

National Planning Framework 4
Housing Technical Discussion Paper
Response from Fife Council April 2020

Issues for consideration:

What is your view on the guiding principles set out above?

Fife Council welcome the principle of providing early clarity on housing land figures. We support the government's aspiration to streamline the process however, given the complexities involved, we seek further clarification on the following:

- Housing Supply Targets – has consideration been given by the Scottish Government to moving away from a Targets based system, looking at a more informed and rational approach to planning for housing and communities? It is vital that Planning retains a focus on delivery, infrastructure, design and the creation of great places for people.

If target based then new housing targets should recognise the requirement for LDPs to better meet the housing needs of an area, that have been identified through HNDA. This would allow for consideration in more detail beyond market and affordable to look more at actual needs within an area e.g. specific need.

- Timescales – further detail is requested on the timescales associated with the Scottish Government undertaking steps 1 and 2 of the HNDA tool. Presumably this will require to fit with the timescales to prepare the draft NPF4 but it is unclear if the CHMA will have the capacity to undertake this for the whole of Scotland in the time available. There could also be a significant timing lag between the running of steps 1 and 2 of the HNDA tool by the Scottish Government and the running of the remaining steps of the tool by Local Authorities depending in their respective LDP programme. This could then bring into question the reliability of the data/HNDA results.
- To reduce potential for a double examination of housing numbers we seek clarity on what will be examined at Gatecheck and what will be examined at the “Examination” phase.
- Guidance is sought on mechanisms that are to be put in place which allows LDPs and LHSs to align.
- Deliverable – a definition of what the Scottish Government determine “agreed proportion” and “deliverable” requires to be provided. Does “deliverable” require land to be effective i.e. deliverable within a given time period? It needs to be recognised that planning authorities have significantly less influence over delivery of land; it is driven by private house builders, RSLs, financial institutions etc. The planning authority's role is to assist in facilitating delivery and where possible allocate sites that are deliverable. Influencing timing and rate of building is limited within the LDP and Development Management process.

- Recognition is needed that to achieve a higher delivery of new homes, particularly in areas of lower market, the public sector requires to deliver more with funding associated to assist that delivery. This has been reflected through the City of Edinburgh Council LDP MIR approach.
- Minimum figure – it is essential to know how this figure will be calculated and whether other factors such as location/economy/delivery rates/migration etc. shall be taken into consideration. Annual monitoring combined with delivery programmes will be vital to providing an indication of whether there is a risk to the delivery of the land supply and reveal a shortfall allowing planning authorities to identify any required delivery support interventions.
- Flexibility – it is critical to know how this will be calculated and the factors that will be considered when any adjustments made. Fife Council would be happy to be directly involved in the determination of any levels of flexibility to establish minimum housing land figures.

Should NPF contain housing land figures for all areas in Scotland or focus on certain areas?

Fife Council agree that a consistent approach should be taken however locational factors must be considered particularly between areas of high and low demand. Minimum figures for housing are inappropriate in areas of high market and commercial demand where some planning constraints are required.

Are there areas in Scotland where an alternative approach may be more appropriate?

To avoid urban sprawl, a separate approach should be considered for rural areas/edge of city particularly in areas where infrastructure is not suitable for large scale expansion.

What is your view on the proposed approach to setting out requirements for housing land?

The Scottish Government needs to set out targets within NPF4 to directly inform LDPs. Whilst seeking agreement with all key parties will take considerable time and may not result in agreement; it is important that Government set the target timeously.

We welcome the acknowledgement that the national approach needs to be informed by local knowledge, analysis and input. We note the emphasis on maintaining linkages between the development plan and the local housing strategy which has worked well in the current system. With the development plan moving to a 10-year review cycle, it will be important to have greater clarity on how flexibility would be calculated within the development plan to incorporate changing evidence from the 5-yearly HNDA and local housing strategy.

It is unclear in the paper whether there is any preference by the Scottish Government for regional working in developing HNDAs, as encouraged in the last two rounds of HNDA development. The wording in the paper for the most part suggests local authorities working with local HMPs and stakeholders, although there is reference to options to reflect functional housing markets in the HNDA outputs

and to develop regional spatial strategies. Any preference for regional working in HNDAs should be strengthened in the paper.

The paper states that authorities will be invited to agree or propose alternative scenarios and assumptions and agree these with their HMP (including wider stakeholders such as Homes for Scotland). However, should an agreement not be reached with all parties would authorities be able to progress with a disputed position or would the Scottish Government put mediation measures in place to allow targets to be set?

Should NPF provide a single housing land figure or a range?

A range offers a greater level of flexibility for changing circumstances.

Is the HNDA Tool an appropriate mechanism to base housing land figures on?

The HNDA tool is, in part, an appropriate mechanism on which to base housing land figures. However, it is not immediately clear what the benefits are in using this at the national level. Local authorities can provide the 'bottom up' approach discussed in the paper in developing scenarios and assumptions for their local areas, resulting in a more accurate picture of housing need and demand at local authority level. This evidence base would then inform both local and national HNDAs. However, as the Government have stated through Act that housing targets will be set out in NPF4, it is accepted that it is for the Government to set housing targets. In view of the fact there will be limited scope for adjusting figures locally in the development plan, the figures need to accurately reflect local circumstances.

The existing need count is likely to under-estimate housing need using the proposed indicators of homeless households, overcrowded households and concealed households. The range of data used in the tool is limited as the needs for specialist /adapted housing will not be counted. Local authorities would also want to reflect housing needs arising from size / type / locational pressures which would not be reflected in a count of need at local authority level through the HNDA tool. Local authorities have good quality local data to triangulate with national datasets.

Should there be scope for local and planning authorities working together to reflect functional housing market areas that cross local authority boundaries? What approaches could be used to achieve this?

The new approach should simplify and strengthen the current approach of how we arrive at housing targets with NPF4 directly informing LDPs.

Given the level of mechanisms available for analysis within each authority, the process must allow sufficient time for cross-boundary analysis to be conducted and agreed by each authority working within Housing Market Partnerships. The NPF4 timetable will require to align with whatever processes have been introduced and sufficient time for consultation with wider stakeholders should be factored in.

Should NPF apply a level of flexibility to the HNDA tool results to ensure a proactive approach to managing the supply of land for housing in a positive way? Should the level of flexibility be informed by recent housing completions?

We note a level of flexibility will be provided through the HNDA tool in establishing the minimum housing land figure and it will be essential to know how that will be calculated and the factors that will be considered when any adjustment is made. Targets should recognise the requirement for LDPs to better meet the needs of an area; looking beyond market and affordable figures and more at actual needs e.g. specific needs of an area.

It will also be important to incorporate recent housing completions as one element of local analysis and input.

Should NPF housing land figures be met in LDPs as a minimum?

A level of flexibility/range will be required to take account of changing circumstances during the lifespan of the LDPs.

There are concerns that if the minimum figures set out in NPF4 are unattainable (particularly in areas of low demand) then this will leave authorities exposed to development in unsuitable locations/areas. If quality placemaking is to be achieved, then setting a minimum land figure is inappropriate particularly in areas in high market and commercial demand where there is a need for restraint.

LDPs are moving to a ten-year timeframe. Housing land audits generally programme land supply for a five-year period. For LDPs to have a ten-year land supply available upon adoption what mechanisms could be used to ensure land is brought forward in accordance with the LDPs spatial strategy?

In addition to LHS/HNDA, there are various sources of base data that can be looked at including completion figures, migration figures and housing need all of which should provide up-to-date projections. To align with the LDP, Housing Land Audits should look at the programming of sites until at least year 10, providing additional commentary on delivery activities and the wider context and importantly recommended activities to meet targets.

There is currently no legislation that ties Housing to Planning, the Scottish Government therefore need to examine how/if legislation can be aligned. As it stands the baseline data (LHS/HNDA) must be produced every 5 years. It may be the case that LDP's could set out policies to ensure how the land supply will be managed over the 10-year period and what would trigger a review. Annual monitoring and review through the housing land audit and delivery programme could provide base data to identify any risk to delivery.

Should the Scottish Government play a role in the housing land audit process?

Fife Council supports the Scottish Government in the creation of a consistent digital national platform for Housing Land Audits, streamlining the process across the country, and feeding directly into the NPF.