

Housing, Regeneration and Planning

The Effectiveness of Housing Land Audits in Monitoring Housing Land Supply in Scotland

Robin Holder & Helen Pickles, Turley Associates

Turley Associates was commissioned by the then Scottish Executive to carry out research on Housing Land Audits (HLA). The research provided an assessment of current practice in respect of preparing and publishing HLAs in Scotland. The report concludes by making a number of recommendations which seek to improve the consistency and accuracy of the auditing process.

Main Findings

- The main participants in the HLA process – Councils and house-builders – agree that HLAs serve an important function and that the fundamental aspects of the methodology described in PAN 38 are appropriate. However, there was also a general consensus that various detailed aspects of preparation and presentation could be improved.
- There appeared to be an underlying tension between private house-builders and Council HLA teams. For example, it was suggested by house-builders that Councils are prone to over-estimate the effective housing land supply. Some Councils expressed the opposite point of view, suggesting that house-builders have a tendency to under-estimate the supply.
- An analysis was undertaken of effective housing sites contained in most of Scotland's HLAs produced in 2001, and compared to actual completions arising on those sites over the subsequent five year period. Overall, whilst there was significant variation in the predictive accuracy of individual HLAs, this research showed approximately an average 25% over-estimate of completions on sites identified in the effective supply in 2001. The main reasons for this included:
 - delays to anticipated start dates for development;
 - over-optimistic programming of yearly completions; and
 - sites which are categorised as being effective, in fact being subject to constraints.
- The above analysis also showed that overall the number of house completions arising as windfall (i.e. on sites not identified as effective in 2001), more than compensated for the shortfall of completions arising on effective sites.
- There are varying approaches to windfall development in HLAs. Some HLAs only identify sites as effective if they have planning permission or are allocated in finalised or adopted local plans. Other HLAs will identify sites as effective even if these criteria are not met, depending on circumstances.
- The stakeholders generally agreed that the housing site 'effectiveness' criteria identified in PAN38 are appropriate. However, there were differences of opinion on the interpretation of these criteria which can lead to disputes on HLA content.

- HLA preparation and agreement timescales vary considerably, although the majority take longer than 6 months to complete, and can often extend to 9 months or longer. It was generally accepted by stakeholders that the process could be completed within 6 months if more effectively managed.
- Despite PAN38 advising that HLAs provide house completion programming for at least 7 years into the future, a number of HLAs only identify a 5 year programme.
- Councils and house-builders held the view that other stakeholders (e.g. Scottish Water, Transport Scotland) should be more involved in HLA preparation to ensure that the predicted programming of housing relates better to likely infrastructure provision.
- There is significant inconsistency in the recording of the supply of affordable housing. Also, it is generally not possible to accurately predict the supply of affordable housing beyond about 3 years into the future.
- The Stirling HLA is the most accessible in its format, as well as being one of the most comprehensive in terms of content.

Introduction

The Housing Land Audit is the established mechanism for monitoring housing land, and therefore has a key role in ensuring that an adequate supply of housing to meet the structure plan requirement is maintained. SPP3 requires that the HLA be undertaken annually, with the close involvement of private house-builders and other providers.

PAN 38 (paragraph 31) indicates that the HLA should specify the sites which can be programmed over a period of at least 7 years, and that planning authorities and housing providers should work together between audits to ensure that sites identified as effective are successfully developed.

Research Objectives

The main purpose of the research was to establish best practice for HLA preparation and presentation, with the following objectives:

- to improve predictive accuracy;
- to improving presentation and accessibility; and
- to provide common information outputs across Scotland to allow for consistent monitoring at a national level.

The research objectives were as follows:

- to assess current practice across a number of planning authorities in preparing, conducting and publishing housing land audits, including identifying what is 'effective';

- to develop proposals for a system which would allow regular monitoring by the then Scottish Executive of summary information contained in the audits, to provide an overview of housing land supply in Scotland; and
- to identify principles for a more standardised approach to carrying out the audit process in future, in order to maximise the value of the process for all parties, for example, by considering:
 - whether small sites should be separately identified in the audit;
 - the inclusion of housing land requirement within the published audit to allow monitoring of supply alongside need;
 - the necessary level of engagement of house builders, infrastructure providers and other stakeholders in the audit process;
 - the publication of audit documentation on council websites; and
 - the monitoring of sites included within the effective housing land supply, and review their role where sites remain undeveloped over a period of time.

Methods

The methodology for the research included the following:

- Baseline information was collated on all HLAs, including period for review, outline methodology, timeframe for production, web access and approach to consultations.

- Contact was made with every local authority / HLA team to clarify and confirm key data and thereby provide a concise overview on Audit preparation across Scotland.
- Interviews with selected HLA teams and Homes for Scotland were conducted to obtain more detailed information and their views on the process.
- Other stakeholders (e.g. Scottish Water) were consulted to establish how these agencies view their current and future roles.

Recommendations

Arising from the research, 16 recommendations were made as follows:

- Establish a best practice working group on HLA preparation and presentation.
- Adopt a common content and presentation format for all HLAs.
- Adopt a common 'snapshot' base date for all HLAs.
- All HLA updates are to be completed within 6 months.
- Individual house-builders/landowners should be given more responsibility to provide comprehensive base data directly to Councils.
- The Scottish Government to give consideration to reviewing the definition of 'effective housing land supply'.
- Issue national guidance advising on factors requiring more rigorous assessment in respect of determining site effectiveness and programming.
- Windfall sites should only be identified in HLAs as effective when planning permission has been granted.
- All HLAs to identify future programming of individual sites for at least a 7 year period.
- Issue national guidance encouraging greater involvement by infrastructure providers in the HLA process.
- All HLAs to include small sites in the established supply (in summary tables if appropriate), these being defined as sites of less than 5 units. The assumed percentage contribution of small sites to the effective supply may vary, however, subject to agreements reached in individual HLA areas.
- Affordable housing should be distinguished from private market housing in all HLAs areas. As far as possible, affordable housing should be categorised by the different forms of provision defined in PAN74.
- As far as possible, all HLAs to distinguish between house-types, particularly houses and flats. Further consideration should be given to providing more refined information on a consistent basis between HLAs (e.g. number of apartments).
- All HLAs should identify site development constraints and the necessary actions and timescales for their removal. For monitoring purposes, consistent nomenclature to describe constraints should be used (e.g. access, drainage, ground conditions).
- All HLAs should be made available online.
- Councils should prepare an audit of past housing supply performance in similar format to the HLA.

If you have any enquiries about social research, please contact us at:

Scottish Government Social Research

1-F (Dockside)

Victoria Quay

EDINBURGH

EH6 6QQ

Tel: 0131 244-0874

Fax: 0131 244-7573

Email: socialresearch@scotland.gsi.gov.uk

Website: www.scotland.gov.uk/socialresearch

The report, "The Effectiveness of Housing Land Audits in Monitoring Housing Land Supply in Scotland", which is summarised in this research findings is a web only document and is available on the publications pages of the Scottish Government website at

<http://www.scotland.gov.uk/Publications/Recent>

This document (and other Research Findings and Reports) and information about social research in the Scottish Government may be viewed on the Internet at:

<http://www.scotland.gov.uk/socialresearch>

The site carries up-to-date information about social and policy research commissioned and published on behalf of the Scottish Government. Subjects covered include transport, housing, social inclusion, rural affairs, children and young people, education, social work, community care, local government, civil justice, crime and criminal justice, regeneration, planning and womens issues. The site also allows access to information about the Scottish Household Survey.

