

Briefing Note

Our Ref: NE2058

SUBJECT: Edinburgh and the Lothian's Urban Housing Capacity Study: Summary of Results

1.0 INTRODUCTION

1.1 This Briefing Note provides a summary of the results of the Urban Housing Capacity Work undertaken by Nathaniel Lichfield & Partners (NLP) on behalf of the four councils of Edinburgh, East Lothian, Midlothian and West Lothian (hereafter referred to as the four councils). Prior to the publication of the full study, this Briefing Note provides a summary of:

- Background to the study
- Policy Context
- Methodology
- Summary of Results

2.0 BACKGROUND TO THE STUDY

2.1 In August 2002, NLP were appointed by the City of Edinburgh Council (CEC), on behalf of the four councils, to undertake an Urban Housing Capacity Study (UHCS) for Edinburgh and the Lothians.

2.2 The councils are currently preparing a new Structure Plan for Edinburgh and the Lothians, which will guide development in the Edinburgh city-region in the period 2001-2015. The main aim of the UHCS is to identify, at the strategic level, approximately how much additional housing can be accommodated within the urban areas in the emerging Structure Plan period. The results of the study will assist in the preparation of the finalised Structure Plan, and will be used to inform the housing strategy and in particular the windfall assumptions contained within it. That being said, the findings of the study may not exactly equate to the windfall provisions in the Structure Plan, primarily as some of the sites identified may be developed as new allocations in Local Plans rather than coming forward as windfalls. Prior to this study, the four councils carried out a limited 'broad

brush' estimate of capacity to support the windfall assumption in the consultative draft Structure Plan. This study builds upon that work to provide a more robust estimate of capacity, and also to provide a basis for future monitoring and urban housing capacity work at the local level.

3.0 POLICY CONTEXT

3.1 In March 2002, the Scottish Executive published a consultation draft of revised NPPG3 *Planning for Housing* together with a revised draft PAN38 *Housing Land*. Whilst there is not, as yet, a formal requirement for Scottish Local Authorities to undertake Urban Housing Capacity Studies, the four councils anticipate that a requirement could be introduced in the future. Indeed, draft NPPG3 requires local authorities to carry out 'thorough survey work to assess opportunities for further housing development within settlement boundaries', and Draft PAN 38 highlights the important role that UHCS have in identifying development opportunities and promoting the recycling of urban land. It advises that such studies should identify housing opportunities within the settlement envelope arising from the redevelopment of land currently in other uses, the development on brownfield or greenfield sites, and the re-use and conversion of existing buildings. The importance of involving the private sector in the preparation of studies is also noted.

4.0 METHODOLOGY

4.1 Given that there is not as yet any prescribed or generally accepted methodology for urban housing capacity work in the Scottish context, this study draws upon the advice contained in the DETR's (now ODPM) best practice guide *Tapping the Potential – Assessing Urban Housing Capacity: Towards Better Practice* (December 2000). This document is not prescriptive, but more so seeks to highlight the issues that local authorities will encounter in carrying out urban capacity work and act as a checklist to ensure that all possible sources of capacity are considered. The five key steps outlined in the guidance, namely identifying the urban area, identifying capacity sources, surveying the capacity, assessing the yield and discounting the potential, closely align with the approach adopted by NLP in this study. The methodology was presented to a number of stakeholders at a workshop event, held on the 10th of September, and is summarised below:

Stage 1: Defining the Study Area

4.2 The first stage in the UHCS process is to identify the urban area. The main settlements to be assessed in Edinburgh and the Lothians were clearly identified by the client in the Tender Brief,

and this was confirmed with the client at an initial Inception Meeting. The settlements are listed at **Appendix 1.**

Stage 2: Identifying Capacity Sources

- 4.3 In order to ensure that the total urban capacity was assessed, the potential output from all potential sources of capacity listed in *'Tapping the Potential'* was considered. These are listed in paragraphs 4.5 and 4.7 below.

Stage 3: Surveying the Capacity

- 4.4 In accordance with the advice contained in *'Tapping the Potential'* a combination of desk top-assessments and site work was then used to assess the unconstrained capacity of the urban area of Edinburgh and the Lothians. Given the differences that exist between the four districts, individual assessments were undertaken for each of the four councils.

Desk-top Assessments

- 4.5 For some capacity sources, where it can be difficult to identify individual sites or buildings or where the output is expected to be minimal and does not therefore warrant resource intensive site-work, the approach to assessing capacity was based upon a desk-top assessment. This involved analysing a variety of data sources including past trends, policy documents and information derived from discussions with representatives from each of the four councils. The capacity sources where this approach was undertaken included:

1. Subdivision of existing housing
2. Flats over shops
3. Empty homes
4. Intensification
5. Redevelopment of existing housing (with the exception of where individual redevelopment proposals could be identified).
6. Redevelopment of car parks
7. Land allocated in the Local Plan for housing

Site-based Assessments

4.6 For the site based assessments, given the resources available for the Study and the extent of the urban area, it was not possible to undertake a comprehensive survey of the whole urban area. Rather, for the site-based capacity sources, a Typical Urban Area (TUA) survey approach was utilised supplemented with Priority Area (PA) work where appropriate. This involved dividing the urban area up into:

- **Typical Urban Area** types – namely 'homogenous' character case study areas, where it was possible to undertake a comprehensive survey of sample areas in each TUA type, within each district. The TUA types were agreed with the client group at an initial Inception Meeting. As a general rule of thumb, the Study Team sought to survey at least 10% of each TUA type in each district, and the survey areas were picked at random across each district, covering a range of settlement types within the urban area. Prior to any site work, the Study Team undertook a review of relevant documents and data sets where appropriate, to help to identify any potential sites within the sample survey areas. In order to avoid double counting with the Structure Plan housing requirement calculation, any sites forming part of the effective base land supply at 31/3/2001 (derived from the Housing Land Audit 2001) and Local Plan sites were identified and excluded from consideration. The surveys involved an initial desktop review to identify sites, before a comprehensive street-by-street survey was undertaken.
- **Priority Areas** – namely those areas which are atypical, because for example, they contain specific development / redevelopment proposals and could therefore yield significant residential capacity which is atypical of the TUA type within which they fall. The PAs were identified in discussion with the Client Group at the Scoping Meetings, and the capacity from these areas was identified through a combination of site work and discussions with the appropriate council.

4.7 During the survey work, the Study Team identified sites within the following sources of capacity:

8. Previously developed vacant land and buildings
9. Vacant land not previously developed
10. Redevelopment of employment land and buildings
11. Conversion of commercial buildings

Stage 4: Assessing the Yield

4.8 The sites identified through the sample survey work were assessed based upon consideration of a number of key criteria, including existing land use; viability of existing use; accessibility; surrounding land uses; the type, tenure and density of surrounding housing; market factors, land ownership (where known) planning policy constraints and physical constraints. In order to assess the capacity of the sites identified, a range of housing densities were applied to the net site size (based upon a consideration of the assessment described above). The capacity from existing

buildings suitable for conversion or very small areas of land capable of accommodating infill development was estimated during the survey work.

- 4.9 Given that the survey work was based on a sample approach (rather than a comprehensive survey of the whole urban area), the calculated output from each site based capacity source was then calculated for each TUA type, and the results grossed up to provide the theoretical output for the whole urban area.

Stage 5: Discounting

- 4.10 Having identified the unconstrained capacity from the site based sources, discounting measures were then applied to produce an estimate of how much of the capacity could realistically be expected to come forward in the period to 2015. A discounting workshop, involving a variety of stakeholders was held on 11th December 2002. At the workshop, stakeholders considered a sample of the identified sites in each district, and came to a judgement as to whether or not the site would, in their view, come forward for development by 2015, based upon a consideration of developability, market viability and planning issues. These judgements, together with a consideration of other factors, including for example, past trends and policy considerations were used to inform the discount rates to be applied to each site based capacity source.

Aggregating the Results

- 4.11 Finally, the discounted capacity for the site based sources was added to the calculated output from the trend based sources and the Priority Areas, to produce an overall estimate of urban housing capacity in Edinburgh and the Lothians in the period to 2015. These are presented in Section 5.0 below.

5.0 SUMMARY OF RESULTS

5.1 Pursuant to the methodology outlined above, Table 1 below presents a summary of the estimated capacity of the urban areas of Edinburgh and the Lothians to accommodate new housing development in the period to 2015. Table 1: Estimated Urban Housing Capacity in Edinburgh and the Lothians (2001-2015)

Capacity Source	Edinburgh	East Lothian	West Lothian	Midlothian	Total
Subdivision of existing housing	325	20	11	6	362
Flats above shops	42	36	0	31	109
Empty homes	0	0	0	0	0
Previously developed vacant land and buildings	496	270	301	196	1263
Intensification	616	658	123	56	1453
Redevelopment of existing housing	700	0	0	0	700
Redevelopment of public car parks	0	0	0	0	0
Conversion of commercial buildings	714	280	42	210	1246
Existing housing allocations	0	0	0	0	0
Redevelopment of employment land and buildings	2,542	213	801	11	3567
Vacant land not previously developed	424	17	16	309	766
<i>Sub Total (excluding Priority Areas)</i>	<i>5,859</i>	<i>1,494</i>	<i>1,294</i>	<i>819</i>	<i>9,466</i>
Priority areas	7,688	0	150-200	0	7,838-7,888
Total	13,547	1,494	1,444-1,494	819	17,304-17,354

5.2 The results of the study conclude that the capacity of the urban areas of Edinburgh and the Lothians, over the Structure Plan period 2001-2015, is estimated between **17,304-17,354**. Whilst this is above the windfall allowance of 14,000 in the Structure Plan, this is not inconsistent with the Structure Plan strategy, as some of the sites identified in the study could come forward for development as new allocations rather than windfalls. Furthermore, in Edinburgh, there are sites identified in the UHCS that are known to the planning authority but do not as yet have planning consent and do not appear in an adopted Local Plan, but will likely receive consent and yield housing in the Structure Plan period. Whilst these sites may receive consent prior to being identified in a Local Plan, the Structure Plan is clear that these sites will not be classified as 'windfall' for monitoring purposes.

5.3 Finally, it is recommended that the results of the study should provide a basis for more detailed urban housing capacity work at the local level, and a platform for future monitoring by the four councils.

Appendix 1

SETTLEMENTS INCLUDED WITHIN THE STUDY

The urban areas to be included within this Study were identified by the four Councils in the Tender Brief, as follows:

City of Edinburgh

Edinburgh
Balerno
Currie
Juniper Green
Kirkliston
Newbridge
Queensferry
Ratho
Ratho Station

Midlothian

Bonnyrigg / Lasswade
Dalkeith / Esbank
Danderhall
Gorebridge
Loanhead / Straiton
Mayfield
Newtongrange
Penicuik
Rosewell

East Lothian

Cockenzie / Port Seton
Dunbar
East Linton
Haddington
Longniddry
Musselburgh / Wallyford
North Berwick
Prestonpans
Tranent / Macmerry

West Lothian

Armadale
Bathgate / Boghall / Blackburn
Briech Valley
Broxburn / Uphall
East Calder
Fauldhouse
Linlithgow
Livingston / Pumpherston
Midcalder
West Calder
Whitburn / East Whitburn
Winchburgh