traction, and greater sophistication has been introduced to the application of the 'compound' approach, as per the Housing Land Technical Report published with the Proposed Plan.

8. The conclusion referred to here for the 2012 to 2024 period is based on the compound approach.

10. The Council maintains its position, as set out in the Schedule 4, that the identification of a specific requirement for the Inverclyde part of the Renfrewshire housing sub-market area is not an approach endorsed by Clydeplan, albeit the figures for this area can be derived from figures set out in Clydeplan. How each planning authority goes about meeting the Clydeplan requirement is a matter for it, in conjunction, when necessary, with other local authorities in the same housing (sub-) market area. Clydeplan staff may be involved in such discussions in an advisory role but are not final arbiters on these matters. In the Schedule 4, the Council is simply setting out that the housing market area approach does mean that the requirement can be met across the housing market area if that is the approach taken. The Schedule 4 does go on to acknowledge that discussions with Renfrewshire and East Renfrewshire Councils on this matter were not conclusive. However, if the Inverclyde Local Development Plan is adopted without any additional allocations in Kilmacollm/Quarriers Village, owing to the environmental sensitivities of the suggested sites, it will be acceptable with regard to Scottish Planning Policy for the requirement to be met in the wider housing sub-market area.

12. Scottish Planning Policy makes clear a housing supply target and housing land requirement should be established for housing market areas. The housing market area framework established by Clydeplan clearly identifies a self-contained Inverclyde housing market area, and a remaining area that is part of the wider Renfrewshire housing sub-market area. Whilst it is recognised that this can cause difficulty for local development plans in a cross-boundary housing market area to specifically identify the part of the requirement to be met by it, this should not undermine the principle of the housing market area approach such that the Inverclyde authority area requirement can be met anywhere in the authority area. For example, allocating land in Kilmacolm/Quarriers Village to meet an Inverclyde housing market area requirement would not, in effect, serve the Inverclyde housing market area requirement and would leave that requirement unmet whilst having significant implications for the environment of Kilmacolm/Quarriers Village, through the development of housing not required there.

13. The Reporter is therefore requested to retain the housing market area approach to meeting the housing land requirement, and in particular not to adopt a position that the Inverclyde housing market area housing supply targets can be met in the Inverclyde part of the Renfrewshire housing sub-market area.

14. Whilst a figure of 200 can be derived from the housing land requirement tables set out in Clydeplan, Clydeplan does not establish a housing land requirement of 200 in the Inverclyde part of the Renfrewshire housing sub-market area.

15. Council officers were not able to conclude the distribution of the housing land requirement with Renfrewshire and East Renfrewshire Councils, owing to the less advanced stages those authorities were at with their local development plan processes. Owing to this, officers set out in the Housing Land Technical Report a housing land requirement scenario based on an Inverclyde part of the Renfrewshire housing sub-market area being identifiable. Ultimately this approach was not accepted by the Council, which does not accept that there is a specific Inverclyde requirement in this housing sub-market area. The Housing Land Technical Report was published alongside the Proposed Plan for transparency purposes. Whilst Schedules 9 and 10 indicate a surplus of housing land across the Clydeplan area, at both housing sub-market area and local authority area, it is common practice when local development plans are published to update housing land supply figures and therefore undertake an updated comparison of housing land supply and requirement for the local development plan period.

17. The initial housing estimates for Inverclyde derived from the Housing Need and Demand Assessment tool showed a fall in the number of households from 2012>2024 and again from 2024>2029. Adjusted housing estimates were then produced which neutralised this decline, reflecting Inverclyde's aspirations to halt population decline. Positive housing supply targets were then calculated taking account of various factors and included in Clydeplan. Appendix 1 sets out the

workings behind the calculation of the housing supply target for Inverclyde, and includes details of what factors were applied. These factors were applied on an authority wide basis. A generosity allowance of 15% was then applied to the Clydeplan housing supply target for Inverclyde to calculate the housing land requirement for the authority area.

18. The Council has not departed from the housing supply targets set out in Clydeplan. The Clydeplan housing supply targets and housing land requirement are the base figures used in the Housing Land Technical Report to calculate the housing supply target and housing land requirement for the local development plan period.

19. The application of the 'policy view' to calculate housing supply targets was undertaken by Inverclyde Council as part of the Strategic Development Plan process, and the results of this exercise is the housing supply target set out in Clydeplan, and carried forward into the Proposed Local Development Plan. The 'policy view' of the Strategic Development Plan is therefore the same as the Proposed Local Development Plan and the Proposed Local Development Plan is therefore consistent with the Strategic Development Plan.

20. In its Main Issues Report, the Council set out an option based on the annualised approach and specifying the housing land requirement for the Inverclyde part of the Renfrewshire housing sub-market area. At the Proposed Plan stage, both annualised and compound approaches were set out in the Housing Land Technical Report, which was one difference in approach, with the other being the conclusion reached by the Council that by applying the housing market area approach there is no specific housing land requirement for the Inverclyde part of the Renfrewshire housing sub-market area.

Additional information

The Reporter's attention is drawn to appeal decision PPA-280-2026 (Appendix 2) in respect of a planning application for land at Knapps and North Denniston, Bridge of Weir Road, Kilmacolm. This site is within the Inverclyde part of the Renfrewshire housing sub-market area, and the purpose of drawing the Reporter's attention to it here is not in respect of the individual merits of the site, but with regard to the findings of the Reporter in that appeal that are relevant to matters raised in Further Information Request 01. In that regard, there are two findings of note:

- a) The Reporter states at paragraph 82: 'I find that, if there is any shortfall in the effective housing land supply, it is not as large as is claimed by the Appellant. The position is not clear-cut. For present purposes, I shall take it that there is a shortfall in the five-year effective housing land supply'.
The appeal report does not include any detailed arithmetic consideration of housing land figures within the appeal report. It therefore appears to the Council that this conclusion has been reached to set the context of a fuller consideration of

the development proposal, particularly against Policy 8 of Clydeplan, which is to be used when a shortfall of effective housing land supply has been identified.

- b) The Reporter goes on to take a housing market area approach to addressing this theoretical shortfall by concluding that if there is a shortfall it should be met in the Bishopton community growth area, which sits in Renfrewshire, within the wider Renfrewshire housing sub-market area (paragraphs 87 and 111).

APPENDIX 1

Introduction

1. The starting point for this exercise is the HMP Core Group meeting 3rd September 2014, Agenda Item 7: 'HNDA, Housing Supply Targets and Housing Land Requirement Process', and the subsequent HST Sub Group meeting (on same day) and following that meeting, the data request entitled, 'Setting Housing Supply Targets'.
2. A draft template was circulated to LAs to complete, drawing on Appendix 2 of the above Core Group report, 'The HNDA – HST – HLR Process Diagram' and the use of the 10 factors included in Parts 1 'Judgement-based' and 2 'Stock Projection' factors of the diagram.
3. The Process diagram assists moving from the HNDA Tool output of 'Housing Estimates' (based on the preferred 'Planning Scenario' for the GCV SDP MIR), and the derivation of what is termed an 'Adjusted Housing Estimate'. The adjusted Housing Estimate is to be recorded for two time periods: 2012 – 2024 (i.e. the 7-year Effective Plan Period on expected approval of GCV SDP2 in 2017: 2017 -2024), and 2024 – 2029; and split according to the two main tenures: Private Sector and the Social/Below Market Rented Sector.

Principal Data Sources and Assumptions

4. The Housing Estimate (Need and Demand) from the HNDA Toolkit is based on the following inputs/assumptions:
 - (a) NRS 2012-based Household Projections, for each local authority.
 - (b) Existing (Backlog) Need estimates: homeless households (HL1 returns) plus concealed and overcrowded households (2011 Census, data provided by the CHMA); assume all existing need requires an 'affordable home'; and assume backlog will be cleared over 10 years (due to the extent to which need continues to arise over the projection time periods, certainly up to 2024).
 - (c) Income, Growth & Distribution: CACI income data, assuming modest increase in incomes (i.e. rising slightly ahead of inflation), and income distribution remaining 'flat'.
 - (d) Prices and Affordability: OBR estimates assumed for house price growth, households likely to spend 25% of income on housing, and income ratio 4 (i.e. based on deposit allowance and income multiplier of 3.2 – 75% mortgage).
 - (e) Intermediate Demand: OBR estimate of house price/rent growth; increasing proportion of market can buy (up to 75%); and increased upper intermediate rent income limit to 35%, in line with social rent limit.

5. On the supply side, the 2013 Housing Land Supply Audit and the 2013 Urban Capacity Study, by LA Sub Areas, provides the information against which the above Housing Estimates from the HNDA Toolkit would be compared. For the purposes of more detailed trend analysis and phasing, the data is provided on an annual basis over the 17-year time period.
6. The above input assumptions to derive the outputs from the HNDA Tool are important to set out in this way, so that the judgement based factors used in setting the HSTs are considered alongside these earlier decisions. This is to ensure that consideration is not given twice to information and data sources that have already been input to the Tool to produce the starting point of this exercise, the 'Housing Estimates' produced by the Tool.

A Note about the HNDA2 Housing Estimates

7. The outputs from HNDA2 are somewhat different from the outputs from HNDA1 (published for the first GCV SDP in June 2011, and used in LHSs and the first round of some LDPs, including Inverclyde's adopted 2014 LDP). The principal differences and the reasons for them are:
 - (i) A different measure of existing (backlog) need, accounting for only those households that would require a new house/flat (the difference at GCV level is a reduction of some 85%; in Inverclyde, 95%, or a change from some 3,500 to 120).
 - (ii) A reduction in the population projected and declining further beyond 2024/29, due to increasing impact of an ageing population.
 - (iii) Constant trend-based net out-migration, from 2018, over the projection period, i.e. no adjustment for policy impacts and despite a lower projected rate than before.
 - (iv) A marked reduction in the growth of the private sector, and with a reduction in the backlog need, a reduction in the social/BM rented sector.

The Position in Inverclyde

8. The position as outlined above for the Glasgow city region is amplified in Inverclyde with *negative household change* projected and with a reduction in the number of total households over the projection period. Inverclyde is one of only three LAs in the country, the others North Ayrshire and Argyll and Bute, to have projected declines in households, and therefore the only LA in the City Region to have projected declines, although both East and West Dunbartonshire are projected to increase only marginal. The projected decline becomes more marked beyond 2024 (refer to Table 1).

Table 1: HNDA2 Tool Housing Estimates, 2012 – 2029 (per annum) – Inverclyde

	2012 – 2024	2024 - 2029
Private Sector	- 50	- 115
Affordable Sector	- 10	- 55
All-Tenure total	- 60	- 170

9. This position for Inverclyde, compared to HNDA1 results (refer to Table 2), indicates not only the impact of the differences in methodology between the two HNDA approaches but also disguises to some extent the impact of the change between the two sets of projections, upon which the household estimates are largely based. This difference illustrates well the need for greater emphasis to be placed on a policy input through the setting of housing supply targets, in order to provide a realistic planning scenario for the authority, in accord with the preferred scenario for the GCV SDP2 MIR.

Table 2: HNDA1 New Build Requirements, 2008 – 2025 (per annum) – Inverclyde

	2008 – 2020	2020 – 2025
Private Sector (2011-20) [9 + 5 yrs]	130	20
Affordable Sector [12 + 5 yrs]	370	80
All-Tenure Total	500	100

10. The HNDA Tool output suggests that with no increase projected in the housing estimate, there would be no need to build in Inverclyde to meet new household formation in the future. This position, of course is reviewed every five years, but as it stands on this evidence, there would only be a requirement to provide for any assessed replacement of dwellings, i.e. to replace ageing stock.
11. The age of the housing stock is in fact an issue in Inverclyde, not only in the private sector with a disproportionate number of tenement properties within the pre 1919 stock (including BTS) but more importantly an issue of quality in the RSL stock, in particular in the stock transferred to River Clyde Homes from the Council in 2007. Even after a decade of phased demolitions, numbering some 2,900 dwellings, there are expected to still be around 1,200 housing units below the SHQS by the end of 2016, the date that should see all RCH stock meeting this standard. There remains therefore, a significant issue of quality in Inverclyde, which the HNDA Housing Estimates fail to measure. This will be taken into account in this HST exercise.
12. Notwithstanding the above, it is clearly untenable for an authority to accept without question, an output such as this. Other evidence needs to be brought to bear to provide a more nuanced and it is argued, realistic estimate, of future new build requirements. The judgement-based factors in the HSTs process diagram are designed to provide this alternative, policy based input to the HNDA outcomes.
13. One final comment on the presentation of the 'Adjusted Housing Estimates' for Inverclyde following this HST setting exercise. The LA Sub Areas within Inverclyde reflect the need to distinguish the Inverclyde HMA (divided into two LA sub areas; IC East and IC West), from that part of the authority that lies within the Renfrewshire SHMA of the Central Conurbation (or Greater Glasgow) HMA. However, because this sub area – Kilmacolm and Quarrier's Village – is small (comprising of only 6% of the Inverclyde total of households/dwellings), it is neither statistically accurate nor worthwhile presenting separate information for this Sub Area. Any residual estimates in the HSTs will be assumed to be accommodated in this SHMA.

The HST Setting Exercise

14. The eight 'judgement-based factors' in the Process Diagram are considered in turn.

1) Environmental

This is largely accounted for in the Sustainable Development Strategy of the LDP, especially in relation to the preference for brownfield development over greenfield expansion – there being no requirement for any strategic Green Belt releases over the Plan Period – and in addition to this overarching policy, there are specific environmental constraints within the Inverclyde part of the Renfrewshire SHMA, around Kilmacolm and Quarrier's Village.

- *Sources/evidence base: IC LDP and HLS Audit/IC UCS*

[NO ADJUSTMENT FOR EITHER PRIVATE OR AFFORDABLE SECTORS]

2) Social

There are considerable grounds for adjusting the housing estimates based on this factor. In a similar exercise as undertaken for HNDA1, the Council's corporate and partnership SOA objective of 'Repopulation' necessitates positive adjustments for both housing sectors to demonstrate the expectation of improvements arising out of the policy initiatives under this SOA. The SOA is firmly embedded in both the LHS (*Widening Housing Choice and Changing Tenure Balance* through the Area Renewal Strategy) and the LDP (designated *Major Areas of Change*, including *New Neighbourhoods* and *Areas of Potential Change*). The focus of these initiatives is primarily Greenock and Port Glasgow, with an emphasis towards the east side of the Inverclyde HMA.

These housing and planning objectives combine to provide a potentially significant stimulus to the 'repopulation agenda', and if successful, should have an impact across the whole of the Inverclyde HMA and find expression in all housing sectors/tenures. In summary, this is likely to be one of the most significant adjustment factors, and applicable for the entire projection period, including 2024-29.

- *Sources/evidence base: GCV SDP; IC SOA; IC LHS 2011-16; IC LDP*

[SIGNIFICANT POSITIVE ADJUSTMENT FOR BOTH PRIVATE AND AFFORDABLE SECTORS]

3) Economic

In several respects, this factor is working against the Social Factor, particularly so since the onset of the recession in 2008. However, as indicated above in relation to the input assumptions for the HNDA Toolkit, i.e. future income growth and distribution, and house prices and affordability, the impact of this factor has already been taken into account. There are however more local influences at work, including the performance of the labour market (employees in work and type of work, e.g. part time and short term contracts) which will have an additional influence on levels of affordability. At the present time, these characteristics of the local labour market are likely to be negative (i.e. higher than average adverse economic indicators), but this is neither readily measurable nor straightforward to

project forward. Overall, this factor is likely to be a negative adjustment but it is difficult to quantify it.

- *Sources/evidence base: GCV commissioned OE Study (2014); IC Economy & Employment Indicators; IC HTMR (2012); Census 2011 Outputs; SLIMS Study 2012*
[NO ADJUSTMENT FOR EITHER PRIVATE OR AFFORDABLE SECTORS]

4) Capacity within the Construction Sector

Overall, there have been reductions in capacity but this is not conclusive as the downturn in private sector completions since 2009 has been due to factors unrelated to capacity. Rather the risk-averse attitude of the banks to service loans and debt for development on the supply side, and in relation to demand/need, householders' inability to get mortgages due to the same bank policies being applied and the need for larger deposits. This situation is gradually improving but a long way from pre-recession levels of development finance and mortgage lending. Impacts therefore have been more short term and on the Effective Land Supply rather than HSTs.

In addition, the particular circumstances in Inverclyde with few national house builders active at any one time, the proportionately larger number of small local players, and RSLs willingness to build but with difficulties accessing funding (refer to Factor (6) below), combine to downplay the impact that may be felt more generally across the country about the reduced capacity of the construction industry to return to pre-recession build rates and the constraint that is placed on them through this lack of capacity.

- *Sources/evidence base: Scottish Government statistics; CHMA analysis; Regeneration and Planning local monitoring and planning applications for housing development*

[NO ADJUSTMENT FOR EITHER PRIVATE OR AFFORDABLE SECTORS]

5) Potential Inter-dependency between Delivery of Market and Affordable Housing at the Local Level

Since 2002, leading up to the adoption of the Inverclyde Local Plan 2005, there has been a very generous land supply in Inverclyde, to support the long term strategy of area renewal and urban regeneration. Through a number of building cycles since, and even during an upturn in build rates over 2005 to 2008, there has been a more than adequate Effective Land Supply and a long term established supply.

Preparations for the first Inverclyde Local Development Plan through 2011/2012 were made having this 'legacy' of housing sites. This was despite on the one hand, sites that had been in the land supply for some time and unlikely to be developed being removed, and on the other, augmented by the slow-down in completions since 2009 but also through the addition of surplus Council sites and properties, in particular former school sites.

The downturn in private sector activity coincided with the publication of the GCV HNDA in 2011, demonstrating that Inverclyde had a substantial backlog of housing need and thereby providing the evidence base for introducing an Affordable Housing policy into the new LDP.

The resulting large over-supply of the 'private sector' land allocations in the LDP therefore, represents an opportunity. With the introduction of Policy RES4 'Affordable Housing Provision', the Council has made a proportion of some of those 'legacy sites' (those with unimplemented planning permissions, including large allocations in the 'Major Areas of Change' e.g. fmr Inverkip Power Station James Watt Dock/Garvel Island), available to meet the assessed need. This is in addition to some of the Council's own surplus school sites being made available for housing development.

Policy RES4 and the 'quota' approach within it, requires a greater amount of inter-dependency between the private and affordable sectors than previously. A considerable number of sites in the LDP depend on such a joint approach, with private developers and RSLs working together to bring forward the development opportunities identified.

Given the LDPs Housing Development Strategy relies to a large extent on the success of the above approach, and with an expectation that the market is coming out of recession, albeit slowly, the overall effect of Policy RES4 should be to improve prospects for householders accessing both owner-occupied and rented homes in Inverclyde. Certainly, the main contribution that the LDP can make to support the 'Repopulation Agenda' is through this policy. It should help to retain more households, encourage more to move into the area and provide more opportunities for 'trading-up' or 'trading down' within the housing market.

- ***Sources/evidence base: IC LP 2005; IC LDP (2014); LHS/SHIP/SLP, and links to affordable housing development and potential use of Affordable Housing Fund receipts***
[SIGNIFICANT POSITIVE ADJUSTMENT FOR BOTH PRIVATE AND AFFORDABLE SECTORS]

6) Availability of Resources

The success of the Housing Development Strategy and Policy RES4 relies to a large extent on availability of Scottish Government Affordable Housing Supply Programme funding for the RSLs active in Inverclyde. Funding has improved from a low point some five years ago with a more encouraging Resource Planning Assumption for this year and the next three, to 2018, and beyond to 2020, with *minimum levels* indicated. Indications are that if development projects can be confirmed, worked-up and brought forward into the forthcoming SHIP 2015-2020, resources will follow. However, the constraint for the RSLs continues to be combining good development opportunities with more certainty of funding, and that is on sites where they are the single development agency, not on the quota sites where additional uncertainties remain.

The HSTs for HNDA1 and incorporated in the adopted LDP 2014 were heavily influenced by the severe constraints on SG funding around 2011/12, and marked down accordingly. The funding position has improved somewhat but still remains dependent upon the above development performance of the local RSLs picking-up. Much of the activity recorded in this

sector over the recent past has been on the Re-provisioning of RCH's housing stock as a major part of the long established Area Renewal Strategy (refer to Factor (9) below). Completions over the years 2009 to 2012 were predominantly for this purpose and not addressing the existing (backlog) need identified in HNDA1. The Re-provisioning Strategy is not expected to dominate as it has done recently, despite there being a considerable number of RCH dwellings below SHQS.

- **Source/evidence base: SG RPAs; IC SHIP 2013-2018 & SLP 2012-15; forthcoming SHIP 2015-20**

[POTENTIALLY A SIGNIFICANT NEGATIVE ADJUSTMENT FOR THE AFFORDABLE SECTOR, AND POTENTIALLY A KNOCK-ON IMPACT ON THE PRIVATE SECTOR]

7) Likely Pace and Scale of Delivery based on Completion Rates

The pace and scale of house completions in Inverclyde is like elsewhere, related to the performance of the wider economy. There is however particular local factors that come into play, not least a time-lag effect on the onset of a downturn in the building cycle and correspondingly so, during an upturn. Having said that, the most important influence affecting the pace and scale of house building in Inverclyde, as elsewhere has been the global economic recession and the housing market downturn since 2008. The overall impact of the downturn has been a reduction of some 50% in private sector completions since 2008/09.

All-tenure house completions in Inverclyde have dropped from 340 per annum (1996-2002), of which 240 were owner-occupied; to 280 per annum (2003-2007), of which 210 were owner-occupied; and then rising to 290 per annum (2008-2014), of which only 120 were owner-occupied. Owner-occupied completions are at their lowest level for over 20 years, and expected to remain so for at least another three-to-four years, according to Homes for Scotland (HfS).

The 2013 HLS Audit and 2013 UCS is the base year for the comparison of supply and demand/need for HNDA2 and the SDP2 MIR. For Inverclyde, the average annual programming of anticipated private sector completions, to 2019/20, is 150. The equivalent Affordable Sector (including 'intermediate tenures') is 110, making the All-tenure estimated rate: 260. These figures are similar to the assumptions used in the adopted LDP.

Looking at the latest position (draft 2014 HLS Audit) on land supply and programming, and reflecting the slightly improving outlook, the estimated average annual rate of private sector completions, to 2020/21 is 150. The equivalent Affordable Sector rate has declined to 90. This is mainly a reflection of having taken a more critical look at the reduced prospects for development by RCH on the larger 'new neighbourhoods' in the land supply, which require involvement with the private sector to bring them forward. Like elsewhere, large sites requiring phasing for their development remain in the 'risk averse' category for the house builders. The All-tenure estimate in the draft 2014 HLS is therefore lower, at 240 per annum.

Despite the reductions, both in completions and programming, at least over the immediate short term, build rates are expected to be broadly maintained at a level well in excess of the household changes published in the 2012-based NRS household projections.

- *Sources/evidence base: IC LDP and HLS Audit/IC UCS; IC HTMR & R&P annual monitoring reports; HfS responses to IC HLS Audits*

[SIGNIFICANT POSITIVE ADJUSTMENT FOR THE PRIVATE SECTOR AND POTENTIALLY FOR THE AFFORDABLE SECTOR]

8) Recent Development Levels

This factor, and to some extent, factor (4), are inter-related.

As indicated above, owner-occupied completions are at their lowest level for over 20 years, and expected to remain so for at least another three-to-four years, according to Homes for Scotland (HfS). In addition, the hike in RCH completions for the Re-provisioning programme between 2009 and 2012 distorted the Affordable Sector and the overall All-tenure building rates. This, as indicated, will not be repeated. However, there remains an 'overhang' of below SHQS dwellings and this could still have an influence over total construction activity over the short term, to say 2020. Factor (9) covers this possibility in more detail. The overall programming of the HLS reflects the current position regarding reduced levels of re-provisioning, not any potential increase in build rates to address outstanding SHQS deficiencies.

HfS has also suggested for a number of years that the assessment of the Effectiveness of the land supply should be extended from 7-years to 10, to provide a more realistic programme and phasing of future development, coming out of the downturn in activity.

- *Sources/evidence base: IC LDP and HLS Audit/IC UCS; IC HTMR & R&P annual monitoring reports; HfS responses to IC HLS Audits*

[SMALL POSITIVE ADJUSTMENT FOR THE PRIVATE SECTOR AND POTENTIALLY FOR THE AFFORDABLE SECTOR]

15. To conclude, the two 'stock projection factors' in the Process Diagram are considered.

9) Planned Demolitions

Inverclyde has seen a massive 30% reduction in the size of its social rented housing stock over the last 15 years, falling from around 15,650 (IC Council 13,150 and 2,500 RSLs) in 1998, to 10,700 in 2013.

Demolitions over the period 2001/02 to 2011/12 have averaged around 280 per annum, with over 350 in a number of these years, as the scale of the poor quality housing stock (pre- and post- Stock Transfer) was reduced before RCHs Re-provisioning Programme got fully underway in 2009.

The number of demolitions is now much reduced due to funding for the Re-provisioning Programme being reduced and with RCH having now reached the stage where further demolition of stock cannot be supported because of a lack of suitable alternative housing being available for displaced tenants and owners. More effort is now being directed to physical and environmental improvements, such as the forthcoming £20m Broomhill project in central east Greenock, by RCH.

SHQS attainment remains an issue despite an extension to 2016 in the case of RCH. Around 1,200 homes may not meet the standard even allowing for this extra period of time and RCH appear to be relying on exemptions due to the non-traditional construction types that are a large part of their housing stock. The attitude of the Scottish Government towards SHQS exemptions remains to be seen, particularly where claims are being made for a significant proportion of RSL stock (circa 20% in the case of RCH).

It is likely, therefore, that demolitions will continue, but at a lower level (RCH having current plans to demolish around another 360 dwellings over the next few years), but uncertainty over any requirement for new build as a result. There is in addition however, a fairly large demolition underway of very poor quality stock in Clune Park, Port Glasgow (a mix of owner-occupiers and private renters), and there are other areas of private sector housing where a poor state of repair and lack of maintenance will have to be funded if the continuing mismatch between housing needs and housing quality is to be addressed.

- *Sources/evidence base: SHCS (2011) and IC Private Sector HCS (2011); IC HTMR & RCH annual demolition update reports; IC LHS and SHIP*

[SMALL POSITIVE ADJUSTMENT FOR THE AFFORDABLE SECTOR]

10) Housing Brought Back into Effective Use

The potential scale of new dwellings being brought into effective use from this source has been reduced recently due to the Scottish Government sponsored 'Empty Homes Initiative' having to be abandoned because of a lack of uptake by owners, with funding returned to Scottish Government. This may be a temporary set-back but it is too early to say.

LDP Policy TCR9 'Residential Use above Commercial Properties' may come into play to a greater extent in relation to proposals for town centre renewal in Greenock and Port Glasgow, however the potential for involvement of RSLs as developers of affordable housing in these locations has still to be established.

Private investment in and development of housing of this type has taken place where suitable properties have become available above town and local centre shops, albeit on a very limited basis, but some allowance for such refurbishment and conversions would be justified to account for this expected activity.

- *Sources/evidence base: IC LHS 2011-2016; IC LDP (2014); IC SHIP 2013-2018; IC HTMR & RCH annual demolition update reports;*

[SMALL POSITIVE ADJUSTMENT FOR BOTH PRIVATE AND AFFORDABLE SECTORS]

Conclusions

16. To sum up, taking all of the above into consideration, the HNDA Toolkit ‘Housing Estimates’, by the two main tenures and the two time periods, would be adjusted as follows.

Table 3: Adjusted Housing Estimates (based on Planning Scenario ‘A’) and with Backlog Need addressed over 10 years, i.e. to 2024 – Inverclyde (rnd)

	Private Est. (1)	Per Ann	Affordable Est. (2)	Per Ann	Total	Per Ann
2012-2024	2,050	170	1,100	90	3,150	260
2024-2029	850	170	400	80	1,250	250
2012-2019	2,900	170	1,500	90	4,400	260

Notes: (1) 2012/13 to 2018/19 – 150 pa; 2019/20 to 2023/24 – 200 pa; equals 170 pa.

(2) 2012/13 to 2018/19 – 100 pa; 2019/20 to 2023/24 – 80 pa; equals 90 pa.

17. An **Appendix** (refer to Table 1) provides the detailed (year-on-year) background and justification for these adjusted estimates, and Table 4 in the Appendix sets out the contribution of the Process Factors (7 of the 10 factors used) to the overall adjusted housing estimates.
18. For comparison, the Appendix also outlines what the HSTs could be based on the ‘Strong Economic Growth’ scenario (Table 2) and the ‘Low Migration Variant’ scenario (Table 3). In addition, a summary comparison of these different scenarios with the draft 2014 housing land supply programming and HNDA1 HSTs (over the 7-year plan period to 2020/21), provides additional context to the preferred HSTs above.
19. In summary, the adjusted housing estimates reflect a return to a more realistic, yet not too optimistic rate of house building, particularly with respect to the private sector, as the economy and housing market comes out of recession. Factors 2 ‘Social’, 7 ‘Likely Pace and Scale of Delivery’ and 5 ‘Potential Inter-dependency between Delivery of Market and Affordable Housing’ are expected to contribute most to the adjusted housing estimates.
20. The Adjusted Housing Estimates – the Sustained Economic Growth (Planning) Scenario – in Table 3 above are aligned more with past completion rates and anticipated programming of the land supply, especially for the private sector. Therefore, the recommended HSTs are considered to represent a more realistic indication of likely house building over the Plan Period of the second GCV SDP, to 2024, and beyond for the medium term, to 2029, than that indicated in the output from the HNDA2 Tool.

[Appendix – see separate file: ‘GCV HNDA

Data Request – Setting Housing Supply Targets

Draft Housing Supply Target: Inverclyde

The factors that could be taken into consideration are listed in the tables below. The tables have been separated for the two time periods required in the HNDA, 2012-2024 and 2024-2029.

Please indicate in the Private and SR&BMR columns if you have taken any of the 10 factors into account by simply entering a '+' or a '-' depending on whether the factor increases or decreases your Housing Estimate. Please list your evidence to inform this choice.

If you are not using a factor to alter your figures then just leave it blank.

In the 'Total Adjusted Housing Estimate' rows please enter your adjusted (or not) HST figure for the Private and SR&BMR sectors for the time periods.

Draft Housing Supply Target for Inverclyde: 2012-2024 (1)

Factors	Description	Private Sector* (+/-)	Evidence	SR&BMR Sector (+/-)	Evidence
Housing Estimate 2012-24		minus 600		minus 135	
Judgement-based factors	1. environmental factors	n/a	-	n/a	-
	2. social factors	+	GCV SDP; IC SOA1; &	+	IC LHS; and IC LDP
	3. economic factors which may impact on demand and supply	n/a	-	n/a	-
	4. capacity within the construction sector	n/a	-	n/a	-
	5. the potential inter-dependency between delivery of market and affordable housing at the local level	+	IC LP (2005), LDP (2014)	+	IC LHS, SHIP & SLP (including potential use of Affordable Housing Fund receipts)
	6. availability of resources	=	(ltd information on this)	-	SG RPAs; IC SHIP/SLPs
	7. likely pace and scale of delivery based on completion rates	+	IC LDP (2014), HLS/UCS Audits; HfS resp to audits	+	IC HTMR; IC R&P Ann Mon.
	8. recent development levels	+	(as in (7) above)	(+)	(as in (7) above)
Stock Projection factors	9. Planned demolitions	=	IC HTMR & RCH records	+	IC LHS, SHIP
	10. Housing brought back into effective use	(+)	IC LHS; IC LDP; IC SHIP	(+)	IC HTMR
Transfer between tenure (number)		n/a	-	n/a	-
Total Adjusted Housing Estimate 2012-24		2,050		1,100	

*Please note that Private sector figures are initial figures before they are considered in the HMA framework at the next stage in the process.

Draft Housing Supply Target for Inverclyde: 2024-2029 (2)

Factors	Description	Private Sector* (+/-)	Evidence	SR&BMR Sector (+/-)	Evidence
Housing Estimate 2024-29		minus 585		minus 280	
Judgement-based factors	1. environmental factors	n/a	-	n/a	-
	2. social factors	+	GCV SDP; IC SOA1; &	+	IC LHS; and IC LDP
	3. economic factors which may impact on demand and supply	n/a	-	n/a	-
	4. capacity within the construction sector	n/a	-	n/a	-
	5. the potential inter-dependency between delivery of market and affordable housing at the local level	+	IC LP (2005), LDP (2014)	+	IC LHS, SHIP & SLP (including potential use of Affordable Housing Fund receipts)
	6. availability of resources	N/A	-	-	SG RPAs; IC SHIP/SLPs
	7. likely pace and scale of delivery based on completion rates	+	IC LDP (2014), HLS/UCS Audits; HfS resp to audits	+	IC HTMR; IC R&P Ann Mon.
	8. recent development levels	N/A	-	N/A	-
Stock Projection factors	9. Planned demolitions	=	IC HTMR & RCH records	(+)	IC LHS, SHIP
	10. Housing brought back into effective use	(+)	IC LHS; IC LDP; IC SHIP	(+)	IC HTMR
Transfer between tenure (number)		n/a	-	n/a	-
Total Adjusted Housing Estimate 2024-29		850		400	

*Please note that Private sector figures are initial figures before they are considered in the HMA framework at the next stage in the process.

Notes: (1) Housing Estimates rounded to nearest 5 units. (2) (+) in brackets denotes limited / marginal adjustment. (3) Factor 6, uncertain for 2024-2029. (4) Factor 6 & 8 (N/A) - not applicable or relevant for 2024-2029 period. (5) Evidence applies where noted to both sectors. (6) Abbreviations – ‘SG RPAs’: Scottish Government Resource Planning Assumptions; ‘IC HTMR’: Inverclyde Council Housing Trend Monitoring Report (annual monitoring of both planning and housing activities); ‘RCH’: River Clyde Homes (RSL); ‘IC R&P’: Inverclyde Council Regeneration & Planning.

NB: The equivalent per annum Housing Estimates and Adjusted Housing Estimates are:

	Private Sector		SR&BMR Sector	
	Housing Estimate	Adjusted Housing Estimate	Housing Estimate	Adjusted Housing Estimate
2012-2024	- 50	170	- 10	90
2024-2029	- 115	170	- 55	80

Table 1: GCV HNDA2 - Setting Housing Supply Targets for Inverclyde (draft for discussion) [Option 'A']

Year	Private Sector		'Affordable Sector'		All-Tenure Total	
2012/13	150		100		250	
2013/14	150		100		250	
2014/15	150		100		250	
2015/16	150	1,050	100	700	250	1,750
2016/17	150		100		250	
2017/18	150		100		250	
2018/19	150	2,050	100	1,100	250	3,150
2019/20	200		80		280	
2020/21	200		80		280	
2021/22	200	1,000	80	400	280	1,400
2022/23	200		80		280	
2023/24	200		80		280	
2024/25	170		80		250	
2025/26	170		80		250	
2026/27	170	850	80	400	250	1,250
2027/28	170		80		250	
2028/29	170		80		250	
Total	2,900		1,500		4,400	
(17 yrs)	170 per annum		90 per annum		260 per annum	

N.B. - Option 'A' equivalent to 'Sustained Economic Growth' scenario, the preferred 'Planning Scenario'.

Note: for Private Sector, (1) 1,050 (sum of 7 yrs to 2018/19); (2) 1,000 (sum of next 5 yrs to 2023/24); (3) 850 (sum of 5 yrs to 2028/29); and (4) 2,050 (sum of first 12 yrs to 2023/24).
Similarly, for 'Affordable Sector' and All-Tenure Totals.

N.B. - HNDA1, Private Sector was 150 pa to 2015/16, then 180 pa from 2016/17 over medium term to 2024/25.

For 'Affordable Sector', it was 100 pa (short and medium term), to 2024/25, giving All-Tenure HST of 280 per annum.

Note: 2014 HLS Audit - programming for the Private Sector is 150 per annum (to 2020/21).

Table 2: GCV HNDA2 - Setting Housing Supply Targets for Inverclyde (draft for discussion) [Option 'B']

Year	Private Sector		'Affordable Sector'		All-Tenure Total	
2012/13	150		100		250	
2013/14	150		100		250	
2014/15	150		100		250	
2015/16	150	1,200	100	700	250	1,900
2016/17	200		100		300	
2017/18	200		100		300	
2018/19	200	2,350	100	1,150	300	3,550
2019/20	230		100		330	
2020/21	230		100		330	
2021/22	230	1,150	100	500	330	1,650
2022/23	230		100		330	
2023/24	230		100		330	
2024/25	200		100		300	
2025/26	200		100		300	
2026/27	200	1,000	100	500	300	1,500
2027/28	200		100		300	
2028/29	200		100		300	
		3,350				
Total	3,350		1,700		5,050	
(17 yrs)	200 per annum		100 per annum		300 per annum	

N.B. - Option 'B' equivalent to 'Strong Economic Growth' scenario

Table 3: GCV HNDA2 - Setting Housing Supply Targets for Inverclyde (draft for discussion) [Option 'C']

Year	Private Sector		'Affordable Sector'		All-Tenure Total	
2012/13	150		100		250	
2013/14	150		100		250	
2014/15	150		100		250	
2015/16	150	1,050	100	640	250	1,690
2016/17	150		80		230	
2017/18	150		80		230	
2018/19	150	1,950	80	940	230	2,890
2019/20	180		60		240	
2020/21	180		60		240	
2021/22	180	900	60	300	240	1,200
2022/23	180		60		240	
2023/24	180		60		240	
2024/25	150		60		210	
2025/26	150		60		210	
2026/27	150	750	60	300	210	1,050
2027/28	150		60		210	
2028/29	150		60		210	
Total	2,700		1,240		3,940	3,940
(17 yrs)	160 per annum		70 per annum		230 per annum	

N.B. - Option 'C' equivalent to 'Low Migration Variant' scenario

Table 4: GCV HNDA2 - Setting Housing Supply Targets for Inverclyde (draft for discussion)

Contribution of Process Factors to Overall Adjusted Housing Estimates (based on Option 'A')

	Private Sector	'Affordable Sector'	All-Tenure Total	
2012-24	-50	-10	-60	HNDA2 Output 'Housing Estimates'
Factor 2	90	50	140	
Factor 5	40	20	60	
Factor 6	-10	-30	-40	
Factor 7	70 (-220)	25 (-100)	95 (-320)	
Factor 8	10	5	15	
Factor 9	10	20	30	
Factor 10	10	10	20	
2012-24	170	90	260	Adj. Housing Estimates (Option 'A')
2024-29	-115	-55	-170	HNDA2 Output 'Housing Estimates'
Factor 2	115	55	170	
Factor 5	50	30	80	
Factor 6	-20	-30	-50	
Factor 7	90 (-285)	30 (-135)	120 (-420)	
Factor 8	20	10	30	
Factor 9	10	20	30	
Factor 10	20	20	40	
2024-29	170	80	250	Adj. Housing Estimates (Option 'A')

Note: Alternative per annum build rates for Options 'B' and 'C' are -

Option 'B'				
2012-24	200	100	300	Adj. Housing Estimates (Option 'B')
2024-29	200	100	300	.. ditto ..
Option 'C'				
2012-24	160	80	240	Adj. Housing Estimates (Option 'C')
2024-29	150	60	210	.. ditto ..

N.B. Factors in order of importance -

- 1) Factor 2 'Social', i.e. Council and Partners Inverclyde Alliance SOA 'Repopulation' agenda, and priorities on urban regeneration and area renewal.
- 2) Factor 7 'Likely Pace and Scale of Delivery based on Completion Rates', reflecting consistent trends in completions above projections of households.
- 3) Factor 5 'Potential Inter-dependency between Delivery of Market and Affordable Housing at Local Level', in recognition of stimulus expected from Policy RES4 'Affordable Housing Provision'.
- 4) Factors 8, 9 & 10 'Recent Development Levels', 'Planned Demolitions' and 'Housing Brought Back into Effective Use', together suggest a boost to build rates.
- 5) Factors 1, 3 & 4 'Environmental', 'Economic' and 'Capacity within the Construction Sector', no significant adjustment expected, or unquantifiable.
- 6) Factor 6 'Availability of Resources', only factor expected to have a negative effect, particularly 'Affordable Sector'.

APPENDIX 2



Decision by R W Maslin, a Reporter appointed by the Scottish Ministers

- Planning appeal reference: PPA-280-2026
- Site address: Knapps and North Denniston, Bridge of Weir Road, Kilmacolm PA13 4NQ
- Appeal by Gladman Developments Limited against the decision by Inverclyde Council
- Application for planning permission in principle 17/0403/IC dated 8 December 2017 refused by notice dated 4 July 2018
- The development proposed: residential development with access, open space, landscaping and associated works
- Date of site visit by Reporter: 17 December 2018

Date of appeal decision: 07 January 2019

Decision

I dismiss the appeal and refuse planning permission in principle.

Preliminary

1. In terms of the Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2017, the Appellant sought from the Council a screening opinion. In response, the Council adopted a screening opinion to the effect that a full environmental assessment was not required. This was intimated to the Appellant in a letter dated 4 October 2017. Having reviewed the nature, scale and location of the proposed development, I agree with the Council's opinion.

Reasoning

2. In accordance with section 25 of the Town and Country Planning (Scotland) Act 1997 (as amended), I am required to determine this appeal in accordance with the development plan, unless material considerations indicate otherwise. Regarding this appeal, the development plan consists of a strategic development plan and a local development plan. The strategic development plan is Clydeplan. It was approved in July 2017. The local development plan is Inverclyde Local Development Plan. It was adopted in August 2014.

3. The sites of three listed buildings adjoin or are close to the planning application site. In accordance with section 59 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997, I am required to have special regard to the desirability of preserving the settings of these buildings.



4. Having regard to all the foregoing, I find that the main issues in this appeal are: development plan strategy; green belt policy; effect on the character and amenity of the locality; and housing land supply.

Development plan strategy

5. Part of the vision for Clydeplan is the compact city region (Clydeplan, page 8). This includes directing development to sustainable brownfield locations. Land use should be integrated with sustainable transport networks. There should be minimal extension of the city region's built-up area.

6. The development strategy in Clydeplan includes focusing on: regeneration; a network of centres; sustainable economic growth; low-carbon infrastructure; and low-carbon place-making (paragraph 5.2). The main focus of the spatial development strategy is a development corridor that includes the Clyde Waterfront (paragraphs 5.6 to 5.8).

7. Clydeplan refers to thirteen community growth areas (paragraph 5.13). "Although the economic downturn has had an impact on their delivery, the CGAs remain an important component of the planned sustainable growth of the city region. They provide an opportunity to create low carbon sustainable communities, through a master planned and design led approach by incorporating a range of housing types, tenures and density; integrated green infrastructure; active travel links; renewable energy options; and mixed uses including community infrastructure and local scale employment". The community growth areas have capacity to deliver approximately 19,000 new houses.

8. Of the thirteen community growth areas, that at Bishopton is closest to the appeal site. It is some six kilometres to the east of the appeal site. It is the only community growth area within the Clyde Waterfront development corridor. Bishopton is also the location of one of the strategic economic investment locations that are identified in schedule 3 of Clydeplan.

9. Inverclyde Local Development Plan promotes a spatial strategy that is intended to accord with the principles of sustainable development. It promotes a pattern of development that encourages active travel and travel by public transport. It requires all new developments to be located, designed and laid out in such a way as to minimise greenhouse gas emissions (paragraph 2.7). The plan aims to contribute to sustainable development by promoting regeneration and reuse of brownfield land within urban areas (paragraph 2.11). Policy SDS2: *Integration of Land Use and Sustainable Transport* says that one of the ways in which integration of land use and sustainable transport will be promoted is by directing new developments to locations accessible by a choice of modes of transport.

10. The local development plan's spatial strategy identifies seven major areas of change and a range of key sites (paragraph 2.40). These "present a considerable land resource obviating any need to release additional land from the Green Belt" (paragraph 2.41).

11. The local development plan says that Kilmacolm and Quarriers Village area has "capacity limits to its growth" (paragraph 2.50). This is due in part to landscape setting and

to environmental and built heritage constraints. The main constraint is “the absence of sustainable public transport infrastructure to support major new development”. Relevant to this is policy TRA2: *Sustainable Access* which says that new major trip-generating development will be directed to locations accessible by walking, cycling and public transport.

12. The local development plan says that development on brownfield land within the built-up area “will contribute to more sustainable communities, thus helping to contribute toward the reduction in greenhouse gases and the overall climate change agenda” (paragraph 2.51). Policy SDS5: *Development within the Urban Area* says “There will be a preference for all appropriate new development to be located on previously used (brownfield) land within the urban settlements

13. The Appellant says that the local development plan is out-of-date (*Statement of Appeal*, paragraph 5.2.1).

14. From my reading of Clydeplan and Inverclyde Local Development Plan, I find nothing to suggest that the spatial strategy in the latter is not consistent with that in the former. Although the local development plan was prepared and adopted under the aegis of an earlier strategic development plan, I find that the relatively recent approval of Clydeplan has not invalidated the spatial strategy in Inverclyde Local Development Plan. On the contrary, Clydeplan in effect endorses the spatial strategy in Inverclyde Local Development Plan.

15. With regard to the stated absence of sustainable public transport infrastructure to support major new development at Kilmacolm (paragraph 11, above), I note from the Appellant’s *Transportation Assessment* that Kilmacolm is served by a bus service that provides connections to Port Glasgow, Greenock, Bridge of Weir, Houston, Linwood, Braehead and Glasgow city centre. There are three buses every hour and more buses during peaks (table 4.1).

16. The *Transportation Assessment* contains forecasts of vehicle trips that would be associated with the proposed development. I take it that the forecast trips are all by private car. An initial estimate of the number of trips was made using the TRICS database. However, “..... based on the location of the development and anticipated commuting areas, and following discussion with the Council, the trip rates [were] increased to reflect the local scenario and analyse a ‘worst case’”.

17. The *Transportation Assessment* contains no forecast of the number of trips that would be made by public transport.

18. I find that the *Transportation Assessment* accepts that the proposed development would be largely car-dependent. I find that it is unlikely that existing public transport serving Kilmacolm would be so attractive to residents in the proposed development as to significantly reduce their use of private cars for making journeys. In view of this, I agree that there is a lack of sustainable public transport in the Kilmacolm area.

19. A lack of local employment opportunities in Kilmacolm is illustrated by figures 3.11 and 3.12 on page 18 of the *Kilmacolm Local Housing Assessment*. I find that, if

the proposed development were to be built, most of its residents with jobs would travel to work locations outwith Kilmacolm.

20. I find that the proposed development would be highly car-dependent. For this reason, it would not constitute low-carbon place-making. It would not help to promote a pattern of development that encourages active travel and travel by public transport. For these reasons, the proposed development would not accord with development plan strategy.

21. I note that the proposed development is outwith the development corridor identified in Clydeplan. Within the corridor, major housing and economic investment is to take place at Bishopton. Bishopton is relatively close to the site of the Appellant's proposed development. It is the only community development area within the Clyde Waterfront development corridor. The economic downturn has had an impact on delivery of the community growth areas, but they remain an important component of the planned sustainable growth of the city region.

22. I find that Bishopton is a more sustainable location for development than is Kilmacolm. The Appellant's proposed development conflicts with that aspect of development plan strategy whereby investment in new housing and other new facilities should be encouraged at Bishopton.

23. The Appellant refers to the strategy of focusing new development largely on brownfield and regeneration sites. I find that this strategy is contained both in Clydeplan and in Inverclyde Local Development Plan. Clydeplan was approved by Ministers in July 2017 and is up to date. I find that the emphasis on brownfield sites and regeneration is an important aspect of development plan strategy.

24. The Appellant says that the emphasis on brownfield sites and regeneration is resulting in under-delivery of new housing. If this is correct, my view is that the first response should be to see whether action can be taken to make the brownfield sites, including the community growth area, more attractive to house builders. Allowing housing development on greenfield sites that have not been identified in the development plan for new housing would make it more difficult to attract development to brownfield and regeneration sites. It would also be contrary to the vision of the compact city region. For these reasons, the proposed development would not accord with development plan strategy.

25. My conclusion is that the proposed development does not accord with development plan strategy. In paragraphs 83 to 91 below, I give consideration to whether the proposed development is nevertheless justified by need to increase the housing land supply.

The green belt

26. In Clydeplan, policy 14: *Green Belt* says that local authorities should, within local development plans, designate the inner and outer boundaries of the green belt to ensure that certain objectives are achieved. There are eight objectives. Those of particular relevance in the present case are:

- directing planned growth to the most appropriate locations;
- supporting regeneration;
- creating and safeguarding identity through place-setting and protecting the separation between communities;
- protecting and enhancing the quality, character, landscape setting and identity of settlements; and
- protecting open space and sustainable access and opportunities for countryside recreation.

27. The Proposals Map in Inverclyde Local Development Plan shows that the application site is within the green belt. The plan's policy SDS8: *Green Belt and the Countryside* says that there will be a presumption against the spread of the built-up area into the designated green belt. Policy ENV2: *Assessing Development Proposals in the Green Belt and the Countryside* says that development in the green belt will only be considered favourably in exceptional or mitigating circumstances.

28. Supporting text for policy SDS8 says, among other things, that the green belt is intended to direct developments to the right places in accordance with the regeneration and renewal priorities which are the central foundation of the plan's spatial strategy.

29. Supporting text for policy ENV2 says that the green belt has been drawn closely around the urban settlements in order to direct growth to the most appropriate locations, protect the character and setting of towns and villages and give access to open space. The green belt supports the strategy of directing new development to the urban area and to areas requiring renewal and regeneration.

30. The supporting text to which I refer in the preceding two paragraphs accords with objectives in Clydeplan. My attention has not been drawn to any provision in Clydeplan that suggests the designation of the appeal site as green belt is no longer appropriate or must be reviewed.

31. In the Inverclyde Local Development Plan, policy RES7: *Residential Development in the Green Belt and Countryside* indicates that individual houses or other minor developments proposed in the green belt will be supported in certain limited circumstances. I find that the proposed development, in particular by reason of its size and by reason of it adjoining an urban area, is not of a kind that gains support from policy RES7.

32. The Appellant's *Kilmacolm Development Capacity Appraisal* (paragraph 3.52) says that the green belt boundary around the southern edge of Kilmacolm "is largely defined by plot boundaries or the narrow access road and there are no robust, defensible features which could be considered a strong Green Belt boundary". The green belt boundary is weak (*Kilmacolm Development Capacity Appraisal*, page 32).

33. I note that *Scottish Planning Policy* (paragraph 51) gives examples of "clearly identifiable visual boundary markers".

34. From my inspection, I find that there is a very clear distinction between the built-up area of Kilmacolm and the undeveloped countryside to the south. The boundary between the two is also the green belt boundary. The one, localised, exception to the clarity of the

dividing line is the enclave of modern houses at North Denniston. To the east of the A761, trees within the large gardens south of Houston Road merge into the woodland on the east side of the appeal site. The effect is very much akin to that of a tree belt. Tree belts are one of the features mentioned in paragraph 51 of *Scottish Planning Policy*.

35. I find that the present green belt boundary is satisfactory.

36. My conclusion is that, unless exceptional or mitigating circumstances can be demonstrated, the proposed development is contrary to the green belt policies of the development plan. Green belt objectives are considered in paragraphs 86 to 90, below.

Housing policy – character and amenity

37. In the Inverclyde Local Development Plan, policy RES1: *Safeguarding the Character and Amenity of Residential Areas* says that the character and amenity of residential areas will be safeguarded and, where practicable, enhanced. Proposals for new residential development must satisfy six criteria:

- (a) compatibility with the character and amenity of the area;
- (b) details of proposals for landscaping;
- (c) proposals for the retention of existing landscape or townscape features of value on the site;
- (d) accordance with the Council's adopted roads guidance and *Designing Streets*, the Scottish Government's policy statement;
- (e) provision of adequate services; and
- (f) having regard to Supplementary Guidance on Planning Application Advice Notes.

38. The proposed development adjoins the Kilmacolm residential area. There are two matters to consider. The first is whether the proposed development would have an unacceptably adverse effect on the character and amenity of the adjoining residential area, taking into account the six criteria. The second is whether the proposed development itself would accord with the six criteria.

39. The adjoining residential area lies both to the west and to the east of Bridge of Weir Road. West of Bridge of Weir Road, the residential area consists of houses along Gryffe Road. Nearly all of the houses are on ground that rises up from the adjoining part of the appeal site. Most of the houses appear to date from around 1900. Most are detached, large and two storeys in height. Some have attic rooms in the roof-space. All have rear gardens.

40. East of Bridge of Weir Road, that part of the residential area nearest to the appeal site consists of some six detached houses to the south of Houston Road. The houses have large gardens. They are separated from the appeal site by a single-track driveway. In

relation to the appeal site, the houses and their grounds are on rising ground. One of the houses is some twenty metres from the appeal site. Its principal elevation faces the appeal site. Other houses are some 100 metres from the appeal site.

41. I find that the proposed development would have an effect on the outlook from nearby houses. Such an effect is generally unavoidable if a need to extend a built-up area has been demonstrated. In the present case, I note the following:

there is a reasonable separation distance between nearby houses and the boundary of the appeal site;

nearby houses are on higher ground so that they and their garden grounds would not be unacceptably dominated by development on the appeal site;

the appeal site is of a size sufficient to ensure that the proposed houses would be an adequate distance from the existing nearby houses; and

there need be no unacceptably adverse effect on the privacy of existing nearby houses.

42. My conclusions on the first matter relating to policy RES1 are that the proposed development need not necessarily have an unacceptably adverse effect on the character and amenity of the adjoining residential area and that the proposed development need not be contrary to the other RES1 criteria.

43. The particular cases of the houses known as Hazelhope, Greystones and Knapp, which are listed buildings, and the effect on the conservation area are considered later (paragraphs 113 to 117 and paragraphs 95 to 99, below).

44. The second matter relating to policy RES1 is whether the proposed development itself would accord with the six criteria. The Council's third reason for refusal of planning permission says that the proposed development fails to meet criteria (a), (b) and (c). Criterion (a) is "compatibility with the character and amenity of the area".

45. The Council's *Report of Handling* (page 29) says that that part of the site which is north of North Denniston is relatively enclosed. To the east "there is an element of screening within the landscape". This is a reference to trees along the line of the disused railway, now a footpath and cycle route. The Council goes on to say:

The development strategy set out in the indicative masterplan also allows space to retain the prominence of Puldohran House, a signature building at the edge of the village. This application is, however, considered in principle only and there can be no certainty over the detailed form of any development at this stage. Whilst the Council's Landscape Adviser does not find disagreement with the applicant's position in respect of there being development capacity here, the resulting impact cannot be fully quantified at this stage.

46. That part of the appeal site which lies to the west of Bridge of Weir Road is referred to as North Denniston. From submissions and my inspection, I find that development on most of North Denniston would, in landscape terms, be largely contained by three features. First, there is the existing built-up area at Gryffe Road. Second, on the west side of North Denniston there is the footpath-cum-cycle route. This route is on an embankment and fringed with trees. Third, from the south North Denniston is largely screened by a low hillock.

47. In addition, the existing character of North Denniston is influenced the three large modern houses at North Denniston. These houses are within an enclave that is encircled by the North Denniston part of the appeal site. In terms of Inverclyde Local Development Plan, the houses are not part of the Kilmacolm residential area.

48. Puldohran House is prominent in views of Kilmacolm from the south. Puldohran House is distinctive. It signals that one is approaching the village. I find it desirable that its visual impact should not be diminished. For these reasons, there should be no development on that part of North Denniston which is south of Puldohran House.

49. The Appellant's *Indicative Masterplan* shows a green open space south of Puldohran House. If planning permission were to be granted for the proposed development, I see no reason why the Council should not be able to insist on the ground south of Puldohran House being laid out as an open space. To reinforce this point, any permission could be subject to a condition requiring provision of this open space.

50. In conclusion, I find that the proposed development on the North Denniston part of the appeal site could be designed in a manner compatible with the character and amenity of the area. It would thus accord with criterion (a) of policy RES1.

51. That part of the appeal site which lies to the east of Bridge of Weir Road is referred to as Knapps. Knapps has an area of about 2.3 hectares. The north-eastern half of Knapps is rising ground, increasingly steep towards the north-east corner of the site. The south-western half of Knapps is part of a gently undulating and relatively low-lying tract that includes Knapps Loch. This tract is referred to as a "local valley":

This local valley forms the setting for Knapps Loch and the southern gateway of Kilmacolm. The settled and wooded slopes of Kilmacolm contrast with the lower-lying, predominantly open landscape around the loch, which is well used by locals

(*Landscape and Visual Impact Assessment*, paragraph 10.4)

52. Existing residential development to the north of Knapps is of particularly low density. The six houses between Knapps and Houston Road occupy an area of, very roughly, three hectares. Gardens contain mature trees and shrubs. When seen from the south, this edge of Kilmacolm is characterised as much by trees as by buildings. This is illustrated by figure 77 in the *Design and Access Statement*. To the east, the wooded effect is continued by the trees around the house known as Knapps and by the trees on the east side of appeal site.

53. The Appellant's *Indicative Masterplan* shows twelve houses within Knapps, accompanied by extensive planting within and between plots. Figure 78 in the *Design and*

Access Statement illustrates how the suggested low-density development on Knapps might appear in the year after development. Figure 79 illustrates appearance in year 15.

54. The Appellant submits that proposed structural tree-planting would be established and be maintained in the long-term (*Statement of Appeal*, appendix A, paragraph 2.29). Only some 5% of the open landscape setting around Knapps Loch would be lost. Development would be a slight rounding-off of the settlement boundary rather than an incursion into the open setting of the loch (paragraph 2.30). The proposed development would have a localised impact on the character of the local landscape. “..... this effect will become beneficial over time, as the planting within the scheme matures and contributes positively to local landscape character. This effect will be furthered by the use of appropriate dwelling types” (paragraph 3.10).

55. From my inspection, I note that, when approaching Kilmacolm from the south on the A761, Kilmacolm first comes into view in the vicinity of the parking lay-by that is on the east side of the road, about 600 metres south of the edge of the built-up area. From here for the next 300 metres, trees on both sides of the road limit the view until the B788 junction is reached. Then there is an open view towards Kilmacolm. Gently-undulating fields, low hills, woodlands and loch combine in what is an attractive landscape. Such houses as are visible give a hint of the presence of the village.

56. The three modern houses at North Denniston are largely concealed behind the hillock (paragraph 46, above) and the house known as Puldohran makes its distinctive contribution to the scene. Existing development to the east of the A761 is on rising ground and does not extend on to the low-lying tract within which Knapps Loch is a pleasing feature.

57. I find that development on the Knapps part of the appeal site would be an undesirable intrusion into the low-lying tract. Even if development were to be of the low density with the extensive planting suggested in the *Indicative Masterplan*, the initial effect would be obtrusive. I find it unlikely that maturing planting would, in later years, reduce the intrusion to an acceptable level. It would not alter the fact that development had encroached onto the low-lying tract. The distance between the loch and the built-up area would be reduced by some 40%. I do not accept the contention that the proposed development would “become beneficial over time” (*Landscape and Visual Impact Assessment*, paragraph 10.21). There would be a significantly adverse effect on the setting of the loch and on the southern approach to Kilmacolm.

58. Many of those who have submitted representations find the southern approach to Kilmacolm highly attractive and an important part of the character of the village. The southern approach is perceived as a part of the amenity of the village. The area around the loch is used regularly for walking and fishing. It is used for the annual show of the Kilmacolm and Port Glasgow Agricultural Society. It is where bonfire night is celebrated. The proposed development would not, so far as I am aware, prevent these community activities but it would impinge on the attractive setting.

59. I note that Scottish Natural Heritage, in its consultation response dated 18 January 2018, advises that “the proposal will lead to adverse impacts to the local landscape character, the landscape setting of the village and to visual amenity”.

60. My conclusion is that the proposed development on Knapps would be unacceptably obtrusive in an attractive landscape that is particularly valued locally. It would not be compatible with the character and amenity of the area and would not accord with criterion (a) of policy RES1.

61. I now turn to criterion (b) of policy RES1. In considering requirements for landscaping for the purpose of providing adequate amenity within the site rather than for the purpose of achieving an acceptable fit into the site's surroundings, I find no reason why satisfactory "details of proposals for landscaping" might not be brought forward at a detailed design stage. I am therefore not convinced that the proposed development would be contrary to criterion (b).

62. Regarding criteria (c) to (f), I bear in mind that the Appellant's application is in principle. From my inspection of the site and from the illustrative material that accompanied the application for planning permission, I find no reason why the proposed development could not be designed in such a way as to accord with criteria (c) to (f).

63. Overall, I find that the conflict with criterion (a) means that the proposed development does not accord with policy RES1.

Housing policy – maintaining a five years' supply

64. In the Inverclyde Local Development Plan, policy RES3: *Residential Development Opportunities* encourages and supports residential development on sites that are identified for this purpose. There will be an annual audit of the housing land supply. Where necessary to maintain a minimum five years' supply, the effective housing land supply will be augmented.

65. The appeal site is not identified for residential development. For this reason, I find that the proposed development is not supported by policy RES3, subject to the proviso that consideration must be given to the housing land supply. If the necessary five years' supply of housing land does not exist, the question then arises as to whether the housing land supply should be augmented by granting planning permission to the proposed development.

66. Policy RES3 must be considered alongside policies in the more recently-approved Clydeplan. Clydeplan's policy 8: *Housing Land Requirement* says that local development plans are to make provision for an all-tenure housing land requirement. Plans are also required to make provision for the private housing land requirement by both local authority area and by housing sub-market area.

67. In the case of Inverclyde, the all-tenure housing land requirement for 2012 to 2024 is land sufficient for 3,630 dwellings (schedule 8). Within this total, the private housing land requirement is land sufficient for 2,360 dwellings. For the same period, the private housing land supply is sufficient for 2,950 dwellings (schedule 10).

68. Regarding housing market areas, Inverclyde housing market area covers the northern part of the Inverclyde administrative area. That part of Inverclyde within which

Kilmacolm is located is part of the central conurbation housing market area and part of the Renfrewshire housing sub-market area. In the Renfrewshire housing sub-market area, the private housing land requirement for 2012 to 2024 is land sufficient to accommodate 8,160 dwellings. For the same period, the private land supply is sufficient for 9,250 dwellings (schedule 9).

69. Policy 8 says that authorities should provide for a minimum of five years' effective land supply at all times. Any shortfall in the five-year land supply should be remedied by granting planning permission for housing developments on greenfield or brownfield sites provided each of five criteria is met (see paragraph 83, below).

70. The numbers in schedules 8, 9 and 10 of Clydeplan indicate that there is sufficient land for private housing in the administrative area of Inverclyde and in the Renfrewshire housing sub-market area.

71. It is the Appellant's view that land identified for private housing is not effective. The Appellant's *Kilmacolm Market Strength Analysis* includes the following.

..... both Inverclyde Council area and the Renfrewshire HMA are heavily reliant on sites in weak market areas to meet their housing targets. sites identified in the weak market areas will not be able to be brought forward by the large house builders. (paragraph 3.20).

Across Inverclyde, 48% of the land identified for housing development in the next five years has been included in HLAs since 2010 or earlier (paragraph 3.22).

..... this trend of aged sites is also reflected across the Renfrewshire HMA with 44% of the land identified for housing development in the next five years having been included in the HMAs since 2010 or prior (paragraph 3.23).

..... across Kilmacolm, which has proven to be a strong market area and somewhere people want to live, all of the five-year "effective" sites were first included in the HLAs in or before 2010 (paragraph 3.24).

There is a need to undertake a thorough review of sites that have been continually rolled forward from one HLA to another, and whether they can truly be considered 'effective' and 'deliverable' or if they are more likely to add to continued trends of under-delivery (paragraph 4.5).

72. The Appellant draws attention to the fact that the number of private house completions has been less than envisaged in the local development plan and in housing land audits. It is contended that this demonstrates that housing sites in the housing land supply are not effective. The Council is failing to maintain the required annual supply of effective housing land within its part of the Renfrewshire housing sub-market area.

73. I note that the summary on the first page of the Council's *2017 Housing Land Supply* (the housing land audit) refers to a previous reduction in the number of private house completions. It ascribes this to: a decrease in the number of developers; remaining

developers building at a slower rate due to restricted access to finance; house-buyers struggling to obtain mortgage finance; and reduced value of equity in existing properties.

74. During my inspection, I noted that houses had now recently been constructed on two of the local development plan's promoted residential development sites in Kilmacolm. Other residential development sites in and near Kilmacolm are still undeveloped.

75. Some of the representations from persons and organisations who object to the proposed development make reference to the local housing market. It is said that there are more houses for sale in Kilmacolm now than at any time in the past 23 years. Currently in Kilmacolm there are 48 houses for sale on the open market. Of these, 22 have been on the market for more than 4 months.

76. In the *Kilmacolm Local Housing Assessment*, figure 3.10 indicates that the average house price in Kilmacolm in 2010 was about £330,000 and in 2016 was about £240,000.

77. From all this, I find that failure to achieve building rates envisaged in the local development plan may, at least in part, be the result of economic factors and not solely because the total amount of land is insufficient or subject to constraints of a non-economic kind. It follows that increasing the housing land supply may not necessarily result in an increase in house building.

78. The Appellant says that the Council's most up-to-date housing land supply position is in its *Housing Land Technical Report (2018)*. The report "confirms an ongoing shortfall in the Renfrewshire SHMA of 25 units [in] the period [to] 2024 and 57 units post 2024 – 2019, therefore a shortfall of 82 units in total. this shortfall position is generally accepted by Gladman. However, the effectiveness of the sites considered in the land supply is questioned, this will therefore impact on the shortfall further" (*Statement of Appeal*, 3.2.8).

79. The shortfall of 25 units quoted in the preceding paragraph is based on table 9 in the *Housing Land Technical Report*. Table 9 uses the "compound approach" to adjust the land requirement in Clydeplan so that it matches the period covered by the proposed Inverclyde Local Development Plan 2018, which is a plan that the Council has prepared to replace the current adopted Inverclyde Local Development Plan 2014.

80. There is an alternative method by which the land requirement in Clydeplan may be adjusted to match the period covered by the proposed local development plan. This is the "annualised approach". Table 10 in the *Housing Land Technical Report* uses the annualised approach. On this basis, there is a land supply sufficient for 19 more dwellings than is required.

81. In the *Housing Land Technical Report*, table 11 indicates the shortfall of 57 units for the period from 2024 to 2029.

82. I find that, if there is any shortfall in the effective housing land supply, it is not as large as is claimed by the Appellant. The position is not clear-cut. For present purposes, I shall take it that there is a shortfall in the five-year effective housing land supply.

Remedying a housing land supply shortfall

83. Clydeplan's policy 8: *Housing Land Requirement* says:

Local Authorities should take steps to remedy any shortfalls in the five-year supply of effective housing land through the granting of planning permission for housing developments, on greenfield or brownfield sites, subject to satisfying each of the following criteria:

- the development will help to remedy the shortfall which has been identified;
- the development will contribute to sustainable development;
- the development will be in keeping with the character of the settlement and the local area;
- the development will not undermine Green Belt objectives; and
- any additional infrastructure required as a result of the development is either committed or to be funded by the developer.

84. I find that the proposed development accords with the first and fifth criteria. I find that the proposed development does not satisfy the second criteria. This is because the proposed development would not constitute low-carbon place-making (paragraph 20, above).

85. I find that the proposed development does not satisfy the third criteria. This is because the proposed development would be unacceptably obtrusive in an attractive landscape that is particularly valued locally (paragraph 60, above).

86. The fourth criterion refers to green belt objectives. The five objectives relevant to the proposed development are listed in paragraph 26, above.

87. From consideration of development plan strategy (paragraphs 5 to 25, above), I find that there is a preference for development to be directed to sustainable brownfield locations. There is to be emphasis on regeneration in the Clyde Waterfront, particularly at Bishopton. Bishopton is both a community growth area and a strategic economic investment location. I note from *Kilmacolm Market Strength Analysis* (figure 2) that Bishopton is in the Stronger Market Area. I find that approval of the proposed development would not amount to directing planned growth to the most appropriate locations and supporting regeneration. For these reasons, the proposed development does not accord with the first and second green belt objectives.

88. In relation to the third and fourth green belt objectives, I find that the proposed development would not adversely affect separation between communities. I have previously concluded that the proposed development would not be compatible with the character and amenity of the area (paragraph 60, above). I find that the proposed development would not safeguard identity through place-setting and would not protect and

enhance the quality, character and landscape setting of Kilmacolm. For these reasons, the proposed development does not accord with the third and fourth objectives.

89. I find that development on the appeal site would not cause loss of open space that has been laid out with the purpose of providing: an amenity; an area of public access; or an area for countryside recreation. Development would not necessarily have any adverse effect on sustainable access and opportunities for countryside recreation. Rather, there might be opportunity to enhance access to the countryside south of the Knapps part of the appeal site (*Planning Statement*, paragraph 7.2.13). I find that the proposed development would accord with the fifth green belt objective.

90. Overall, I find that the proposed development would not accord with green belt objectives.

91. I conclude that the proposed development would be inconsistent with the second, third and fourth criteria of policy 8 of Clydeplan. For this reason, the proposed development would not be an acceptable means of addressing a shortfall in relation to maintaining at all times a five-year supply of effective housing land.

Place-making

92. Clydeplan's policy 1: *Placemaking* says that new development should contribute towards the creation of high-quality places. New development should take account of the place-making principle. Table 1 of Clydeplan is headed *Placemaking Principle* and contains six qualities of place. These are taken from *Creating Places - a policy statement on architecture and place for Scotland* (Scottish Government, 2013). The Council's fourth reason for refusal of planning permission says that the proposed development fails to have regard to the six qualities of successful places.

93. I note that table 1 refers to other parts of Clydeplan, a number of which are considered elsewhere in this decision notice:

There is reference to reflecting local character and community identity. I find that the proposed development would not be compatible with the character and amenity of the area (paragraph 60 above).

There is reference to a sustainable and low-carbon city region. I find that the proposed development would be highly car-dependent and would not constitute low-carbon place-making (paragraph 20 above).

There is reference to development concentrated along transport corridors in close proximity to public transport stops. I find that the proposed development would not help to promote a pattern of development that encourages travel by public transport (paragraph 20 above).

There is reference to priority being given to brownfield locations and higher residential density within a mixed land-use context. I find that the emphasis on brownfield sites and regeneration is an important aspect of development plan strategy (paragraph 23 above).

94. My conclusion is that the proposed development does not accord with policy 1 of Clydeplan. As local development plan policy SDS3: *Placemaking* is in less specific terms than the more up-to-date policy 1 of Clydeplan, I find it appropriate to confine attention to the latter.

The conservation area

95. In the Inverclyde Local Development Plan, policy HER1: *Development which affects the Character of Conservation Areas* says that proposals which affect conservation areas will be acceptable where they are sympathetic to the character, pattern of development and appearance of the area. The Council's sixth reason for refusing planning permission says that the proposed development is contrary to policy HER1 in that there would be a significant and unacceptable impact on the setting and appearance of the conservation area.

96. The planning application site adjoins the southern boundary of Kilmacolm conservation area. There is no conservation area appraisal. I have noted the section headed *Character of the Conservation Area* on pages 12 and 13 of the Appellant's *Heritage Impact Assessment*. During my inspection, I viewed the conservation area. From what could be no more than a cursory visit, I find that the conservation area is characterised by large detached houses of individual design with an air of grandeur and set in large gardens. Most of the houses appear to have been built in the late nineteenth century and early twentieth century. Stone boundary walls and numerous mature trees frequently restrict views of the houses from the public roads.

97. I find that the value of the character and appearance of the conservation area is not in general dependent to any significant extent on its setting. In connection with this, I note that the conservation area is restricted to the fine houses and does not include a surrounding setting.

98. The proposed development would not be visible from most of the conservation area. It would be visible from that part of the conservation area that is south of Houston Road. This area is higher than the Knapps part of the appeal site. Most, if not all, of the half-dozen houses south of Houston Road would continue to have an open outlook, albeit with a radically different foreground, if the proposed development were to proceed.

99. From the preceding considerations, I find that the proposed development would not have a significant and unacceptable impact on the setting and appearance of the conservation area. My conclusion is that there would be no conflict with local development plan policy HER1.

Biodiversity

100. In Inverclyde Local Development Plan, policy ENV7: *Biodiversity* says that the protection and enhancement of biodiversity will be considered in the determination of planning applications. Planning permission will not normally be granted for development that is likely to have an adverse effect on protected species.

101. The Appellant's *Preliminary Ecological Appraisal* identified a need for specific survey work. Scottish Natural Heritage, in its letter dated 18 January 2018, advises that any permission for the proposed development should ensure that protected species issues are addressed. The Council's Greenspace Manager's e-mail of 7 February 2018 describes the wildlife interest of the appeal site locality. Representations opposing the proposed development express concern about adverse effects on wildlife.

102. The Council's view is that there is no ecology issue which would provide a basis for refusal of planning permission (*Report of Handling*, page 33).

103. I find no reason to disagree with the view that ecological matters may be addressed adequately by imposing conditions on any permission that might be granted. This would meet the requirements of policy ENV7.

Clydeplan and development management

104. Section 10 of Clydeplan provides guidance on how to determine whether development proposals accord with the plan. Schedule 14 defines scales of development that are likely to impact on Clydeplan's vision and spatial development strategy. For greenfield housing, the scale of development is ten or more units outwith community growth areas or outwith housing sites identified in local development plans. I find that the proposed development is of a strategic scale.

105. Schedule 15 of Clydeplan illustrates the range and types of development that are likely to be compatible with the spatial development strategy. I find that the proposed development is not of a kind that is likely to be compatible with the spatial strategy, in particular because the site is not within the Clyde Waterfront and is not within a community growth area.

106. It follows from the foregoing that the proposed development must be assessed in terms of diagram 10 in Clydeplan. The relevant parts of box 1 in diagram 10 are considered in the following paragraphs.

107. Policy 4: *Network of Strategic Centres* seeks to protect and enhance the city centre and other strategic centres. The policy is concerned mostly with kinds of development and activity that are not residential. Greenock is the strategic centre closest to the appeal site. In its case, one of the challenges identified in schedule 2 is "address the effects of declining population".

108. Greenock and Kilmacolm are relatively close to each other, being some ten kilometres apart. I have considered whether the proposed development might deflect investment in new housing away from Greenock. This would add to the difficulty of addressing the effects of declining population. I note that Greenock and Kilmacolm are in different housing market areas. This indicates that development at Kilmacolm has a limited effect on the housing market in Greenock. In view of this, I find that there is no significant conflict between the proposed development and the policy for strategic centres.

109. Regarding New Homes there is reference to policy 8: *Housing Land Requirement*. In paragraph 91, above, I conclude that the proposed development would be inconsistent with three of the criteria in policy 8.

110. Under Natural, Resilient City Region there is reference to policy 14: *Green Belt*. In paragraph 90, above, I find that the proposed development would not accord with green belt objectives. It follows from this that the proposed development does not accord with policy 14.

111. From the foregoing, I find that the conflict with various policies means that the answer to the box 1 question in diagram 10 of Clydeplan is 'no'. The proposed development is a departure from Clydeplan. Consideration must therefore be given to the box 2 criteria and to any other material consideration. I turn first to the seven criteria:

I find that the proposed development would not make a significant contribution to sustainable development. Rather than enabling a shift to sustainable travel modes, it would be highly car-dependent (paragraph 20, above).

I find no significant net economic benefit of a kind that is associated with inward investment.

I find that the proposed development would not amount to a response to economic issues such as creation of a significant number of net additional permanent jobs.

I find that it has not been demonstrated that there is specific locational need at Kilmacolm for development on the scale proposed by the Appellant. There is opportunity at Bishopton for development on this scale.

I do not find that the proposed development offers any special benefit of strategic significance in relation to the fifth, sixth and seventh criteria.

112. I find no other material consideration that would override my findings regarding the seven criteria. I find that the proposed development is not an acceptable departure from Clydeplan. From this, it follows that the proposed development is "deemed contrary to the Strategic Development Plan" (Clydeplan, page 97).

The setting of listed buildings

113. Inverclyde Local Development Plan's policy HER5: *the Setting of Listed Buildings* says: "Development will be required to have due regard to the effect it has on the setting of, and principal views to and from, listed buildings and shall be without detriment to their principal elevations and the main approaches to them....."

114. There are several listed buildings in the general vicinity of the site. Of these, I find that only three would possibly be affected by the proposed development. All three are houses: Hazelhope (category C) on the south-west side of Gryffe Road; Greystones (category B) south of Houston Road; and Knapps (category B) also south of Houston Road.

115. The Appellant's *Heritage Impact Assessment*, pages 15 and 16, contains an assessment of the effect of the proposed development on the settings of the three listed buildings. It concludes that the proposed development would not have a significant adverse effect on their settings. The Council's assessment is contained on page 31 of its *Report of Handling*. It does not find that there would be an adverse effect on the settings.

116. From my inspection, I find no reason to disagree with the assessment and conclusion in the *Heritage Impact Assessment*. I find that the proposed development would not conflict with local development plan policy HER5.

117. In accordance with section 59 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997, I am required to have special regard to the desirability of preserving the settings of these buildings. I find that the settings would be preserved in that the proposed development would not have a significant adverse effect on them.

Flood risk

118. Clydeplan's Policy 16: *Improving the Water Quality Environment and Managing Flood Risk and Drainage* says that development proposals should protect and enhance the water environment by adopting a precautionary approach to the reduction of flood risk. In Inverclyde Local Development Plan, policy INF4: *Reducing Flood Risk* says development will not be acceptable where it is at risk of flooding, or increases flood risk elsewhere.

119. The Appellant has submitted a *Flood Risk Assessment* and a *Flood Risk Assessment and Drainage Strategy Report* (both November 2017). These give consideration to possible flooding arising from watercourses, overland drainage and malfunction associated with the Knapps Loch dam and outflow culvert.

120. Representations include concerns that the proposed development would be at risk of flooding and that this has not been addressed adequately by the Appellant. The Scottish Environment Protection Agency, in a letter dated 30 January 2018, objected to the proposed development on grounds of flood risk. After receipt of further information, the Agency removed its objection (letter dated 27 February 2018).

121. The Council's *Report of Handling* (page 33) indicates that outstanding matters may be addressed at the detailed design stage.

122. I note that matters relating to flooding remain to be addressed in detail. Planning permission for the proposed development could be subject to conditions to ensure, among other things, that all site ground levels would be higher than 72 metres above Ordnance Survey datum, that all buildings would be above predicted flood levels plus a freeboard allowance and that suitable provision would be made in relation to any watercourse present within the site. In connection with this last point, during my inspection, I noted the existence of a watercourse within the Knapps part of the appeal site.

123. My conclusion is that conditions could ensure that the proposed development accorded with Clydeplan's policy 16 and the local development plan's policy INF4.

Development plan - conclusion

124. The proposed development:

does not accord with development plan strategy (paragraph 25, above);

is contrary to green belt policies (paragraph 36, above);

does not accord with local development plan policy RES1 (paragraph 63, above);

is not an acceptable means of addressing a shortfall in the five-year effective housing land supply (paragraph 91, above);

does not accord with Clydeplan's policy 1: *Placemaking* (paragraph 94, above); and

is not an acceptable departure from and is deemed contrary to Clydeplan (paragraph 112, above).

I note that the proposed development accords with other aspects of the development plan. I find that this accordance is outweighed by the above conflicts with the development plan. My conclusion is that, overall, the proposed development does not accord with the development plan.

Other material considerations

125. As noted in paragraph 2, above, I am required to determine this appeal in accordance with the development plan, unless material considerations indicate otherwise. In the present case, material considerations are *Scottish Planning Policy*, socio-economic benefits, other appeal decisions and community ownership.

126. *Scottish Planning Policy* "directly relates to the determination of planning applications and appeals" (paragraph (i) on page 2). "As a statement of Ministers' priorities the content of the SPP is a material consideration that carries significant weight" (paragraph (iii) on page 2).

Scottish Planning Policy – where a plan is under review

127. The Appellant refers to paragraph 34 of *Scottish Planning Policy (Statement of Appeal, paragraph 3.2.4)*. The Appellant says that the proposed local development plan is at a relatively early stage, hence little weight can be given to the proposed local development plan at present. The Appellant says (*Statement of Appeal, paragraph 3.2.14*) that the proposal is not so substantial and would not give rise to such cumulative effects that would undermine the plan-making process.

128. The Council says that it would be inappropriate and premature to prejudice the planned system by releasing additional housing land at this time (*Appeal Statement, page 3*).

129. The Appellant's *Planning Statement* (section 5.2) says that the main issues report presented three options regarding housing land supply at Kilmacolm. The preferred option was a site on land west of Quarry Drive. An alternative site was on land at Planetreeyetts. Other suggested sites were not preferred.

130. As far as I can see, apart from one site (R66) that has capacity for 13 dwellings and is within the built-up area, the proposed local development plan contains no new housing sites at Kilmacolm. During my inspection, I noted that construction of development on site R66 was well-advanced.

131. I find that the proposed development, in relation to the existing size of Kilmacolm, is substantial. I find that its size is such that, if it were to be approved, it would very probably predetermine decisions about the scale and location of any new development at Kilmacolm.

132. I note that:

the proposed local development plan has been approved by the Council;

in terms of the whole plan preparation process, the proposed plan is relatively close to the stage at which it might be adopted; and

“Prematurity will be more relevant as a consideration the closer the plan is to adoption or approval” (*Scottish Planning Policy*, paragraph 34).

133. My conclusion is that it would be premature to approve the proposed development at the present time.

134. In passing, I note that there is reference to the proposed local development plan in the second, fourth and sixth reasons for refusal of planning permission. My attention has not been drawn to any significant difference between relevant policies in the adopted plan and policies in the proposed plan. I have therefore directed attention to the policies in the adopted plan.

Scottish Planning Policy – sustainable development

135. The Appellant says that the presumption in favour of development that contributes to sustainable development (*Scottish Planning Policy*, paragraphs 28 and 29) is a significant material consideration (*Statement of Appeal*, paragraph 3.2.5).

136. *Scottish Planning Policy*, at paragraph 29, lists thirteen principles by which decisions should be guided. The Appellant's *Planning Statement* (section 7.2) assesses the proposed development in relation to the principles. It concludes that benefits are not outweighed by any adverse impacts.

137. I find that the proposed development does not accord with several aspects of the principles. It would not support regeneration priorities (the fourth principle – see paragraph 24, above). By being car-dependent, it would not support climate change mitigation (the seventh principle – see paragraph 20, above). It would not protect landscape (the eleventh principle – see paragraph 60, above).

138. I find that, overall, the proposal is not one that would contribute to sustainable development.

Scottish Planning Policy – housing land supply

139. It is the Appellant's case that the current housing land supply position and the mechanism set out in *Scottish Planning Policy* are of such weight that they warrant approval of the proposed development (*Statement of Appeal*, paragraph 3.2.7).

140. I note that *Scottish Planning Policy* (paragraph 125) says that, where a shortfall in the five-year effective housing land supply emerges, development plan policies for the supply of housing land will not be considered up-to-date "and paragraphs 32-35 will be relevant".

141. I take it that there is a shortfall in the five-year effective housing land supply (paragraph 82, above). It follows from this that the presumption in favour of development that contributes to sustainable development is a significant material consideration (*Scottish Planning Policy*, paragraph 33). However, having found that the proposed development would not contribute to sustainable development (paragraph 138, above), it follows that the proposed development does not gain support from paragraph 33 of *Scottish Planning Policy*.

Socio-economic benefits

142. It is the Appellant's view that there are good reasons to increase the number of people living in Kilmacolm (*Statement of Appeal*, paragraph 3.8.1). I agree with this on the basis that there is spare capacity in the local primary school, doctors' surgery and dentists' surgery and that additional population would help keep local shops in business.

143. I find that socio-economic benefits must be weighed against issues such as development plan strategy and the need to safeguard local character and amenity.

144. As indicated in *Kilmacolm Development Capacity Appraisal*, the appeal site is not the only possible location for new housing development in Kilmacolm. I find that the local plan examination that is now commencing will afford opportunity to consider which sites, if any, should be allocated for new housing in Kilmacolm.

145. My conclusion is that socio-economic benefits do not justify approval of the proposed development as an exception to the development plan.

Other appeal decisions

146. The Appellant contends that circumstances surrounding a proposed housing development at Stepps are similar to those in the present case. The Stepps proposal was subject to an appeal that was sustained. The Council refers to a proposed housing development at Bridge of Weir which was subject to an appeal that was dismissed.

147. I find that particulars of the present appeal are different from those of the other two appeals to an extent that means that neither of the other two appeals acts as a compelling precedent.

Community ownership

148. The landowner has proposed that an area of land around Knapps Loch be made available for transfer to a community body for use for community purposes in perpetuity (*Statement of Appeal*, paragraph 2.4.2). I find that this would safeguard and could enhance public use of the land in question. While this would be beneficial, I find that it would not mitigate or offset the adverse aspects of the proposed development that relate to the development plan.

Representations

149. Representations opposing the proposed development were submitted to the Council and to Planning and Environmental Appeals Division. Many reasons for opposition were expressed. Those reasons which I find to be of most significance are addressed in this decision notice.

Final conclusion

150. I have given consideration to the wide range of matters that have been raised in submissions. This decision notice gives attention to those matters that have the preponderant weight in reaching a decision.

151. My final conclusion is that the proposed development does not accord overall with the relevant provisions of the development plan and that there is no material consideration which would nevertheless justify a grant of planning permission.

R W Maslin

Reporter