



ENABLING DELIVERY OF NEW HOMES (ALL)

The Scottish Planning Policy (2014) sets out our current national planning policies on planning for housing. The policy aims to deliver on the following principles:

- **identify a generous supply of land** for each housing market area within the plan area to support the achievement of the housing land requirement across all tenures, maintaining at least a 5-year supply of effective housing land at all times;
- enable provision of a range of **attractive, well-designed, energy efficient, good quality housing**, contributing to the creation of successful and sustainable places; and
- have a **sharp focus on the delivery of allocated sites** embedded in action programmes, informed by strong engagement with stakeholders.

More detailed policies and associated guidance aim to support this as follows:

- **Delivery.** Requires authorities to identify functional housing market areas, and expects joint working between both housing and planning and other stakeholders through housing market partnerships.
- **Development planning.** Plans should be informed by a HNDA. Where a HNDA has been confirmed as robust and credible, the approach will not normally be considered at examination. HNDA, development plans and local housing strategies should be closely aligned. Plans should address the supply of land for housing, including by setting out the housing supply target (HST) for both affordable and market sector housing and for each functional housing market area, based on HNDA evidence. The HST is a policy view of the number of homes the authority has agreed will be delivered. It should be reasonable, reflect the HNDA and be supported by compelling evidence and be reflected also in the LHS. A requirement for a generosity allowance of 10 to 20% to establish the housing land requirement (HLR), supported by a 'robust explanation'. The HLR can be met from a range of sites including those which are, or are expected to become, effective in the plan period, consented sites, new allocations and a proportion of windfall development in some cases. Requires LDPs to set out housing supply targets and housing land requirements and to allocate sites to meet the requirement in full. Addresses housing in the national parks. Sites should support sustainable mixed communities and successful places to help ensure the continued delivery of new housing. Sets out requirements for SDPs which will no longer exist in the new planning system.
- **Maintaining a 5-year Effective Land Supply** Planning authorities should actively manage the housing land supply. Work with housing and infrastructure providers to prepare an annual housing land audit as a tool to critically review and monitor the availability of effective housing land, the progress of sites through the planning process, and housing completions. The aim of the audit is to ensure a generous supply of land for house building is maintained and there is always enough effective land for at least five years. A site is only considered effective where it can be demonstrated that within five years it will be free of constraints and can be developed for housing. Allows for tailoring in rural / island areas. Development plan action plans should also be used alongside audits to set out key actions to bring forward sites. Requires authorities to work with developers, service providers and others to ensure a continuing supply of effective land and to deliver housing, taking a flexible

and realistic approach. Where there is a shortfall, plans are not considered to be up to date and paras 32 to 35 (the presumption) apply.

What has changed since 2014?

- Ongoing planning reform aims to strengthen the role of planning in enabling the delivery of good quality development, including homes. The review of national planning policies and development of National Planning Framework 4 have a crucial role to play in achieving this.
- The independent planning review panel agreed that enabling development was an important objective for the planning system, whilst also noting that planning is one of a number of factors that can influence housing delivery.
- The National Planning Framework is required to contribute to meeting the housing needs of people living in Scotland including, in particular, the housing needs for older people and disabled people. Other relevant outcomes include improving the health and wellbeing of people living in Scotland; improving equality and eliminating discrimination.
- The Planning (Scotland) Act 2019 introduces changes to the hierarchy of development plans, replacing strategic development plans with regional spatial strategies and adjusting the requirements for the NPF and local development plans to address housing matters. It requires NPF to contain ‘targets for the use of land in different areas of Scotland for housing.’ Local development plans are also to address the housing needs of the population of the area, including, in particular, the needs of persons undertaking further and higher education, older people and disabled people; and the availability of land in the district for housing, including for older people and disabled people.
- Refreshed Local Housing Strategy (LHS) Guidance asks local authorities to include information in a LHS including a housing supply target over a 5 year period, a target for delivery of wheelchair accessible housing in the local authority area which should be reviewed annually. The guidance encourages housing and planning authorities to continue to work closely together to take forward the processes that underpin effective housing planning and the delivery of strong local housing outcomes.
- Alongside NPF4, work is progressing on the development of a future plan for housing ‘Housing to 2040’. Recognition is given to the challenges of: our ageing population; growing and changing households; climate change; homelessness; child poverty; and managing the impact of Brexit.
- Completion rates have risen and fallen in line with the economy and wider social and housing policy changes including national targets for the delivery of affordable homes. Planning policy relating to housing has evolved, but there is no definitive evidence establishing a causal link between national planning policy and completion rates.
- Planning and Architecture Division commissioned research to establish the reasons for delays with major housing developments, which reported in August 2018. This found that a delayed response by an applicant to a request for information is the most common primary reason for a delay in an application. The most common secondary reason is the requirement for a legal agreement. Other reasons included delayed action or responses by the planning officer or another council official,

committee determinations being required, a delay being requested by an applicant and in a small number of cases delays by statutory consultees.

- Further research examined the role of Housing Land Audits (HLAs) in the system. It found that current practice is not consistently defined, research, analysed, consulted on, tested, reported or integrated with development planning or delivery. This creates uncertainty in the system, and could lead to different outcomes. It concluded that a more consistent approach is required to reduce delays and disputes.
- Most recently, research has examined the application of the SPP as a whole, and identified significant issues arising from the housing policies as drafted:
 - Whilst the focus on delivery and maintaining a land supply were considered important, and there were positive views on some aspects of the policy, there is clearly confusion as to the method for calculating a 5 year housing land supply, and concerns about how the policy will work in the new 10 year plan review context.
 - Consultees have suggested the inclusion of a template for ensuring that housing numbers are presented consistently, as well as proposing that the terms 'effective' and 'generous' are better defined as they are currently open to interpretation.
 - The difference between what plans hope to deliver and achieve in practice was considered important and this links with the research on housing land audits.
 - The policy could usefully set out how authorities should deal with a shortfall in the land supply, as well as further detail on the role of local place plans in achieving targets.
 - Concerns were raised about the range of housing being provided, with further comments on affordable and specialist provision.
 - Some considered that the HNDA tool was overly complex and required modification, whilst others were supportive of the standardised methodology. Some also suggested that the output should be a material consideration. Others called for more engagement and scrutiny in the HNDA.
 - It was suggested that measuring the availability of land should be decoupled from measuring the delivery of new homes.
 - Although it is acknowledged that housing market areas (HMAs) can be broader than local authority boundaries, this can cause difficulty in ensuring that the housing land requirement is met across these areas due to inconsistencies between authorities, and variable evidence and data collection.
 - There were calls for local flexibility, to match targets to spatial strategies, to reflect different markets across the country and allow for innovation such as accessible housing strategies. Policies in plans should be able to respond to the character of each area and contain a clear and detailed response to local circumstances.

- Others called for no flexibility and a requirement for authorities to meet need and demand in full stating that wider factors should not be used as a reason to not plan for what is required.
- The lack of a methodology to calculate housing land requirements was viewed as undermining placemaking objectives, often dominating the debate instead of focusing on the design and liveability of well-designed places. There were also calls for a greater emphasis on sustainable development that supports public health reform and is linked with community facilities and infrastructure which some suggest should be an integral part of volume house building layouts.
- It was considered that 25% provision of affordable housing should be maintained, and a similar self-build/custom-built requirement should be included.
- It was also noted in terms of placemaking that SPP does not allow for a sustainable brownfield focused delivery strategy due to the increased pressure to deliver housing at a faster pace.
- The research identified a number of recommendations including
 - NPF should provide a robust methodology and measures to evaluate site effectiveness. There is currently an absence of a robust methodology which could be consistently applied to calculate housing land requirements.
 - Planning authorities should be required to critically review the effectiveness of housing and business land when preparing LDPs to ensure LDPs support effective sites.
- Over recent years there has been significant debate and disagreement over the approach to be used to determine whether a plan has an effective housing land supply. This has been particularly evident at development plan examinations where often the key issues addressed related to housing land supply. This has resulted in uncertainty over this issue which has led to a number of appeals and legal challenges. The emergence of NPF 4 offers an opportunity to address this issue.
- Since SPP (2014), the Scottish Government has also sought to develop further guidance on housing and infrastructure delivery. This included a proposed methodology for calculating the 5 year effective housing land supply. The draft advice was not, however, supported by some stakeholders and the advice was withdrawn in light of the forthcoming Planning Act.
- Most recently, we have put together a fuller outline work programme that will form the basis of further policy development work to inform NPF4. This is described in more detail below.

Proposed key objective of NPF4: To ensure that development plans allocate the right land in the right place at the right time and to facilitate and monitor the delivery of this land.

Issues to consider:

Overall policy considerations

- Do we need to revisit the overall aim and objectives of our housing policy? Should policies continue to focus on delivering homes and the quantum of land available or are there a wider range of objectives and approaches that should be built into the policy?
- How can policies better reflect the quality, distribution, type and delivery of homes and the role of housing in placemaking, and in particular the role of new housing in supporting climate change objectives?
- How can a balance be struck between a plan-led approach and allowing authorities to respond to changing circumstances and local contexts?
- What should be decided at different scales and stages? What should NPF do and what is the role of the local development plan? What should be set out in the evidence report and agreed at the gatecheck for local development plans?
- Should the 5 year effective land supply continue to be a means by which the effectiveness of plans is measured? What method should be used to calculate the land supply? Should the definition of 'effectiveness' be reconsidered?
- How can we be clearer about what is being monitored to support an understanding of the dynamics of the housing land supply – homes delivered and / or land availability? How should progress be monitored and what action should be taken where it falls short of stated targets? Can we use mapped and audit information to secure a stronger emphasis on monitoring? What role should housing land audits play in establishing the land supply as implementation of the plan progresses? Can delivery be incentivised so that there is a closer correlation between the build rate predictions and actual completions?
- How can we strengthen links with local development plan delivery programmes and infrastructure capacity / improvement plans?
- Further policy questions relate to specialist housing and accommodation, not least given the importance attached to them in the outcomes set out in the new legislation. These issues have been addressed in a further focused background information notes.
- How should national planning policy approach the need to achieve more efficient use of land and infrastructure resources associated with the development of housing, e.g. maximising the use of urban/brownfield locations?
- How can we achieve a more effective system which ensures that the right land is allocated and then developed and that where this is not achieved, that action is taken.

Setting targets for the use of land for housing in NPF4

The requirement for NPF to set out targets for the use of land for housing in different areas of Scotland gives rise to further detailed and technical considerations that will be explored during the development of NPF4.

There are numerous options relating to: methodology, evidence base, scale, expression and application; as well as key questions on the extent to which prescription (and certainty) should be balanced with local circumstances (and flexibility). Definitions and methodologies for assessing the requirements for land are clearly required but will need to follow the broader aims and expression of the policy.

The Scottish Government is keen to ensure that work undertaken to explore these issues is taken forward in a collaborative way, involving both public and private sector interests and working across Government policies on planning and housing.

We are therefore taking forward a technical work programme that will follow a number of key steps. This includes the development of methodological options for setting housing land requirements in NPF4 and how it relates to local development plans, led by Planning and Architecture Division, More Homes Division and CHMA. Selected stakeholders will be invited to participate in a peer review group who will meet during the NPF4 process to guide the policy development process. The draft NPF4 will be accompanied by a technical paper that explains the approach taken. Whilst guidance will follow from the policy framework, consideration will be given to the way in which policy can be further explained and illustrated in accompanying guidance including on housing land audits and planning delivery.

We will publish further technical information on this aspect of the policy review in due course.

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