

Scottish Borders Council

Housing Land Audit 2023–2024: Introduction

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Introduction

1. Purpose of the audit & overview

The Housing Land Audit (HLA) details the housing land supply in the Scottish Borders Council area. The HLA has been produced using the Scottish Government [Housing Land Audit Guidance](#) (January 2025) which replaces Planning Advice Note (PAN) 2/2010: Affordable Housing and Housing Land Audits. The annual base date for the Scottish Borders HLA is 31 March.

The key functions of the HLA are:

- to calculate the delivery of homes over the audit year (the past completions);
- to estimate the projected delivery of homes over the next 10 year period (the future programming)
- to monitor progress towards meeting the Local Housing Land Requirement (LHLR) in full, therefore informing the deliverable housing land pipeline and the actions to be taken in Delivery Programmes; and,
- to contribute to a collective overview of the delivery of housing land at a national level.

The annual HLA is a monitoring tool and provides regular information to review and update the deliverable housing land pipeline and related actions in the Delivery Programme. The information contained within the HLA is vital for the preparation of the Local Development Plan.

The Scottish Government Housing Land Audit Guidance states that the HLA should contain relevant information about the deliverable, deliverable with constraints, and constrained housing land supply, allowing for monitoring of and comparison with the housing land requirement. The approach to planning for new homes promotes an ambitious and plan-led system with a focus on delivery and the HLA has a more prominent role in supporting delivery than previously. The starting point each year will be the inclusion of:

- all sites with extant planning permission for residential development, including the remaining capacity of sites under construction;
- sites allocated for residential development (including the residential component of any mixed-use or redevelopment sites) in the adopted Local Development Plan (LDP), including the Housing Supplementary Guidance (SG) sites; and,
- sites within the most recent Strategic Housing Investment Plan (SHIP) only where the site has planning permission, and/or specific funding is committed indicating deliverability.

2. Policy context

National Planning Framework 4 (NPF4), the national planning framework for Scotland, was adopted on 13 February 2023. Annex E of NPF4 sets a Minimum All-Tenure Housing Land Requirement (MATHLR) for all local authorities. This figure represents the minimum number

of houses to be provided within new Local Development Plans. The MATHLR figure is not a cap on how much housing land the LDP should plan for; it is to be considered as the starting point towards identifying the land required for future housing, and which Local Development Plan allocations are required to meet. The amount of land that the LDP does plan for is called the Local Housing Land Requirement (LHLR).

The Scottish Borders 10-year MATHLR, as set out in NPF4, is 4,800 units, or 480 units per year. The recently adopted Local Development Plan 2 (LDP2) sets out a LHLR of 4,800 units for the period 2023/24 to 2032/33 (480 units per annum). This is based on the most optimistic scenario modelled by Housing Needs and Demands Assessment 3 and incorporates a 30% margin of flexibility on top of that.

The relevant Local Development Plan for the base date of this audit was the Scottish Borders LDP 2016. The current Local Development Plan (LDP2) was adopted on 22 August 2024 and now supersedes the adopted LDP 2016. All new housing allocations and allocations with a housing element included within the now-adopted LDP2 2024 will be included within the HLA 2025.

3. Methodology / Process

3.1. Land supply definitions

The Scottish Borders HLA sets out the housing land supply, which includes sites with planning consent, sites under construction, and sites included within the LDP (including the residential element of any redevelopment or mixed-use allocation), which are not yet developed.

NPF4 has removed the requirement to always maintain a 5-year effective land supply; however, the HLA continues to be a tool for monitoring the overall housing land supply and to programme delivery timescales. NPF4 and the 2025 Scottish Government HLA Guidance instead places an emphasis on *deliverability*, with the HLA providing a snapshot of the future delivery of homes over a minimum of 10 years from the audit base date.

Sites are categorised as “deliverable”, “deliverable with constraints”, or “constrained”. These are defined as:

- **Deliverable** sites are those which are free from constraints;
- **Deliverable with constraints** sites are those where there is one or more constraint but there is a commitment to overcoming those constraints and deliver is possible in the period identified in the pipeline; and,
- **Constrained** sites are those where there is one or more factors constraining delivery and where there is no current commitment to overcoming these constraints.

Sites which lack a developer and/or a planning consent but are otherwise deliverable have been categorised as “deliverable with constraints” with a constraint of “financial” applied to reflect issues of marketability.

3.2. Preparation of the audit

Data is collated from existing records and databases held by the Council. The HLA is updated annually, and the base date runs from 1 April to 31 March each year. The preparation of the audit includes monitoring the housing completions from the previous year, new consents granted up to 31 March of the current audit year, and any new LDP allocations, if applicable. Site specific information is collected annually through site visits and desk-based investigation, which is then evaluated and used to programme the land supply.

Sites are programmed with reference to planning applications received and determined, building warrants submitted and/or approved, notifications of commencement, and evidence from stakeholders. Housing completions are determined by the issuing of a Certificate of Completion.

3.3. Stakeholder involvement

Engagement with stakeholders informs the programming and supports accuracy. Developers and landowners known to have an interest in sites included within the audit have been contacted and invited to input into the programming process and to identify relevant constraints. Where this information has been received, it has been incorporated into the audit report.

The draft audit is subject to consultation with Homes for Scotland, Scottish Water, Scottish Environmental Protection Agency, local housing associations, and any relevant internal consultees from Scottish Borders Council. Stakeholders are encouraged to submit comments before the audit is finalised.

Consultation with Homes for Scotland resulted in adjustments being made to a number of sites. The site phasing within the HLA has been agreed with the exception of two disputed sites, totalling 375 units (Table 1). Where sites are disputed, the Audit represents the views of the Council.

Table 1 Sites disputed by Homes for Scotland

Crotchetknowe (EGL156)	75 units
Lowood (EGL220)	300 units

3.4. Presentation of the audit

Once finalised, the audit is published on the Council's website together with a web map showing which sites contribute to the housing land supply. An online dashboard will also be available for the finalised HLA through the website, providing an alternative format in which to view and interact with the data.

The HLA consists of the following documents:

- Appendix 1: Main Summary Report
- Appendix 2: HLA Schedule (Excel Spreadsheet)

- Appendix 3: HLA Programming by Settlement (Excel Spreadsheet)
- Appendix 4: Definition of Terms

The information in the audit is grouped according to the four housing market areas in the Scottish Borders (Figure 1). Sites outwith the settlements in the LDP are classified as being “landward”.



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Figure 1 Scottish Borders Housing Market Areas

Housing land audit commentary

4. Completions

4.1. Completions by Housing Market Area

Table 2 shows the level of completions by Housing Market Area for the past five years. Completions are counted by identifying issued Certificates of Completion. It should be noted that very low levels of completion are recorded in the Southern HMA; this is due to the rural nature of the HMA, with only one main settlement which attracts a low level of development. There were just two completions recorded in the Southern HMA during this audit period. There have been significantly fewer completions in 2023 and 2024 compared to the peak in 2022. This peak was due to a backlog of completions following the Covid-19 pandemic and associated delays in supply chains delaying the completion of construction works and issuing of completion certificates. The development rate in the Scottish Borders is relatively low, despite the large number of established sites available for development.

There were seven sites which had 10 or more completions in Chirnside (BCH31), Kelso (RKE195 and RKE101), Earlston (EEA62), Duns (BD26), Melrose (EM77), and Galashiels (EGL6). Actual completions for 2023/24 compared to the programming in the 2022/23 audit were 109% of that predicted.

Table 2 Completions by HMA (2020-2024)

HMA	2019/20	2020/21	2021/22	2022/23	2023/24
Berwickshire	88	113	90	60	109
Central	157	80	289	155	158
Northern	76	101	80	13	19
Southern	3	4	0	0	2
Scottish Borders	324	298	459	228	288

4.2. Waverley Contribution Area

The number of units completed within the Waverley Development Contribution Area in the last five years is shown below in Table 3. In 2023/24 approximately 15% of all completions in the Scottish Borders fell within the contribution area. Figure 2 shows the extent of the Waverley Contribution Area.

Table 3 Number of completions within the Waverley Contribution Area (2020-2024)

	2019/20	2020/21	2021/22	2022/23	2023/24
Number of completions	103	84	199	138	44

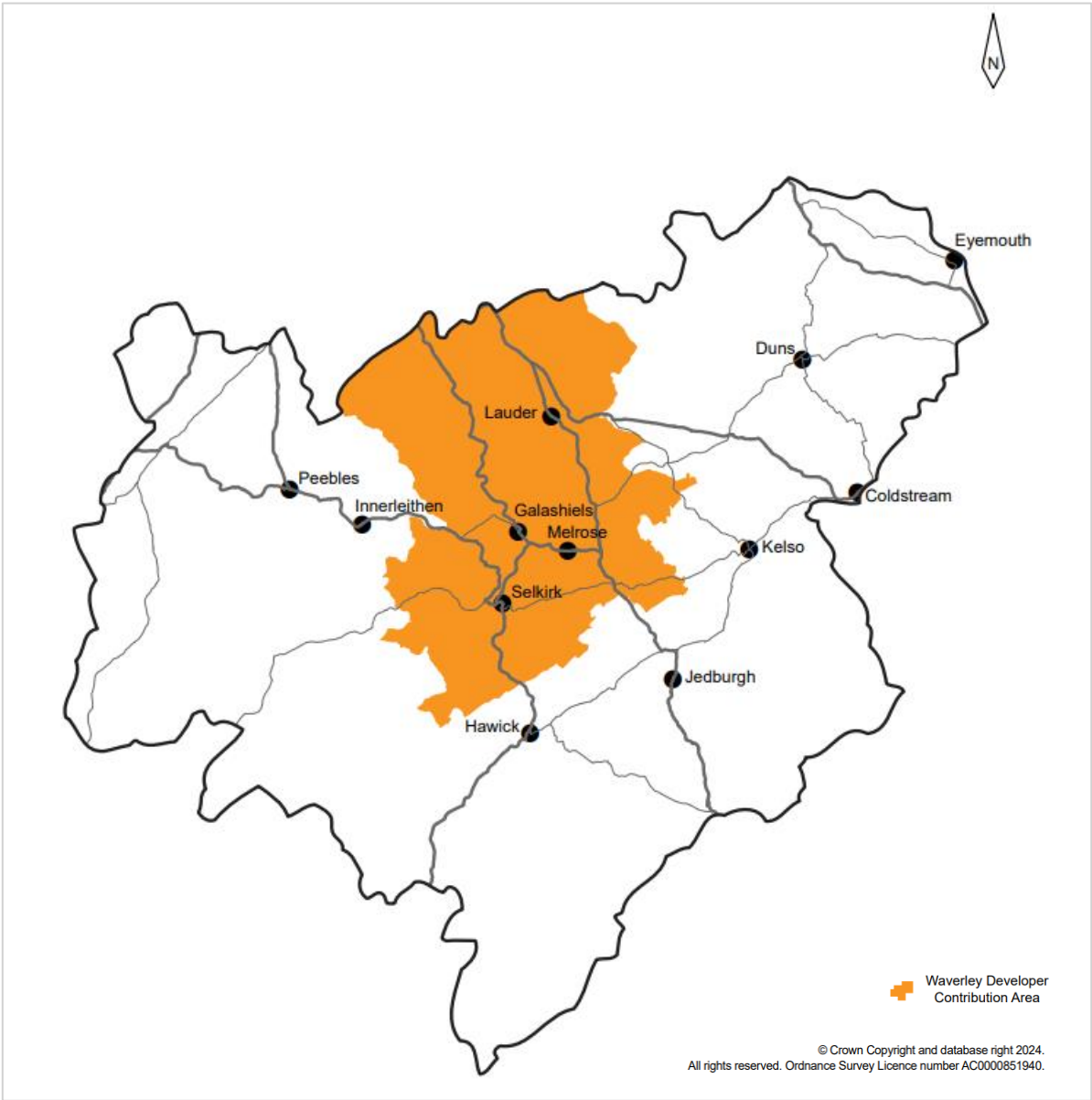


Figure 2 Map of the Waverley Development Contribution Area

5. Housing Land Supply

5.1. Trends in established housing land supply

The established land supply comprises the short term (years 1–3), medium term (years 4–6) long term (years 7–10), post-year 10, and constrained supply. Table 4 contains a summary of the established land supply for this audit period, and Table 5 provides the summary broken down by HMA. The full programming schedule is presented in Appendix 2, and Appendix 3 provides a summary of programming by settlement. The average supply in the short to medium term (Years 1–6) is 559/yr. This exceeds the NPF4 MATHLR figure of 480/yr.

Table 4 Established housing land supply (2023/24) (all sites)

Established land supply (2023–24)	Short term (Years 1–3)	Medium term (Years 4–6)	Long term (Years 7–10)	Post Year 10	Constrained
7,918	823	2,533	2,383	749	1,430

Table 5 Housing Land Supply by HMA (all sites)

Housing Market Area (HMA)	Berwickshire	Central	Northern	Southern
Established Land Supply (2023–24)	1,605	5,129	1,092	92

Table 6 shows the overall established land supply for the past five years (2019/20–2023/24). Over the past five years, the established land supply in the Scottish Borders peaked at 8,983 in the 2020 audit. The HLA 2024 established land supply has decreased by 307 units (3.7%) since the previous audit in 2023. Figure 3 shows the trend in established land supply from 2020 to 2024.

Table 6 Established housing land supply annually (2020–2024) (all sites)

Audit period	2019/20	2020/21	2021/22	2022/23	2023/24
Established housing land supply	8,983*	8,715	8,316	8,225	7,918

**Note: any minor discrepancies relating to these figures is due to approval/completion corrections in the HLA database.*

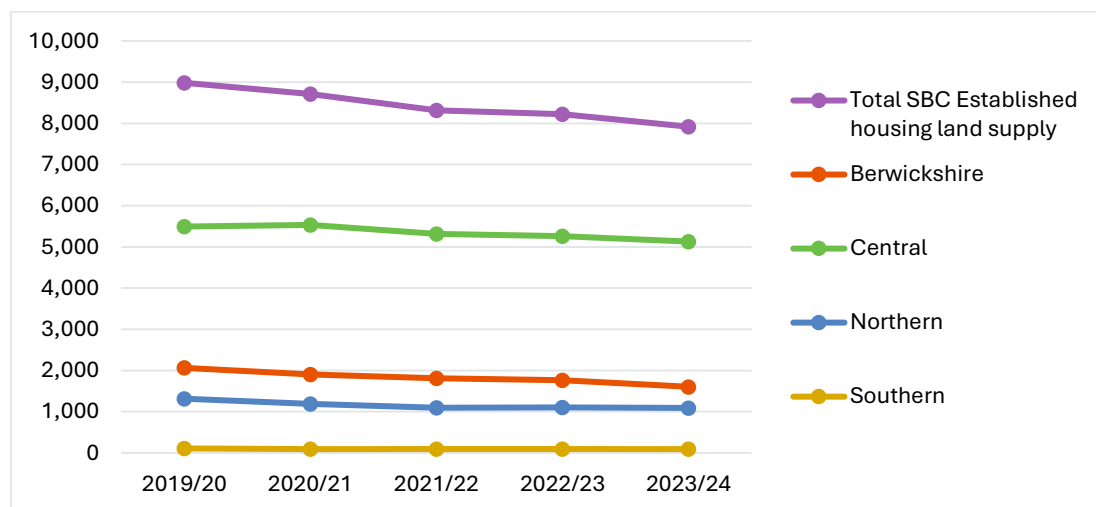


Figure 3 Established supply (all sites) annually by HMA 2020-2024

5.2. Deliverability and constraints

Table 7 shows the land supply pipeline of large sites, broken down according to deliverability status¹. The short to medium supply of large sites has decreased by 4.2% (Figure 4)², marginally more than the change in overall supply (-3.7%).

Table 7 Housing Land Supply 2023/24 by deliverability status (large sites)

	Short term	Medium term	Long term	Total 10-year supply	Year 10 + supply	Total supply
Deliverable supply	574	1,154	660	2,388	107	2,495
Deliverable with constraints supply	93	1,223	1,528	2,844	569	3,413
Constrained supply					1,430	1,430
Total supply (large sites)	667	2,377	2,188	5,232	2,106	7,338

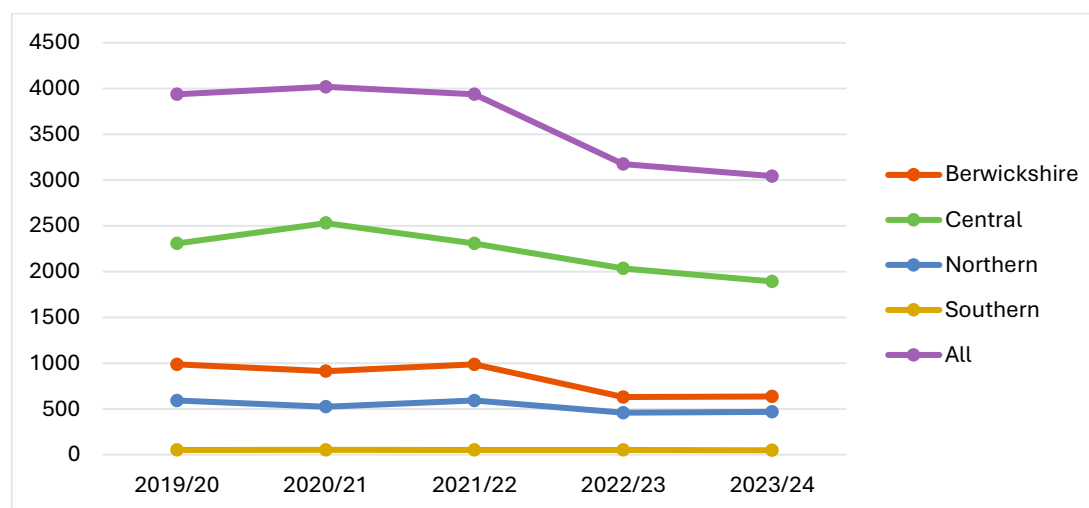


Figure 4 Short to medium term supply (large sites) annually by HMA 2020-2024

The audit includes detail of “Constrained Sites”. These are defined as those sites where one or more factors is constraining delivery and where there is no current commitment to overcoming these constraints. As per the Scottish Government guidance, sites which are constrained are not counted towards the LHLR until such time are circumstances change, and they can be included in the HLA as “deliverable” or “deliverable with constraints”. These constraints are land use status, ownership, physical conditions, infrastructure, and financial. The total constrained supply is 1,430.

¹ Small sites are not programmed individually and so do not have a deliverability status. Therefore, only large sites are shown.

² The figure is only given for large sites due to changes in the guidance on programming of small sites meaning it is not possible to directly compare the short to medium term 2024 supply to previous years’ effective supply (Years 1–5).

6. Progress towards meeting Local Housing Land Requirement (LHLR)

The Scottish Borders 10-year MATHLR, as set out in NPF4, is 4,800 units, or 480 units per year. The Council has adopted this figure as the LHLR on the basis that it is based on the most optimistic scenario modelled by the Housing Needs and Demands Assessment 3 and incorporates a 30% margin of flexibility on top of that.

To date, completions between 2020 and 2024 are at 1,597 (see Table 2). Programming from 2025 to 2030 estimates supply in the short to medium term (Years 1–6) is 559/yr (see Table 4). Combined with completions from 2020–2024, this provides overall 4,953 units towards the LHLR target. This exceeds the NPF4 MATHLR and LHLR figure of 4,800 (480/yr).

7. Windfall sites

Windfall sites are defined as sites that are not allocated within the LDP which receive planning consent for residential units. The windfall sites are unexpected but still contribute to the established land supply. The number of windfall sites delivers flexibility over and above the housing land requirement. Windfall sites also demonstrate that LDP policies allow for a range and choice of small and medium sites in addition to the sites allocated within the Plan. Table 8 shows the number of windfall units included within the audit by HMA between 2020 and 2024. A total of 579 windfall units are included within the 2023/24 HLA established housing land supply.

Table 8 Number of windfall units included within the audit 2019/20–2023/24

	2019/20	2020/21	2021/22	2022/23	2023/24
Berwickshire	186	161	171	168	162
Central	286	258	262	264	259
Northern	144	143	129	130	133
Southern	35	34	23	24	25
Scottish Borders total	649	571	587	595	579

8. Units not expected to be developed

The audit monitors the number of units on sites which the developer is not intending to build. This indicates the total number of units which have planning approval or make up the site capacity, but are not anticipated to be developed. Therefore, where a site has not been developed to its maximum site capacity, but the site is completed, the site can be removed from the audit.

9. Small sites

In the Scottish Borders, as in other rural authorities, small sites (<4 units) play a significant role in terms of the short to medium term land supply and completions. Information on

small sites is collated as part of the audit process. Table 9 shows the level of completions on small sites. There were 46 completions on small sites in the 2024 HLA.

Table 9 Completions on small sites (2020–2024)

HLA year	No. completions on small sites	% of total annual completions
2019/20	68	21%
2020/21	56	19%
2021/22	51	11%
2022/23	41	18%
2023/24	46	16%

The level of small unit completions has been programmed in accordance with the Scottish Government Housing Land Audit Guidance. This recommends basing programming on the average of small site completions over the past 5 years. The 5-year annual average for the Scottish Borders is 52. Table 10 sets out the estimated 10-year supply of small sites calculated on this basis.

Table 10 Estimated programming of small sites

	Short Term (Years 1–3)	Medium Term (Years 4–6)	Long Term (Years 7–10)	Post Year 10
Berwickshire	48	48	51	0
Central Borders	69	69	92	40
Northern	36	36	48	19
Southern	3	3	4	14
Scottish Borders	156	156	195	73

Figure 5 shows a comparison between the total units and number of small sites within the short and medium term housing land supply (Years 1–6). In this year’s audit, there is a total of 823 units in the short term supply (Years 1–3); 19% of these are on small sites. There are 2,533 units in the medium term supply (Years 4–6), 6% of which are on small sites.

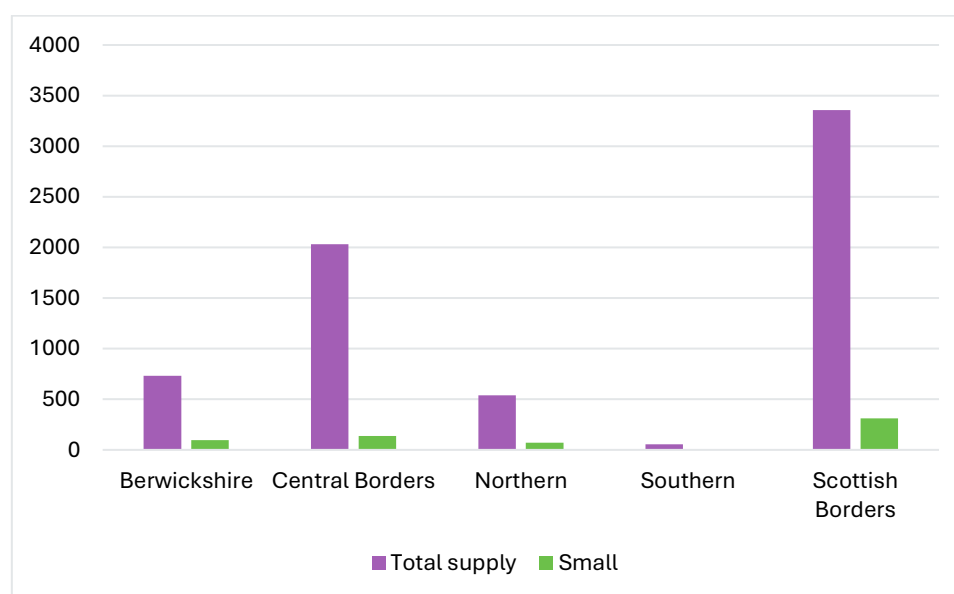


Figure 5 Small site capacity within the total short to medium land supply (2023/24)