
improving living in scotland



**RESPONSE TO PROPOSED ABERDEENSHIRE COUNCIL LOCAL
DEVELOPMENT PLAN EXAMINATION**

**FURTHER INFORMATION REQUEST 06 – ISSUE 07 – HOUSING
LAND SUPPLY – POLICY H1 HOUSING LAND AND APPENDIX 5
NEW HOUSING ALLOCATIONS**

26 May 2016

ABOUT HOMES FOR SCOTLAND

Homes for Scotland is **the** voice of the home building industry.

With a membership of some 200 organisations together providing 95% of new homes built for sale in Scotland each year as well as a significant proportion of affordable housing, we are committed to improving the quality of living in Scotland by providing this and future generations with warm, sustainable homes in places people *want* to live.

Visit www.homesforscotland.com for further information and follow us on twitter @H_F_S

PROCESS

Homes for Scotland represents members on a wide range of issues affecting their ability to deliver much needed homes.

Our views are endorsed by committees and advisory groups utilising the skills and expertise of key representatives drawn from member companies.

RESPONSE TO PROPOSED ABERDEENSHIRE COUNCIL LOCAL DEVELOPMENT PLAN EXAMINATION

FURTHER INFORMATION REQUEST 06 – ISSUE 07 – HOUSING LAND SUPPLY – POLICY H1 HOUSING LAND & APPENDIX 5 NEW HOUSING ALLOCATIONS

Introduction

Homes for Scotland is grateful for the opportunity to respond to this Further Information Request on Issue 07 – Housing Land Supply.

Homes for Scotland would be welcoming a hearing session to discuss Housing Land Supply. The Reporter's suggested dates of 13th / 14th July 2016 for a hearing session works well for Homes for Scotland and our Members and we would therefore like to keep these scheduled dates. If this date is not suitable for Aberdeenshire Council then perhaps an August date could be considered.

- 1. What is the housing requirement (or housing supply target) for Aberdeenshire for the three periods?**
 - 1.1 Aberdeen City and Shire Strategic Development Plan (SDP) 2014 does not set out a housing requirement (or housing supply target) for Aberdeenshire for the three periods of 2011-2016, 2017-2026 and 2027-2035. The SDP sets out the housing requirement in Figure 10, page 32 for the plan area as a whole, and also for the two housing market areas (HMA) covered by the plan – the Aberdeen HMA and the Rural HMA
 - 1.2 We understand that the Aberdeen City and Shire SDP was approved prior to the publication of Scottish Planning Policy (SPP) in 2014, and therefore was not subject to the requirements of Paragraph 118 of SPP which indicated that the SDP should set out the housing supply target and housing land requirement for the plan area, each local authority area, and each functional market area.
 - 1.3 However, in order to determine the proportion of housing land that is required to be allocated within the Aberdeenshire Council area of the Aberdeen HMA, a breakdown of housing requirement by local authority is necessary.
 - 1.4 This is also needed for the purpose of monitoring the effective housing land supply, the planning authority's compliance with SPP paragraphs 110 and 119, and to enable the operation of the presumption in favour of development that contributes towards sustainable development as set out in SPP.
 - 1.5 Schedule 1, Page 42 of the SDP sets out the break-down of the Housing Allowance for both the Aberdeen HMA and the Rural HMA. It also details

Aberdeen City and Aberdeenshire figures. From this information it is therefore possible to determine the Housing Allowances for each planning authority area over the three time periods and in total:

Aberdeenshire:

- *Existing LDP (allowances to 2016) = 10,8000 (5,000 units within the AHMA, 5,800 within the RHMA)*
- *2017 – 2026 = 12,450 (6,750 units in the AHMA, 5,700 in the RHMA)*
- *2027 – 2035 = 12,750 (7,850 units in the AHMA, 4,900 in the RHMA)*
- *TOTAL = 36,000 (19,600 units in the AHMA, 16,400 in the RHMA)*

1.6 We understand that the Housing Allowance has an element of generosity built in, and is therefore more of an equivalent to the Housing Land Requirement, however these figures would be reasonable estimates to work from.

2. Generosity – What is the corresponding position for Aberdeenshire?

2.1 It is possible to calculate the generosity for the SDP area as a whole by comparing the Housing Requirement set out within Figure 10 of the SDP, and the Housing Allowance set out within Schedule 1 of the SDP.

2.2 The information provided by Aberdeenshire Council in response to this Further Information Request differs from the information provided as part of the Schedule 4 prepared on this issue for Examination. Clarity is required on the Council's methodology and exact position on generosity.

2.3 It is not possible using the information provided within the SDP to calculate the generosity allowance for the Aberdeenshire area since the SDP does not break down the figures by planning authority area, only by housing market area.

2.4 To enable future monitoring of the 5-year supply of effective housing land, a housing supply target for Aberdeenshire will need to be established. As set out within our response to Question 1 of this FIR, there is no housing requirement (housing supply target) set out within the SDP or LDP broken down to planning authority level. The requirement is set at SDP level, and Housing Market Area level. However there are reasonable assumption figures that can be used, as set out in our response to Question 1 of this FIR.

2.5 We do not consider that the Effective Land Supply 2011 should be used within the LDP as it considerably out of date. The most up to date agreed Housing Land Audit is the 2015 Audit, and following agreement of the 2016 Audit at a meeting with both Aberdeenshire and Aberdeen City Councils, and representatives from the home building industry on Tuesday 17th May 2016, the 2016 Audit is being finalised for publication. Therefore there are far more up to date agreed figures that can be used to provide a more accurate picture

of the current effective land supply in Aberdeenshire. We suggest that the 2015 Audit figures, or if possible the 2016 agreed figures are used to update Table 1 within Appendix 5 of the Proposed LDP. The 2011 figures may be useful to have in the table as a baseline and as a reference to the SDP, but the figures used for any calculations should be more up to date.

2.6 Aberdeenshire Council's response calculates the generosity allowance by adding the effective land supply 2011, housing allowances 2011-15 and small sites to gain a total supply figure. We query this figure as small sites are likely to already be included within the effective land supply as these are included within the Housing Land Audit. Therefore there will inevitably be an amount of double-counting, thus falsely inflating the total supply figure which will, in turn, falsely increase the generosity percentage

3. Are the sites in the first column sites that were allocated in a local plan or received planning permission before the adoption of the 2012 LDP, but still have undeveloped capacity? If not, what are these sites?

3.1 The Effective Land Supply in 2011 column within Table 1 of Appendix 5 of the Proposed Aberdeenshire LDP 2016 is taken directly from the Aberdeen City and Shire SDP 2014, Schedule 1.

3.2 We agree with the Reporter in the preamble to question 3 that it is unclear what role the "Effective Land Supply 2011", and the "Windfall 2012-14" columns in Table 1 of Appendix 5 of the Proposed LDP play in the provision of the housing land supply for the LDP.

3.3 Both columns (Effective Land Supply 2011 and Windfall 2012-14) add up to a large number of homes (6,800), and if these homes are being considered as part of the effective housing land supply for the LDP, it must be clearer within Appendix 5 exactly what role this significant number of units has in the determination of the housing land supply for the LDP.

3.4 Aberdeenshire Council confirms in its response that the "Effective Land Supply 2011" is the land allocation in a local plan or land that had received planning permission before January 2011. We are concerned at the Council's confirmation that "these sites may not have undeveloped capacity now, due to passage of time". If some of these sites do not currently have undeveloped capacity, they should not be added towards the effective housing land supply.

3.5 As set out within our response to the previous question, we question the usefulness of using the 2011 Effective Land Supply figures. These are considerably out of date. We suggest that the 2015 agreed HLA, or the soon to be published 2016 HLA (which was agreed on 17th May 2016) should be used. We note that Aberdeenshire Council has provided an updated Table 1 including the 2015 Effective Land Supply figures. However this table still

includes the 2011 figures rather than replacing them, and more importantly it does not exclude sites allocated within the Plan; therefore there will be an element of double counting. The Effective Land Supply figures should be up to date, should only include sites with undeveloped capacity, and should not include allocated sites (to avoid duplication).

4. What purpose do the first two columns in Table 1 serve and do they help (and if so, how) to demonstrate the adequacy of the housing land supply?

4.1 Homes for Scotland understands the purpose of the first two columns in Table 1 as explained by Aberdeenshire Council. However we do not consider that this information is helpful, nor does it accurately demonstrate the adequacy of the housing land supply.

4.2 While we acknowledge that Paragraph 117 of SPP states that the housing land requirement can be met from a number of sources including “*sites from the established supply which are effective or expected to become effective in the plan period, sites with planning permission, proposed new land allocations, and in some cases a proportion of windfall development*”, we question the usefulness of using out of date figures from 2011 when there is more recent published and agreed Effective Land Supply figures that should be used instead, providing a clearer picture of the effective land supply within Aberdeenshire. We also note that no evidence is provided within Appendix 5 to support the insertion of windfall sites as part of the housing land requirement. Paragraph 117 of SPP states “*Any assessment of the expected contribution to the housing land requirement from windfall sites must be realistic and based on clear evidence of past completions and sound assumptions about likely future trends. In urban areas this should be informed by an urban capacity study.*”

5. Are there sites included in the Effective Land Supply 2011 that are in the LDP Allocations in columns 4 and 6 of the table and, if so, is there double counting of these sites in relation to the contribution they make to meeting the housing land requirement?

5.1 The Council says that no double-counting occurs because sites allocated within the 2012 LDP are not included in the Effective Land Supply 2011 figure. However, as previously explained, the 2011 figures are considerably out of date. We suggest that the 2015 agreed and published HLA figures are used, or preferably the 2016 HLA agreed figures (agreed on 17th May 2016). These up to date figures should be revised to exclude allocated sites to avoid duplication. The 2015 figures provided by Aberdeenshire Council in the updated Table 1 within its FIR response does not exclude effective sites included in the 2017-26 allocations.

- 6. Is the reporter's understanding of the figures set out in paragraphs 6-8 correct?**
- 6.1 It is difficult to extrapolate information from Tables 2 – 7. We request that information is more clearly represented.
- 6.2 We note that in Tables 2-7, information from the 2014 Housing Land Audit has been used, in Table 1 the 2011 Effective Land Supply is used, and in the Aberdeenshire response to the FIR, Table 1 is updated with 2015 Housing Land Audit figures, while 2011 figures still remain on the table. We suggest that one single Housing Land Audit is used to provide evidence rather than a combination of different years.
- 7. Should the 7926 remaining capacity for 2012 LDP sites be included in an updated column for the effective land supply for 2016? [Irrespective of its views on this question, the reporter wishes the council to prepare an updated Table 1 showing the effective land supply for 2016].**
- 7.1 Aberdeenshire Council has not provided the information requested by the Reporter. This can be done as the 2016 Housing Land Audit was agreed at a meeting between Aberdeen City and Aberdeenshire Councils together with representatives from the home building industry on Tuesday 17th May 2016. This is due to be reported to the SDP Committee in mid-June, with a view to publishing the final Audit in the summer. The final Audit 2016 will therefore have been agreed by committee before the proposed Hearing sessions in July 2016 and can therefore be used.
- 8. How is the figure of 7926 remaining capacity from the 2012 LDP sites reconciled with the HLA figure of 18,742 effective supply as at 2015? How have the numbers in Figure 7 and 8 of the 2015 HLA been arrived at?**
- 8.1 We do not have a specific comment to make on this question.
- 9. If these sites are currently constrained and there is no indication when the constraints will be overcome, how can the council be confident that they are effective or are expected to become effective in the plan period, as required by paragraph 117 of SPP?**
- 9.1 Constrained sites should not be relied upon to contribute towards housing delivery within the plan period unless evidence is provided to show how constraints will be overcome. Rather than focussing on the generosity allowance, which we have queried under Question 2 of this FIR, we would rather see the planning authority focus on explaining how these sites will become effective during the plan period.

9.2 We believe that Aberdeenshire Council has failed to adequately answer this question. Paragraph 119 of SPP is clear that “*in allocating sites, planning authorities should be confident that land can be brought forward for development within the plan period and that the range of sites allocated will enable the housing supply target to be met*”. It also emphasises that Local Development Plans should “allocate a range of sites which are effective or expected to become effective in the plan period...” The Aberdeenshire Council response acknowledges the requirements of Paragraph 119 of SPP but argues that this is flawed as it would preclude scope for any generosity in land allocations. We do not believe this to be the case, and there is no assertion within Paragraph 119 that would preclude the scope for generosity to be built in to land allocations.

10. Given the high proportion of sites in the RHMA that are constrained for marketability reasons, how does the council expect the 6,411 requirement for this area for 2017-26 (SDP, Figure 10) to be met?

10.1 As stated above, Homes for Scotland does not consider that constrained sites should be relied upon to contribute towards the delivery of housing within the plan period unless evidence can be provided to show how constraints will be overcome. If these constrained units are “hampered more by a lack of information or need for them during the early part of the phase than something that would prevent them coming forward” then the planning authority should be seeking to obtain the information required, and evidence should be produced to support this claim and to demonstrate why the council is confident that these constrained sites will become effective during the Plan period.

10.2 SPP is clear in Paragraph 119 when it requires the allocation of sites for which the planning authority is confident “that land can be brought forward for development within the plan period and that the range of sites allocated will enable the housing supply target to be met”. The number of homes allocated within the RHMA for the period 2017-26 is lower than the housing requirement. Homes for Scotland considers that a range of sites should be considered to ensure that the housing supply target is met, as required by SPP, and that a minimum of 5 years effective land supply is in place at all times, also a requirement in SPP.

11. Is that conclusion correct?

11.1 Homes for Scotland accepts the Reporter’s conclusion that the 2007-2016 allowance has largely been met with completions in this period likely to exceed the SDP allowance of 10,800 units.

11.2 However there remains an issue of delivery, and rate of delivery. For example, at Chapelton of Elsick, the rate of delivery on site has not met the

council's projections to date, therefore there is an issue with large sites projecting high completion levels which are not delivering the level of homes anticipated. The delay in delivery of these larger sites has an impact on the delivery of new homes for Aberdeenshire as a whole if there is a reliance on larger sites to provide large percentages of the new homes in Aberdeenshire over the Plan period. Homes for Scotland therefore considers that a range of sizes of sites should be allocated within both the Aberdeen HMA and the Rural HMA to ensure that a continuous 5 year effective supply of housing is maintained at all times, and importantly, that the planning system through the Local Development Plan is supporting the delivery of homes to meet the needs of Aberdeenshire.

12. If so, how is it reconciled with the high level of remaining capacity on the 2012 LDP allocated sites and the low level of delivery suggested by the Halliday Fraser Munro Planning table?

12.1 Many of the Aberdeenshire Council responses to this FIR are based upon its response to Question 2 and its position on generosity. As set out within our response to Question 2, we query the Council's approach to generosity.

12.2 Homes for Scotland considers that the delivery of the Local Development Plan should be a priority for the planning authority. This means delivering homes on its allocated sites within the plan period. The high level of remaining capacity of 2012 allocated sites is of concern. This leads back to our response to other questions in this FIR on the allocation of a range of sites – both location and sizes to ensure that the housing supply target can be met, that a 5 year effective land supply can be consistently met. This is not “seeking allocation of more land for commercial gain” as suggested by the Council in its response, but seeking allocation of more land to ensure that enough homes are built within the plan period to meet the needs of Aberdeenshire.

12.3 We refer to our comments on Question 11 above in response to this question.

13. Is that calculation correct? Of not, what should it be? On the other hand, if it is correct, how is that apparent shortfall to be made up?

13.1 We refer to our response to Question 11 of this FIR.

14. Effective 5-year land supply. Is there an equivalent figure for the Aberdeenshire part of the AHMA and, if so, what is it?

14.1 We refer to our response to Question 1 of this FIR. While the SDP does not set the Housing Allowance at planning authority level, we consider that Aberdeenshire Council could make a reasonable assumption as to this figure which would be very useful in assessing the effective 5-year land supply for

Aberdeenshire.

15. What is the detailed justification for this statement? What is the position for the Aberdeenshire part of the AHMA?

15.1 The tables provided by Aberdeenshire Council are helpful, however we consider that these tables should be updated using the 2016 Housing Land Audit figures (as stated earlier in this response).

16. What is meant by that statement, given that paragraph 125 of SPP states that, where a shortfall in the 5-year effective land supply emerges, development plan policies for the supply of land will not be considered up-to-date?

16.1 This line of questioning from the Reporter is understandable, and highlights how useful a separate housing supply target figure for Aberdeenshire would be. As set out earlier in this response, Homes for Scotland believes that a range of site sizes and locations must be allocated within the Plan to ensure that delivery of more homes in Aberdeenshire is achieved, and that the Plan is in line with SPP Paragraph 19.

17. Should there be a specific policy or mechanism within the LDP to allow the consideration of additional unallocated sites if a shortfall in the 5-year effective land supply emerges? If so, how should it be worded?

17.1 We agree that a specific policy or mechanism should be added to the LDP to allow the consideration of additional unallocated sites if a shortfall in the 5-year effective land supply emerges. The “drawdown” mechanism used in the 2012 Plan does not work effectively if latter phases of a site are dependent upon the development of earlier phases of that same site. Such a policy as suggested by the Reporter may address this issue. This approach could still happen in a plan-led system in certain, clearly set out circumstances where the plan is not delivering a 5-year effective land supply, allowing more flexibility and also certainty that the housing need and demand in Aberdeenshire will be met during the plan period.

18. Is that conclusion correct?

18.1 We refer to our comments on Questions 1 and 2 of this FIR.

19. Is that conclusion correct?

19.1 We refer to our comments on Questions 1 and 2 of this FIR.

19.2 Homes for Scotland has reiterated the importance of Paragraph 119 of SPP throughout this response, and the importance of allocating a “range of sites

which are effective or expected to become effective in the plan period to meet the housing land requirement of the SDP...” and that “in allocating sites, planning authorities should be confident that land can be brought forward for development within the plan period and that the range of sites allocated will enable the housing supply target to be met”.

Prepared by:

Name: Nikola Miller

Title: Principal Planning Advisor

Email address: n.miller@homesforscotland.com

Homes for Scotland

5 New Mart Place

Edinburgh

EH14 1RW

Tel: 0131 455 8350

Fax: 0131 455 8360

Email: info@homesforscotland.com

Web: www.homesforscotland.com

Twitter: @H_F_S