Inverclyde council

AGENDA ITEM NO. 7

Report To:	**Safe, Sustainable Communities Committee**	**Date: 17 January 2012**
Report By:	**Corporate Director, Regeneration and Environment**	**Report No: R&E/R&P/SSC/01/12/FJM001**
Contact Officer:	**Stuart Jamieson**	**Contact No: 01475 712404**
Subject:	**Inverclyde Local Plan: Annual Monitoring and Review of Housing Strategy (2010-11)**	

1.0 PURPOSE

1.1 To inform Committee of progress in implementing the housing strategy of the Local Plan and in particular, to report on trends in housing completions and the take-up and availability of housing land, by market sector and location across the Inverclyde Housing Market Area, for the period 1 April 2010 to 31 March 2011.

2.0 SUMMARY

2.1 The difficulties reported last year caused by the economic downturn continue to have a considerable bearing on the housing market, in terms of both supply and demand. The banks continue to severely constrain finance credit to both housebuilders and for mortgages and this is having a pronounced effect on activity in the market. Owner occupied completions have fallen again this year, recording one of the lowest number of units for over three decades. However, total (owner-occupied and RSL) completions are the second highest of the last 5 years, with only last year having a higher number.

2.2 The difficult economic conditions are expected to continue and this is reflected in the programming of sites for the next four-five years. As a consequence, there is sufficient capacity in the 'Effective Land Supply' to meet the assessed demand requirement for the next seven years, even if the market recovers more quickly than currently expected.

2.3 Housing Association completions, largely from Area Renewal sites, continue to be high, and despite the changes in Government funding, commitments made will mean completions will continue at historically high levels for at least the next two years.

2.4 The proportion of people buying properties in Greenock and Port Glasgow from outwith Inverclyde has increased slightly again, as has the proportion buying new build properties. In line with the general economic situation however, the number of sales of new builds has fallen again, to its lowest since 2002/03.

3.0 RECOMMENDATIONS

3.1 That Committee:

(a) endorse the findings and interpretation of this year's annual monitoring, in accordance with the requirements of Local Plan Policy H7; and

(b) note that there remains sufficient capacity in the 'Effective Land Supply' to meet estimated demand and therefore there is no requirement to increase the land supply through greenfield release in advance of the Local Development Plan.

Aubrey Fawcett
Corporate Director, Regeneration and Environment

4.0 BACKGROUND

4.1 This annual report derives from Policy H7 in the adopted Local Plan, which states:

"Inverclyde Council, as Planning Authority, will monitor and review annually the housing provisions of the Development Strategy and will publish land supply and house completion information in annual monitoring statements, by market sector and location, to determine whether there is a need to increase the land supply to meet the 'indicative targets' set for housebuilding."

4.2 The focus of this, as in previous reports, is the Inverclyde Housing Market Area (HMA), comprising all settlements in Inverclyde with the exception of Kilmacolm and Quarriers Village, which sit within the Renfrewshire Sub-Market Area (SMA).

4.3 This is the ninth in the series of reports monitoring the implementation of the Housing Strategy, and the sixth since the Plan's adoption. In addition to the requirements of Policy H7, annual monitoring of housing land supply is required in order to accord with national planning policy and the Glasgow and the Clyde Valley Joint Structure Plan. The procedures for monitoring the private sector land supply are agreed at City Region level and involve consulting with 'Homes for Scotland', the organisation representing Scottish housebuilders, for its comments before the land supply can be finalised each year.

Summary of Development Strategy

4.4 The principal objective of the Development Strategy is to assist with the Single Outcome Agreement and Corporate Strategy of arresting and reversing population decline, and in so doing, help stem the population drift to the west from the urban centre and east of the Authority. To achieve this aim, it was estimated that house completion rates would need to increase across the Inverclyde HMA by some 50% over the Plan Period (from an outturn of some 300 to 450 completions per annum) and to be sustained at this higher rate over the medium term. The Plan states "If…..the housebuilding completions targets are not met from the identified and programmed brownfield supply, the Council will consider the need to increase the supply of housing land by releasing green field (Green Belt) sites in the Inverclyde HMA."

4.5 The Strategy is one of urban sustainability, maximising the use of brownfield sites for housing with their inherited infrastructure and services. To address area renewal objectives and integrate the area more fully with the rest of the Conurbation housing and labour markets, the majority of house completions should be in the centre and east of the Inverclyde HMA, i.e. Greenock and Port Glasgow. Each of these locations has shown over recent years that they can provide house/flat types that are attractive to buyers, with waterfront sites now well-advanced. Other sites in the 'New Neighbourhoods' are now being occupied, others under construction, and more in the development pipeline.

4.6 It remains important to monitor this progress through Policy H7 closely to ensure the strategy can be adjusted, if and when necessary. The imbalance between the east/centre and west of the urban area is being redressed, but with the economic downturn it will take sometime to pick-up again and even then can only be addressed through restricting, not halting, the supply of land in the west of Inverclyde.

Min Ref: 23/01/07, para 97

Housing Need and Demand Assessment

4.7 Last year's report coincided with the first up to date assessment of housing need and demand for Inverclyde since before the Local Plan was adopted in 2006. The preliminary outcomes/results of the Glasgow and the Clyde Valley 'Housing Need and Demand Assessment' were reported to this Committee last January and since then, the Final Report has been approved by the Scottish Government as being 'robust and credible' and has formed the principal evidence base for, in turn, our Inverclyde Local Development Plan: Main Issues Report; the Glasgow and Clyde Valley Strategic

Min Refs: 18/01/11, paras 33/34

Development Plan: Proposed Plan; and the Inverclyde Local Housing Strategy. In particular, the evidence from the HNDA has been used to devise Housing Supply Targets for the recently approved LHS 2011-16 and will inform the housing strategy of the new Local Development Plan and the context under which this report is prepared in future. The HNDA will also inform the business plans of the Registered Social Landlords active in the authority and the policy direction of the Scottish Government. **Min Ref: 30/08/11, para 516**

4.8 The Housing Supply Targets incorporated in the LHS 2011-16, while based on the HNDA housing requirement outcomes, are higher for the private sector, particularly into the longer term beyond 2020 to take account of Council and partners' regeneration and depopulation objectives. In contrast, the affordable sector targets are lower, due to current and foreseeable reduced subsidy arrangements and increasing difficulties in accessing finance. The affordable housing requirement also takes into account the contribution to meeting needs from making better use of the existing stock and sources of supply other than new build. However, as both private and affordable sector housing supply targets are lower than past annual rates of completion and are aligned with the housing land audit programming, there is sufficient supply for these targets to be achieved over the respective plan periods. **Min Ref: 25/10/11, para 698**

5.0 PROPOSALS

5.1 This year's report summarises the main findings on annual monitoring in this section, with more detail provided in the Annex to this report. The Annex is laid out in a series of standard tables that have been published each year since 2002-03, and with new tables introduced last year that correspond with the HNDA Sub Areas (Inverclyde East and Inverclyde West). A detailed commentary on each Table is also provided. **Annex One**

5.2 The effective housing land supply has reduced again for the fourth year running due to the economic conditions prevailing across the UK. Although the amount of land programmed for housing over the next 5 years has dropped, over the 7-year plan period, it is still sufficient to meet the current reduced requirements of the industry. Should the availability of credit and mortgage approvals improve, and economic downturn recover sooner than commentators expect, there is still considered to be sufficient land to enable private developers to increase house completions over the same period and to accommodate the level of development programmed in the 2006 GCV Joint Structure Plan.

5.3 The private sector land supply is also considered to continue to offer a good balance of brownfield and greenfield opportunities and to allow for development across all market sectors. Due to the prevailing economic situation and the expectation of little improvement in build rates for another 4-5 years (and in agreement with Homes for Scotland), the housing land audits this year have looked at a 10-year supply horizon. In that context it is worth noting the following development opportunities in the market area:

- Wemyss Bay – The Meadows (phase 2) - 21 units and Inverkip Power Station - 60 effective, with another potential 30 per annum up to year 10 and beyond.
- Port Glasgow – fmr Gourock Ropeworks (2 sites) - 41 effective, with another potential 57 in following 2 years; Woodhall - 86 programmed effective, with another potential 66 to year 10 and continuing beyond.
- Greenock – The Harbours (2 sites) - 52 effective, with another potential 76 to year 10 and continuing beyond; Strone (Greenfield site) - 60 potential programmed for years 8, 9 &10, and continuing beyond.

5.4 A similar situation has developed in relation to the ability of the local housing associations to continue with their development programmes. The 'affordable housing' land supply has been reduced due to unprecedented funding constraints and the reduction in subsidy from Scottish Government for RSL new building. The forthcoming Strategic Housing Investment Plan 2012-17 will outline in more detail the implications of this reduction in funding and the impact this will have over the short term, at a minimum, in addressing the affordable housing needs identified in the HNDA. **Min Ref: 25/10/11, para 697**

5.5 It is not necessary, therefore, to identify additional land for housing development at this time. However, as in previous years the Service will continue to promote and bring forward existing established sites, for example those noted above and others such as emerging LDP sites, arising out of public consultation on the LDP: Main Issues Report. In addition, the forthcoming LDP: Proposed Plan will be looking to further supplement the land supply for the affordable sector and the role that the RSLs will have in meeting these housing requirements. The Council has an important role in enabling this, through both its strategic housing role and Local Housing Strategy, and the LDP, particularly as we move through this difficult period of economic downturn. **Min Ref: 25/10/11, para 696**

Maintaining an Effective Supply of Land for Housing

5.6 Last year's monitoring report coincided with the Chief Planner of the Scottish Government Directorate for the Built Environment exhorting local authorities to have regard to the impact of the 'changed economic circumstances' and its impact on the delivery of new housing. The Chief Planner advocates a more 'flexible and realistic approach' to bringing forward *new sites* to maintain an effective 5-year supply, with the clear presumption being for the release of more marketable, small allocations and most likely on 'greenfield' land.

5.7 Further statements since and representations from the Scottish Government (for example in its response to the Glasgow and the Clyde Valley SDP: Proposed Plan), have continued this request to local authorities to reconsider approaches to the planning and delivery of housing. This is being done while acknowledging that the main issues lie outwith the influence of Councils, ie. cost and difficulty faced by the house builders in raising debt finance, shorter repayment periods, the tighter mortgage market and the general uncertainty over long term market conditions. **Min Ref: 30/08/11, para 516**

5.8 It was against this background that the LDP: Main Issues Report included for consultation, *Issue No. 15 'Undeveloped Housing Sites on the Settlement Edge'.* These sites are effectively 'greenfield' in character and despite having been identified as development opportunities, in some cases for over ten years, remain undeveloped. Following representations, each of these sites is being looked at individually to assess the key issues underlying their non-development. Our conclusions on the role these sites may have in the future development of the area will be brought forward in advance of the LDP: Proposed Plan, in light of the Scottish Government's stance, and to ascertain the merits or otherwise, of bringing forward additional similar sites submitted through the MIR stage, and as advocated by the Scottish Government. **Min Ref: 03/05/11, para 305**

Conclusions from Monitoring

5.9 The monitoring of the origin of house buyers from the Sasines data shows that the housing market in Inverclyde is continuing to become better integrated with the wider Greater Glasgow housing market, albeit slowed by the economic downturn, with an increase in sales to people from outwith the authority. The drift from the east to the west of the authority is also slowing down, with a smaller proportion of sales in Gourock, Inverkip and Wemyss Bay to people moving from Greenock and Port Glasgow.

5.10 Taken together, the evidence from house completions, origin of purchasers and available land supply, suggests that the principal housing strategy objective of the Local Plan – to increase the number of house completions, particularly within Greenock and Port Glasgow, notwithstanding the impact of the economic downturn – is being fulfilled and the forthcoming Local Development Plan should aim to continue with this strategy and the progress being achieved.

6.0 IMPLICATIONS

6.1 There are no financial, legal or personnel implications arising from this report, nor any implications for other services of the Council.

6.2 **Equalities**: the report has no impact on the Council's Equalities policy.

7.0 CONSULTATION

7.1 **Chief Financial Officer:** no requirement to comment.

7.2 **Head of Legal and Democratic Services:** no requirement to comment.

7.3 **Head of Organisational Development, HR and Performance:** no requirement to comment.

7.4 Consultation has been undertaken in the preparation of the housing land supply audit with Homes for Scotland ((HfS), the national representative body for the housebuilding industry), the housing associations operating in Inverclyde, River Clyde Homes and the Strategic Housing Team, Safer and Inclusive Communities Service. While broadly in agreement with the approach taken to the assessment of effectiveness of the land supply, Homes for Scotland is disputing a total of 8 sites this year, 6 within the Inverclyde HMA. Many of the disputed sites contain at least an element of flatted development, including the fmr Gourock Ropeworks in Port Glasgow and the Victoria and East India Harbours in Greenock. This is a response from HfS similar to last year and does not seriously affect our view of the adequacy of the land supply overall.

8.0 BACKGROUND PAPERS

(1) Inverclyde Local Plan (2005)

(2) Inverclyde Local Plan 2005 – Monitoring and Update Report 2009 (April 2009)

(3) 2011 Housing Land Supply Schedule, Regeneration and Planning Service, Inverclyde Council (November 2011)

(4) Inverclyde Local Housing Strategy 2011-2016 (further information on Housing Supply Targets available on request from the Strategic Housing Team)

ATTACHMENTS : **Annex One: Housing Land Supply – Inverclyde HMA**

Table 1: Completions 1996/97-2010/11 by Tenure and Settlement: Inverclyde HMA

Table 2: Established and Effective Land Supply (Owner-Occupied) 1999-2011: Inverclyde HMA

Table 3: Programmed Completions 2011-2018: Inverclyde HMA

Table 4: (A) Owner-Occupied Land Supply 2011, by Market Sector and Settlement: Inverclyde HMA
(B) Owner-Occupied Land Supply 2011, by Market Sector and Housing Need and Demand Assessment (HNDA) Area: Inverclyde HMA

Table 5: Origin of House Buyers 2002/03–2010 – Inverclyde HMA

Table 6: (A) Origin of House Buyers 2002/03-2010 – Gourock, Inverkip, Wemyss Bay
(B) Origin of House Buyers 2002/03-2010 – Inverclyde West

Table 7: (A) Origin of House Buyers 2002/03-2010 – Greenock and Port Glasgow
(B) Origin of House Buyers 2002/03-2010 – Inverclyde East

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Annex One : Housing Land Supply – Inverclyde HMA

Table 1: Completions 1996/97-2010/11, by tenure and settlement : Inverclyde HMA

	Gourock			Greenock			Inverkip			Port Glasgow			Wemyss Bay			Inverclyde HMA		
	Total	Owner-occupied	RSL	Total	Owner-occupied	RSL	Total	Owner-occupied	RSL	Total	Owner-occupied	RSL	Total	Owner-occupied	RSL	Total	Owner-occupied	RSL
1996/97	38	38	0	278	122	156	23	23	0	3	3	0	13	13	0	355	199	156
1997/98	20	20	0	162	113	49	62	62	0	27	27	0	39	39	0	310	261	49
1998/99	2	2	0	193	78	115	73	73	0	29	22	7	39	39	0	336	214	122
1999/00	12	12	0	135	57	78	77	77	0	10	10	0	46	46	0	280	202	78
2000/01	35	35	0	199	143	56	32	32	0	14	14	0	58	58	0	338	282	56
2001/02	27	47	0	181	75	106	33	33	0	14	14	0	21	21	0	276	190	106
2002/03	20	20	0	180	85	95	88	88	0	19	19	0	28	28	0	335	240	95
2003/04	54	54	0	64	12	52	55	55	0	41	41	0	5	5	0	219	167	52
2004/05	12	12	0	155	54	101	51	51	0	7	1	6	16	16	0	241	134	107
2005/06	16	16	0	217	85	132	60	60	0	22	22	0	13	13	0	328	196	132
2006/07	34	34	0	158	150	8	20	20	0	17	17	0	0	0	0	229	221	8
2007/08	17	17	0	136	85	51	13	13	0	130	130	0	0	0	0	296	245	51
2008/09	1	1	0	115	50	65	45	45	0	82	54	28	0	0	0	243	150	93
2009/10	0	0	0	336	89	247	32	32	0	64	64	0	0	0	0	432	185	247
2010/11	0	0	0	202	30	172	51	51	0	72	30	42	0	0	0	325	111	214

The difficult economic conditions have continued to affect the housing market, leading to an overall fall in completions, with the owner-occupied market particularly hard hit. Despite this, the total number of completions (both owner-occupied and RSL) was the second highest in the last five years due to continuing high number of social rented completions. The main points to note are:

- Inverclyde HMA: overall a 25% decrease occurred, made up of a 40% decrease for owner-occupied stock and a 13% decrease in RSL completions. Owner-occupied completions are at their lowest since 1996/97.
- In a reversal of last year, owner-occupied completions only increased in Inverkip, up from 32 to 51, while they fell in Greenock (the lowest number since 2004) and in Port Glasgow (the lowest since 2007).
- RSL completions fell in Greenock by 30%, but are still the second highest since 1996/97; while in Port Glasgow, RSL completions resumed after none last year, mainly due to the timing of projects coming off-site as work has been ongoing in a number of localities over the last 3 years.

Table 2: Established and Effective Land Supply (Owner-Occupied) 1999-2011: Inverclyde HMA												
	Effective	Brownfield	Greenfield	% Brownfield	Non-Effective	Brownfield	Greenfield	% Brownfield	Established	Brownfield	Greenfield	% Brownfield
1999	1425	509	916	36	1202	847	355	70	2627	1356	1271	52
2000	1460	617	843	42	883	583	300	66	2343	1200	1143	51
2001	1470	489	781	33	985	531	454	54	2455	1020	1235	42
2002	1464	764	700	52	2817	2137	680	76	4281	2901	1380	68
2003	1319	754	565	57	2863	1975	888	69	4182	2729	1453	65
2004	1472	819	653	56	2523	1788	735	71	3995	2607	1388	65
2005	1699	954	745	56	1835	1143	692	62	3534	2097	1437	59
2006	1867	1292	575	69	2077	1412	665	68	3944	2704	1240	69
2007	1970	1439	531	73	1806	1141	665	63	3776	2580	1196	68
2008	1864	1334	530	72	1916	1410	506	74	3780	2744	1036	73
2009	1700	1189	511	70	1952	1468	484	75	3652	2657	995	73
2010	1361	1010	351	74	2148	1609	539	75	3509	2619	890	75
2011	1285	982	303	76	2238	1678	560	75	3523	2660	863	76

- The effective land supply (that part expected to be developed in the next 7 years), continued to fall this year and is now at its lowest level in over a decade. The non-effective (the post-2018 supply), has risen further as more sites are put on hold due to the continued difficulties obtaining finance for both builders and prospective buyers. The overall established land supply is slightly higher than last year, but still substantially lower than the high point in 2002 when new sites were added at the time of the Finalised Draft Local Plan, although this is expected as these sites have been taken up over the intervening years.
- The proportion of brownfield sites continues to increase in the Effective and Established land supply time frames, representing ¾ of the totals.

Table 3: Programmed Completions: 2011-2018									
Inverclyde HMA	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2011-18	Post 2018
Private	133	130	163	166	186	256	251	1285	2238
Housing Association	237	228	124	144	116	170	96	1115	32
Tenure not specified	0	0	0	0	0	0	0	0	389
TOTAL	370	358	287	310	302	426	347	2400	2659

- Owner-occupied – there has been another 6% drop in the effective land supply, while the non-effective land supply has increased by 4%. There is still a depressed programming of sites over the first 5 years, to 2015/16, reflecting the continued downturn, but projected completions are increasing to some degree as sites such as those at Hill Farm and Kingston Dock begin to come forward again.

Table 4 (A) - Owner-Occupied Land Supply 2011, by Market Sector and Settlement : Inverclyde HMA

Town	Market Sector	Programmed 2011-18	%	Post 2018	%	Total Land Supply	%
Port Glasgow	Starter	28	9.3	23	17.5573	51	11.8
	Lower Middle	74	24.6	27	20.6	101	23.4
	Middle	134	44.5	81	61.8	215	49.8
	Upper Middle	48	15.9	0	0.0	48	11.1
	Upper	17	5.65	0	0.0	17	3.9
	TOTAL:	**301**	**100**	**131**	**100**	**432**	**100**
Greenock	Starter	55	14.9	222	16.3	277	16.0
	Lower Middle	194	52.7	424	31.2	618	35.8
	Middle	109	29.6	458	33.7	567	32.8
	Upper Middle	10	2.72	206	15.1	216	12.5
	Upper	0	0	50	3.7	50	2.9
	TOTAL:	**368**	**100**	**1360**	**100**	**1728**	**100**
Gourock	Starter	0	0	50	14.1	50	10.5
	Lower Middle	9	7.32	100	28.2	109	22.9
	Middle	46	37.4	100	28.2	146	30.6
	Upper Middle	41	33.3	100	28.2	141	29.6
	Upper	27	22	4	1.1	31	6.5
	TOTAL:	**123**	**100**	**354**	**100**	**477**	**100**
Inverkip	Starter	0	0.0	0	0.0	0	0.0
	Lower Middle	49	21.7	0	0.0	49	19.4
	Middle	90	39.8	25	0.0	115	45.5
	Upper Middle	76	33.6	2	0.0	78	30.8
	Upper	11	4.9	0	0.0	11	4.3
	TOTAL:	**226**	**100**	**27**	**0**	**253**	**100**
Wemyss Bay	Starter	21	24.7	68	18.6	89	19.7
	Lower Middle	20	23.5	68	18.6	88	19.5
	Middle	20	23.5	89	24.3	109	24.2
	Upper Middle	22	25.9	70	19.1	92	20.4
	Upper	2	2.35	71	19.4	73	16.2
	TOTAL:	**85**	**100**	**366**	**100**	**451**	**100**
Inverclyde HMA	Starter	104	9.4	363	16.2	467	14.0
	Lower Middle	346	31.4	619	27.7	965	28.9
	Middle	399	36.2	753	33.6	1152	34.5
	Upper Middle	197	17.9	378	16.9	575	17.2
	Upper	57	5.2	125	5.6	182	5.4
	TOTAL:	**1103**	**100**	**2238**	**100**	**3341**	**100**

Notes

(1) Revised and updated assessment of segmentation of housing market sectors. Undertaken November 2011

(2) In addition to the above, the 2011 Housing Land Supply shows Housing Association sites with capacity for 1,147 units in the Inverclyde HMA, 1,115 of which are programmed for completion to 2018. The majority of these completions would be expected to fall into the Starter and Lower Middle sectors. Over 90% of these sites lie within Greenock and Port Glasgow.

Table 4 (B) - Owner-Occupied Land Supply 2011, by Market Sector and HNDA Area: Inverclyde HMA

Town	Market Sector	Programmed 2011-18	%	Post 2018	%	Total Land Supply	%
Inverclyde East	Starter	83	12.7	245	16.5	328	15.3
	Lower Middle	266	40.9	449	30.2	715	33.4
	Middle	237	36.4	539	36.2	776	36.3
	Upper Middle	48	7.4	206	13.8	254	11.9
	Upper	17	2.6	50	3.4	67	3.1
	TOTAL:	**651**	**100**	**1489**	**100**	**2140**	**100**
Inverclyde West	Starter	21	4.6	118	15.8	139	11.6
	Lower Middle	80	17.7	170	22.7	250	20.8
	Middle	162	35.8	214	28.6	376	31.3
	Upper Middle	149	33.0	172	23.0	321	26.7
	Upper	40	8.8	75	10.0	115	9.6
	TOTAL:	**452**	**100**	**749**	**100**	**1201**	**100**
Inverclyde HMA	Starter	104	9.4	363	16.2	467	14.0
	Lower Middle	346	31.4	619	27.7	965	28.9
	Middle	399	36.2	753	33.6	1152	34.5
	Upper Middle	197	17.9	378	16.9	575	17.2
	Upper	57	5.2	125	5.6	182	5.4
	TOTAL:	**1103**	**100**	2238	**100**	**3341**	**100**

Notes

(1) Revised and updated assessment of segmentation of housing market sectors. Undertaken November 2011

(2) In addition to the above, the 2011 Housing Land Supply shows Housing Association sites with capacity for 1147 units in the Inverclyde HMA, 1115 of which are programmed for completion in the period 2011-18. The majority of these would be expected to fall into the Starter and Lower Middle sectors. All but 4.6% (over 90%) of these sites lie within Greenock and Port Glasgow.

Market segmentation monitoring is required in accordance with Scottish Government guidance in SPP and for our own planning purposes.

For the purposes of assessing the range and quality of housing sites within Inverclyde, an assessment is undertaken of the market sector that housing developed on owner-occupied land supply sites is likely to meet. The market sectors identified are: Starter, Lower-Middle, Middle, Upper-Middle, and Upper. In the absence of a definitive methodology for defining market sectors, the approach taken in Inverclyde is based upon an estimate of the likely selling price of houses built on land supply sites, taking into consideration house type, size and location. The assessment is undertaken for the Inverclyde HMA only. Kilmacolm and Quarriers Village are not included as they make up only a small part of the Renfrewshire SMA and therefore would not be expected to include a full range of house types.

- The middle market is expected to have the greatest proportion of new development across all time periods, apart from Inverclyde East in the effective period to 2018 when there will be a slightly larger proportion in the lower-middle market. In the effective period to 2018, Inverclyde East is expected to have a greater proportion programmed in the lower end of the market while in Inverclyde West it is likely to be in the upper middle and upper end. This is less marked in the longer term (post-2018), and it should be noted the HNDA findings indicate that there is potentially a small requirement for starter homes in Inverclyde West.

- Overall, across the Inverclyde HMA there is expected to be a slight bias toward the lower end of the market.

Table 5: Origin of housebuyers - Inverclyde HMA

Origin of buyers in Inverclyde HMA – New build				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	139	67%	70	34%
2003/04	100	70%	42	30%
2004/05	74	59%	51	41%
2005/06	73	50%	72	50%
2006/07	108	53%	95	47%
2007/08	161	72%	63	28%
2008/09	115	72%	45	28%
2009/10	81	64%	46	36%
2010*	53	60%	36	40%

Origin of buyers in Inverclyde HMA - All sales				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	1135	82%	250	18%
2003/04	1097	80%	276	20%
2004/05	1083	80%	277	20%
2005/06	1202	79%	313	21%
2006/07	1174	75%	392	25%
2007/08	1384	79%	375	21%
2008/09	798	77%	237	23%
2009/10	674	80%	169	20%
2010*	607	74%	213	26%

Note: For Tables 5 – 7, data corrected and adjusted to remove Right to Buy and other non-standard sales.

**** For Tables 5 – 7, no data was available for Jan-Mar 2011 so data for the calendar year of 2010 is shown.***

Monitoring of the origin of house buyers in Inverclyde was introduced four years ago, and is undertaken by analysis of the Register of Sasines, which provides information on all house sales in Scotland. The Sasines record property purchases, for owner-occupation and investment purposes, and allows the monitoring and analysis of where purchasers resided at time of purchase. Information on where people are moving to from Inverclyde is not so readily collected, but is monitored for Structure/Strategic Development Plan purposes. This has been examined fully through the preparation of the new Glasgow and the Clyde Valley ‘Housing Need and Demand Assessment’ (HNDA), for the first Strategic Development Plan, and provides an important evidence base for the Local Housing Strategy, and in turn, the first Local Development Plan for Inverclyde.

- Newbuild – The proportion of people moving into Inverclyde increased by 8%, but the number of sales is much lower, down 22% overall. The number of people moving within Inverclyde is particularly low, with a 35% drop from last year, which had also seen a 30% drop on the year before.

- All sales – The overall number of sales has levelled out, with the number moving into Inverclyde increasing by 26% while the number moving within Inverclyde fell 10%. The proportion of people moving into Inverclyde has also increased, cancelling out the fall last year.

Table 6 (A): Origin of House Buyers – Gourock, Inverkip and Wemyss Bay

Origin of buyers in Gourock, Inverkip and Wemyss Bay – New build				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	64	52%	60	48%
2003/04	59	60%	39	40%
2004/05	33	47%	37	53%
2005/06	18	36%	32	64%
2006/07	29	48%	31	52%
2007/08	26	54%	22	46%
2008/09	29	63%	17	37%
2009/10	23	59%	16	41%
2010*	27	60%	18	40%

Origin of buyers in Gourock, Inverkip and Wemyss Bay - All sales				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	350	72%	135	28%
2003/04	343	72%	135	28%
2004/05	312	72%	119	28%
2005/06	359	74%	129	26%
2006/07	333	73%	123	27%
2007/08	371	77%	112	23%
2008/09	228	77%	70	23%
2009/10	169	77%	51	23%
2010*	186	74%	64	26%

- Newbuild - The number of sales has been falling steadily in both categories but has increased this year by 17% for people moving within Inverclyde and 12.5% for people moving into Inverclyde.
- All Sales – The number of sales has increased, by 10% for people moving within Inverclyde and 25% for people moving into Inverclyde.

Table 6 (B): Origin of House Buyers - Inverclyde West

Origin of buyers in Inverclyde West - Newbuild				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	65	52%	60	48%
2003/04	59	60%	39	40%
2004/05	59	57%	44	43%
2005/06	58	53%	52	47%
2006/07	32	51%	31	49%
2007/08	34	61%	22	39%
2008/09	48	73%	18	27%
2009/10	36	68%	17	32%
2010*	28	61%	18	39%

Origin of buyers in Inverclyde West - All sales				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	480	73%	176	27%
2003/04	461	72%	175	28%
2004/05	486	76%	156	24%
2005/06	561	76%	177	24%
2006/07	480	74%	168	26%
2007/08	543	77%	159	23%
2008/09	332	79%	88	21%
2009/10	263	80%	66	20%
2010*	276	78%	79	22%

- Newbuild – The number of sales to people moving within Inverclyde has continued to fall, by 22% from last year. The number of sales to people moving into Inverclyde has increased slightly after falling for the previous 4 years. The proportion of sales to people from outwith Inverclyde has also increased slightly for the first time since 2008.
- All sales – The number of sales has risen in both categories, particularly for those moving into Inverclyde (20%). The proportion of sales to people moving into Inverclyde has also increased slightly, making up the fall from last year.

Table 7 (A): Origin of House Buyers – Greenock and Port Glasgow

Origin of buyers in Greenock and Port Glasgow – New build				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	75	88%	10	12%
2003/04	41	93%	3	7%
2004/05	32	86%	5	14%
2005/06	55	58%	40	42%
2006/07	79	55%	64	45%
2007/08	135	73%	40	23%
2008/09	88	76%	28	24%
2009/10	58	66%	30	34%
2010*	26	59%	18	41%

Origin of buyers in Greenock and Port Glasgow - All sales				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	785	87%	115	13%
2003/04	754	84%	141	16%
2004/05	772	84%	149	16%
2005/06	843	82%	184	18%
2006/07	841	76%	269	24%
2007/08	1013	79%	262	21%
2008/09	573	77%	167	23%
2009/10	405	77%	118	23%
2010*	421	74%	149	26%

- Newbuild – The overall number of sales has continued to fall back to 2004/05 levels, but the proportion buying from outwith Inverclyde has increased for the third year running.
- All sales – The number of sales has increased in both categories, particularly for those moving into Inverclyde, which has seen a 26% increase. The proportion of sales to people moving into Inverclyde has also continued the upward trend to its highest level.

Table 7 (B): Origin of House Buyers - Inverclyde East

Origin of buyers in Inverclyde East - Newbuild				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	74	88%	10	12%
2003/04	41	93%	3	7%
2004/05	15	68%	7	32%
2005/06	15	43%	20	57%
2006/07	76	54%	64	46%
2007/08	127	76%	41	24%
2008/09	69	72%	27	28%
2009/10	45	61%	29	39%
2010*	25	76%	18	24%

Origin of buyers in Inverclyde East - All sales				
	From within Inverclyde	% of total	Into Inverclyde	% of total
2002/03	655	90%	74	10%
2003/04	636	86%	101	14%
2004/05	597	83%	121	17%
2005/06	641	82%	136	18%
2006/07	694	76%	224	24%
2007/08	841	80%	216	20%
2008/09	469	76%	149	24%
2009/10	411	80%	103	20%
2010*	331	71%	134	29%

- Newbuild – The number of sales has fallen in both categories (44% for people moving within Inverclyde and 38% for people moving into Inverclyde). The proportion of sales to people moving into Inverclyde continues to be relatively low.
- All sales – The total number of sales fell another 10%, to their lowest levels. The number of people moving into Inverclyde rose by 30% however, with the proportion also increasing by 9% to its highest level.

Additional Note on Land Supply and Programming, to 2018

(1) Table 3 above presents programmed completions for Inverclyde for the next seven years, up to 2018. This shows that the indicative targets in the Local Plan (refer para 4.4 of main report), of 1,500 units over 5 years for owner-occupied completions in the Inverclyde HMA would be missed by some 700 units, less than the shortfall last year, but still demonstrating the impact of the economic downturn. It is worth noting however, that the first 5 years represent the most depressed time period expected by the housebuilders. Housing Association completions are still expected to exceed or equal the ‘target’ levels of 150 completions over the first 5-year period.

(2) Programming of the current Effective Land Supply for the HMA indicates that there is now less land available than would be required to maintain the level of completions over the last five years (as required by SPP, 2010). However, this lower level is entirely a reflection of the continuing economic downturn. With the large bank of sites in the Established Supply, Inverclyde is well placed as the economy recovers to have sites brought forward to meet what by then should be an underlying latent demand for owner occupation across the full range of market sectors.

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9th December 2011