

National Planning Framework 4 – Call for Ideas
Housing Technical Discussion Paper

Thank you for the opportunity to input into future national policy, and in particular housing delivery.

Persimmon Homes support the principle of the Scottish Government (SG) setting housing land targets for each area of Scotland through NPF4. Removing this burden from local authorities will, as suggested, “create a consistent and transparent platform to free up planning authorities and stakeholders to focus on delivery and the creation of quality places.” What the target needs to do however is provide a split between private and affordable housing tenures. It will then be down to local authorities through the Local Development Plan (LDP) or Local Housing Strategies (LHS) and Strategic Housing Investment Plans (SHIP) to allocate or identify sites to meet the housing target.

What NPF4 must account for when providing housing targets for each council area is overlooked households. This includes homes currently overcrowded, concealed (but not overcrowded) households (such as adults living with friends or family), those living in homes that are physically unfit or households in homes that are not affordable to them. The current HNDA process does not capture these aspirant households. It may be too late for NPF4 but going forward the Census may be an appropriate mechanism for gathering data on such households. It also has a ten year cycle. For NPF4 the HNDA tool will have to be augmented through methodology changes and/or the addition of household survey work to ensure that it takes full account of all the households that need or want a new home.

With regard to the housing targets we would be concerned if NPF4 set targets that the local authority was then able to deviate from during the LDP cycle. This would undermine the purpose of setting the targets at a national level in the first place and would not free up local authority time to focus on delivery and placemaking. The process for preparing and finalising LDPs is robust and transparent and we are concerned that local authorities may seek to update the targets through the LHS which have a 5 year cycle and are not subject to the same public scrutiny as the LDP. This would undermine the LDP process and developer confidence in investing in Scotland.

We support basing the HNDA on the National Records of Scotland principal projections. We are however concerned that local authorities are to undertake local HNDAs to provide the tenure split and inform the LHS. Could this not be undertaken by the SG? By still having to produce a local HNDA time within local authorities is not freed up and the clear and concise system we aspire to will not be realised, especially when LHS's remain on a 5 year cycle. The SG may also need to negotiate/work with 34 local authorities to agree a second layer to the HNDA when each local authority could have a different interpretation to the principal HNDA.

We welcome the principle of local authorities being invited to agree with the SG projections or proposing alternatives providing these have been agreed with Housing Market Partners along with Homes for Scotland. The document is however silent on is who sets the final numbers if either the SG or local authorities and its partners do not agree. Given that it is a target and not a requirement we suggest that local authorities can only propose an increased target. The target for the LDP must be agreed at the gatecheck stage. This will ensure that local authorities seek to “*meet NPF Housing Land Target as a minimum*”. If there are opportunities for local authorities to deviate in a negative manner from targets set with NPF4 this will reduce house builder confidence in delivering new homes within Scotland.

If local authorities were permitted to reduce housing targets we would be concerned that there would not be sufficient sites allocated and this would result in a substantial number of speculative planning

applications during the life of the 10 year LDP cycle, particularly towards the end of the period. This would put pressure on local authority resources, slow the system down and reduce planning performance particularly if the majority of the allocated sites have been consented. This should not however be used as a mechanism to limit the number of consents granted if the number of new homes consented on any one year exceeds the anticipated annual target.

We note within Clause 1.4 that a Guiding Principle proposes that an agreed proportion of land is deliverable. We understand this to be effective and whilst it is accepted that the LDP cycle will be extended from 5 to 10 years we are of the view that at least 80% of allocated sites should be effective at the point of being allocated in a LDP. The remaining 20% must be able to address six of the seven tests of effectiveness within Planning Advice Note 2/2010: Affordable Housing and Housing Land Supply. Whilst it is proposed that we move to a supply target rather than supply requirement there is a need to ensure that sufficient sites are effective in the early years of the plan to fully deliver the LDP strategy.

To conclude, housing targets for both private and affordable housing tenures should be set at a national level with input from the relevant stakeholder, including local authorities at that point. There should be little opportunity to deviate from the NPF4 figures because this will create uncertainty that will undermine both NPF4 and confidence in building new homes in Scotland. The success of any changes will be measured by the number of new homes on the ground build in line with, or in excess of, the housing target NPF4 sets.