

Edinburgh and Lothians
STRUCTURE PLAN
Joint Liaison Committee



STRUCTURE PLAN MONITORING

Report by the Director of City Development, City of Edinburgh Council

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1 Background

- 1.1 The Lothian Councils made a commitment in the Edinburgh and the Lothians Structure Plan 2015 (ELSP) to publish a biennial Monitoring Statement on the progress of the plan. There is also a commitment to monitor the housing land supply on an annual basis to assess its adequacy to meet the plan requirement. This monitoring is to be based on the Housing Land Audit (HLA) and include an assessment of likely windfall contributions. The first monitoring report was to be published 18 months after structure plan approval (end 2005).
- 1.2 On 25 July 2005, Committee approved the Project Brief for the SPR which included the Biennial Monitoring Report as a Stage 1 project output, to be delivered by December 2005. The intention was to include the housing monitor within the report on whole plan monitoring.

2 Progress

- 2.1 The monitoring process has three elements:
- The first annual Housing Monitor Report
 - The first Biennial Monitoring Statement 2005 (including the Housing Monitor)
 - An update of the Action Plan (subject of separate report on this agenda)
- 2.2 The organisational structure, methodology and timeframe of the monitoring work was defined, agreed and programmed at the outset of the exercise, to achieve a publication target of December 2005. However, progress in some areas has been affected by competing work priorities, primarily local plan/inquiry preparation in East, West and Midlothian Councils. Constraints on staff time in face of these competing demands was a risk identified in the project brief. Consequently, while some parts of the work have progressed well, and the housing work is complete, others have yet to conclude.

- 2.3 This report therefore presents the results of the concluded housing monitoring, including HLA 2005. Two other topic areas, Economic Development and Retailing, are nearing completion and the key points emerging are set out below. Although not fully concluded, the work on non-housing topic areas has been able to inform the SPR. The Project Steering Group recently committed to completion of all outstanding monitoring work by 31 December 2005. The full biennial Monitoring Report will then be reported to the next meeting of the Committee.

First Annual Housing Monitor Report (AHM)

- 2.4 The AHM is appended as Appendix 1. The Lothian Housing Land Audit 2005 (HLA) is at its core of the monitoring report. Consultation with Homes for Scotland has been concluded and the audit has now been finalised.
- 2.5 ELSP2015 Policy HOU 10 requires that should a council's contribution to the effective five-year supply fall below 90% of its expected contribution and the shortfall in the Lothian-wide housing land supply also be more than 10%, that council must bring forward additional land. Since the ELSP's base date of 2001, the annual average build rate in Edinburgh and the Lothians has been below the plan target. A low build rate was always expected during the early part of the plan period, before the strategic allocations had had a chance to contribute. The plan acknowledges that the actual number of completions is unlikely to exactly match the anticipated annual target and requires that as part of the monitoring process the future five-year land supply target be recalculated for each council area.
- 2.6 The five year effective housing land supply for the structure plan area is above the re-calculated target. Midlothian is the only council area with a shortfall in effective land, but even though this shortfall exceeds 10%, there is no requirement under HOU 10 to take remedial action as the land supply for the ELSP2015 area as a whole is adequate, at the date of the AHM.

Key points:

- 73% of the housing land in the base supply which was programmed for 2001 to 2005 has been developed.
- Windfall site completions to date have exceeded the assumed rate. A lower rate of expectation in the early plan period reflected the lead-in time associated with new housing development.
- The number of units approved on windfall sites since 2001 averages over 2,500 per year, suggesting the assumption of 1,000 units per annum may have been a significant under-estimation. Windfall approvals outwith Edinburgh are already considerably above the total expected for the whole plan period.
- 13% of completions since 2001 have been affordable houses. This equates to around 550 dwellings per year. The effective land supply includes land for a similar number of affordable completions over the next 5 years.

2.7 Provisional Findings of Other Topic Areas

Economic Development

- A review of national economic planning policy concluded that there has been no significant change of emphasis or direction which needs to be addressed in the Structure Plan review
- Edinburgh and the Lothians are maintaining its role as a key driver of the Scottish economy, however there are indications of over-heating which could adversely affect economic competitiveness if not tackled
- Employment in services is now projected to grow faster than previously expected in all four Lothians authority areas, but with a consequential widening of the mismatch between labour demand and supply in Edinburgh to 2015

- New office jobs are expected to account for half the projected growth in service sector employment Lothianwide to 2015, with around 70% in Edinburgh and a further 21% in West Lothian. An analysis of office floorspace capacity in the Edinburgh development pipeline indicates that sites currently under construction or with planning permission could yield sufficient new floorspace to accommodate current rates of demand throughout the remaining structure plan period

2.8 Retailing and Town Centres

- ELSP2015 considered fully compliant with recent draft guidance from the Scottish Executive on 'Town Centres' (SPP8, August 2005)
- The overall amount and quality of retail has significantly improved and better meets the needs of Lothian shoppers
- The location of new development is an outstanding issue. Edinburgh City Centre in particular is in need of a substantial upgrade to its retail provision to assure its long-term vitality and role as the regional shopping centre
- Little progress is noted over the last few years with the objective of promoting new retail development in or on the edge of town centres, through the 'sequential approach'. Other strategic shopping locations outwith town centres have been the main beneficiaries of recent development
- There is a need to focus on consolidating and strengthening the role of Edinburgh City Centre as the regional shopping centre for the east of Scotland. Growing evidence shows that the City Centre is lagging behind its competitors in terms of the range and quality of provision, which is contrary to the underlying strategy and objectives of the structure plan.

4 Recommendations

4.1 It is recommended that the Committee notes:

- a) the progress to date in preparing the first annual Structure Plan Housing Monitor and Biennial Monitoring Report;
- b) the findings of the Housing Monitor and provisional output from the Economic Development and the Retail and Town Centres chapters; and
- c) the commitment to complete all monitoring work by 31 December 2005 and to report the full Biennial report to the Committee's next meeting.