

REPORT TO: DUNDEE, PERTH, ANGUS AND NORTH FIFE
STRATEGIC DEVELOPMENT PLANNING AUTHORITY
JOINT COMMITTEE MEETING ON 2nd OCTOBER 2012

REPORT ON: TAYplan JOINT HOUSING MARKET AREA REFRESH 2012

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REPORT NO: SDPA14-2012

1 PURPOSE OF REPORT

- 1.1 This report informs members of the conclusions from joint work by TAYplan and the four constituent Councils to refresh Housing Market Area boundaries in the TAYplan area ahead of the production of the next TAYplan-wide Housing Need and Demand Assessment.

2 SUMMARY

- 2.1 As reported to Joint Committee in June 2012 (SDPA08-2012: Housing Market Area Boundaries Refresh for the next TAYplan-wide Housing Need and Demand Assessment, 26 June 2012) TAYplan and the four constituent Councils have worked jointly to refresh the work on Housing Market Area boundaries. This used the present market areas as the start point and examined more recent sasines data to understand whether there have been any changes.
- 2.2 The work shows that the present Housing Market Areas defined in 2001 and refreshed in 2008/09 remain robust. However, there has been a slight contraction of the Greater Dundee Housing Market Areas with Errol, in the Carse of Gowrie, now being part of the Greater Perth Housing Market Area.
- 2.3 These conclusions will be passed to the Scottish Government Centre for Housing Market Analysis so that they can be incorporated into an electronic tool. The tool helps with the statistical side of the Housing Need and Demand Assessment. Completion of this Refresh will also enable the commencement of the main stages of the Housing Need and Demand Assessment. Any policy decisions will be taken subsequently by Members as part of the normal processes for preparing Development Plans and Local Housing Strategies.

3 RECOMMENDATION

- 3.1 It is recommended that The Joint Committee:
- a) Note this report, its conclusions and the subsequent work to be undertaken and that the boundaries set out in Figure One will form the basis on which subsequent work will be based.

4 FINANCIAL IMPLICATIONS

- 4.1 All work has been undertaken within TAYplan and the 4 constituent Council's staff resources. There are no financial implications for the TAYplan budget.

5 JOINT HOUSING MARKET AREAS REFRESH EXERCISE 2012

Background

- 5.1 Officers from TAYplan and the four constituent Councils have recently undertaken an exercise to refresh the present Housing Market Area boundaries that cover the TAYplan area.

- 5.2 Housing Market Areas provide an important part of the evidence base for development plans and local housing strategies. Functional Housing Market Areas are geographical areas that tell us where the majority of people purchasing homes in a particular area also originate from within that same area. Outputs of the Housing Need and Demand Assessment and subsequent housing and planning policy are presented at Housing Market Area level. Housing Need and Demand Assessments are used in Scotland to help planning and housing authorities to understand the housing market and to understand the scale of need and demand for market and affordable housing. Therefore determining the boundaries of Housing Market Areas is an important first step.

- 5.3 We did not start from a blank sheet. Work was undertaken by Communities Scotland (now Scottish Government) in 2001 and subsequently by each of the four Councils in support of their Housing Need and Demand Assessments in 2008/09. These existing conclusions therefore formed the start point for this work. TAYplan and the four councils worked jointly to understand whether new data shows any changes to these already defined Housing Market Areas. In particular the work looked at Housing Market Areas with the potential to cross local authority boundaries both within and outside of TAYplan. This included the Greater Dundee Housing Market Area, which was originally defined by Communities Scotland in 2001 and continued to be recognised in 2008/09. It covered all of Dundee City, parts of North Fife, southern Angus and western Perth & Kinross (see Figure 1).

Methodology

- 5.4 A single methodology was adopted by TAYplan and the four councils. It involved the analysis of Scottish Government sasines data. This tells us where homes were purchased and the origin of those purchasing them. This analysis allowed us to understand the extent to which the majority of moves originated in the presently defined market areas and also prompted further investigations of sasines data in some settlements near the boundaries of their market areas. This work was completed by each council for its area.

- 5.5 Once completed officers from TAYplan and the four councils considered the conclusions collectively and applied local and professional knowledge. They also queried other data sets; for example migration movements, population change, dwelling stock information and house prices, amongst others, to identify any issues that might further explain or challenge the conclusions. No issues were found that challenged the conclusions.

5.6 Prior to commencement views were sought on the methodology from Homes for Scotland, the other three Strategic Development Planning Authorities and the two National Park Authorities. Consequently there was not a need to further amend the methodology.

5.7 Once completed a draft paper containing the analysis and conclusions was presented to wider housing market partners for comments during late August and early September 2012. Comments were received from three public sector organisations which were supportive and highlighted some helpful points of clarity and typographical errors. Appropriate amendments were incorporated into the final version which was signed off by the Heads of Housing and Planning from the four councils and TAYplan.

Importance of defining Housing Market Areas

5.8 Functional Housing Market Areas reflect the market geographically and help planning and housing authorities to understand market dynamics between and within authorities. They also form a common geography for investment and development decisions and form a wider part of achieving a 'robust and credible' Housing Need and Demand Assessment. These play an important role in supporting investment and can contribute to reducing the time spent at examination for development plans. The work is required to input into the next Housing Need and Demand Assessment which will inform the next TAYplan Main Issues Report in 2014 and subsequently for Local Development Plans and Local Housing Strategies reviews.

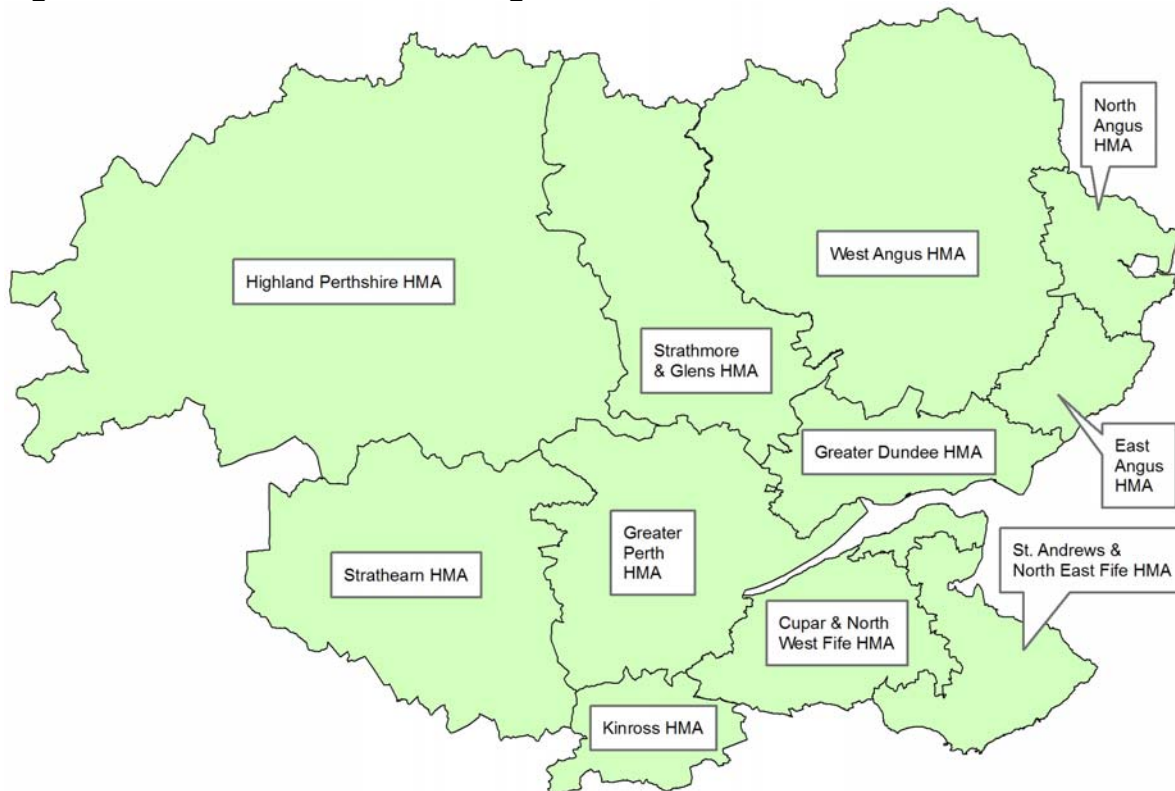
Observations and Conclusions

5.9 The exercise concluded that the Housing Market Areas initially defined in 2001 and subsequently reinforced in 2008/09 remain robust (Figure 1). However, the Greater Dundee Housing Market Area has contracted slightly since 2008/09 as Errol, in the Carse of Gowrie, is now considered to be part of the Greater Perth Housing Market Areas. This means that the Greater Dundee Housing Market Areas Boundary defined by Communities Scotland in 2001 remains robust. There are also no cross boundary Housing Market Areas which cross the TAYplan boundary.

5.10 Overall the levels of self-containment (house moves to the same market area from which they originate) have increased in almost all housing market areas, perhaps explained by the impact of the recent recession on job security, lending and new house building rates.

5.11 Detailed investigation of the statistics showed that there continues to be some house moves between neighbouring market areas but these are insufficient to warrant merging or changing market areas. For example, no evidence could be found for strong market linkages between Western Angus and Eastern Perth & Kinross along Strathmore. Similarly there was no justification to support the merger of Kinross Housing Market Area with any of those in neighbouring Fife.

Figure 1: Conclusions: Joint Housing Market Areas Refresh 2012



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What this means

- 5.12 This presents planning and housing authorities in the TAYplan area, and those with an interest in these issues, with a single set of coherent and up to date Housing Market Areas. It reinforces previous conclusions about the geographical extent of these market areas. Any further research conclusions can now be determined using these areas. Subsequently the policy approach to be set out in future development plans and housing strategies can continue to be based on these Housing Market Areas. The content of that policy will be determined by subsequent work through the usual processes.

Next Steps

- 5.13 The conclusions from this work will now be sent to the Scottish Government's Centre for Housing Analysis. They will then incorporate the geographies into a new electronic tool designed to undertake some of the statistical work for the Housing Need and Demand Assessment. This will lead to the outputs being presented at the appropriate geographical scale to support subsequent work for Development Plans and Housing Strategies.
- 5.14 The completion of this work will enable the commencement of the main elements of research as part of the Housing Need and Demand Assessment. This is scheduled to take place during autumn 2012 and complete during summer 2013. (see also Report SDPA12-2012: TAYplan research programme).

6 CONSULTATIONS

- 6.1 The Treasurer and Clerk to TAYplan, the Director of Infrastructure Services and the Head of Housing, Angus Council, The Director of City Development and Director of Housing, Dundee City Council, The Head of Enterprise, Planning and Protective Services and the Head of Housing and Neighbourhood Services , Fife Council and the Executive Director (Environment) and the Head of Housing and Strategic Commissioning, Perth & Kinross Council have been consulted and are in agreement with the contents of this report.

7 BACKGROUND PAPERS

- 7.1 Scottish Government Housing Need and Demand Assessment Guidance (2008) page 10. <http://www.scotland.gov.uk/Resource/Doc/1125/0057728.pdf>
- 7.2 Scottish Government Scottish Planning Policy (2010) paragraph 71. <http://www.scotland.gov.uk/Resource/Doc/300760/0093908.pdf>
- 7.3 Report SDPA08-2012: Housing Market Area Boundaries Refresh for the next TAYplan-wide Housing Need and Demand Assessment, 26 June 2012.
- 7.4 TAYplan-wide Joint Housing Market Area Refresh (September 2012) – Research Report by Angus Council, Dundee City Council, Fife Council, Perth & Kinross Council and TAYplan Strategic Development Planning Authority. <http://www.tayplan-sdpa.gov.uk/HMA%20Refresh%20September%202012.pdf>.

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