

National Planning Framework 4

Minimum All-Tenure Housing Land Requirement

DUNDEE CITY COUNCIL RESPONSE

PURPOSE

The Scottish Government has produced initial default estimates of the 10 year minimum all-tenure housing land requirement for each local authority and national park authority. These are derived from three main inputs:



The initial default estimates are set out in the Guidance and Method Paper that accompany this Response Template. They are a first step towards developing a Scotland-wide picture of the amount of land for housing that will be needed in the future to guide allocations in Local Development Plans (LDPs). They are a starting point for authorities to consider and input to in order to inform the final figures that will feature in the draft NPF4.

Authorities are being asked to consider the default assumptions for household projections and existing housing need, flexibility allowance and estimates and to make a case for adjusting them where there is clear and robust evidence and policy requirements do to so. The Guidance indicates how authorities should go about making the case for change and this template must be used to respond. The two should therefore be used in tandem. Please note that word limits set out in the template must be observed as closely as possible.

An Excel Calculator is also provided. It shows the default calculations and allows authorities to input adjusted data in three simple steps to produce locally adjusted estimates. If making a case for change, authorities must use the calculator and submit this alongside the template.

Prior to submitting the template to the Scottish Government for formal assessment, authorities are encouraged to discuss this with Scottish Government housing and planning officials and to seek any advice as they build a case. Requests of this nature should be sent to the following mailbox (NPF4housingland@gov.scot) in the first instance.

On completion, the response template and calculator should be submitted to the mailbox for assessment by Scottish Government housing and planning officials. The appraisal criteria that will be used are set out in the accompanying Guidance. A short Assessment Report will be written-up and this will contain the Scottish Government's decision.

STEPS TO TAKE

- Step 1** Read the Guidance and Method Paper accompanying this template.
- Step 2** Work with your Housing Market Partnership (HMP) and local stakeholders to consider and discuss the initial default estimates of the minimum all-tenure housing land requirement.
- Step 3** Use this response template to make a case for any adjustments you wish to make to the initial default estimates. Note that the response template should be no longer than **12 pages** (excluding the cover sheets) and this will be observed by SG when assessing the templates.
- Step 4** Discuss the template with SG housing and planning officials if that is useful.
- Step 5** The response template should be signed-off by the Head of Housing and the Head of Planning or the equivalent senior official from each department.
- Step 6** Submit the completed response template to the SG for consideration using the mailbox (NPF4housingland@gov.scot).

TEMPLATE PART 1 – Household Projections (Newly-Forming Households)

Instructions

The Scottish Government's initial default estimates use the NRS 2018-based principal household projections (equivalent to step 1 of the HNDA Tool). Alternative household projections are available including the NRS low migration variant and high migration variant. Some authorities also produce household projections in-house and authorities can consider the use of these where they can make a robust case for this.

Use the space below to provide evidence for the use of an alternative household projection. This must explain how the housing completions data provided by the Scottish Government has been considered. It must also include the actual household projections that you wish to use. Where necessary, tables of figures can be provided in an Annex.

Take no more than the 2 pages.

(see page 4 of the Guidance Note)

Dundee City Council – Household Projections (Newly-Forming Households)

The NRS 2018-based principal projection for newly forming households has been used in the Dundee City Council locally adjusted Excel Calculator as per the Scottish Government's initial default estimate. The Tayside HNDA is still in preparation and should further evidence emerge through that process then this would allow further consideration of the minimum Housing Land Requirement figure through input into the draft NPF4 as well as through the production of the Local Housing Strategy and the Local Development Plan.

TEMPLATE PART 2 – Existing Housing Need

Instructions

The Scottish Government's initial default estimates include an estimate of existing housing need (equivalent to step 2 of the HNDA Tool). This includes homeless households in temporary accommodation and households who are *both* overcrowded *and* concealed.

Use the space below to provide robust evidence for the use an alternative existing housing need figure. This must explain how the housing completions data provided by the Scottish Government have been considered. This must also include the existing housing need figure that you wish to use. Where necessary tables of figures can be provided in an Annex.

Take no more than the 2 pages.
(see page 4 & 5 of the Guidance Note)

Dundee City Council - Locally Agreed Estimate: Existing Housing Need

A revised existing need estimate has been created based on housing waiting list data and the Tayside HNDA survey. The basis of the revised calculation is from the following:

- HL1 households in temporary accommodation = 353
- Respondents to the Tayside HNDA survey who were under immediate threat of eviction/repossession/ loss of housing status = 689
- Households in the Tayside HNDA survey who identified as overcrowded **OR** sharing amenities with another household (with double counting eliminated from total household numbers) = 229
- Common Housing Register and wider housing association waiting list of households needing to move due to medical needs or requiring specialist housing = 676
- 2019 Scottish House Condition Survey outcomes for the number of households in housing which is Below tolerable Standard = 199.

Combining these requirements results in a local existing need estimate of 2,144, rounded to 2,150 for the purposes of the MATHLR calculation:

TEMPLATE PART 3 – Flexibility Allowance

Instructions

The Scottish Government's initial default estimates include the addition of a 25 per cent flexibility allowance for urban areas and 30 per cent for rural areas. This is to provide a contingency or over programming of land to allow for changes in sites coming forward over the 10 year time frame of the local development plan.

Use the space below to provide evidence for the use of an alternative flexibility allowance, which should generally be no less than those provided. This must explain how the housing completions data provided by the Scottish Government has been considered. It must also include the percentage flexibility allowance that you wish to use.

Take no more than the 2 pages.

(see page 5 of the Guidance Note)

Dundee City Council – Flexibility Allowance

The urban area flexibility allowance of 25 per cent for the Dundee City Council calculation has been applied.

TEMPLATE PART 4 – Locally Adjusted Estimate of Minimum All Tenure Housing Land Requirement

Instructions

The Excel Calculator must be used to produce a locally adjusted estimate of the minimum all-tenure housing land requirement. The initial default and adjusted estimates must be provided below.

Initial Default Estimate = 2,000

Adjusted Estimate = 4,200

A copy of the adjusted Excel Calculator must be submitted with the response template.

Take no more than 1 page

(see page 5 of the Guidance Note)

Dundee City Council Locally Adjusted Estimate of Minimum All Tenure Housing Land Requirement

A copy of the Dundee City Council locally adjusted Excel Calculator has been attached.

TEMPLATE PART 5 – Housing Market Partnership (HMP) and Stakeholder Involvement

Instructions

Use the space provided below to list the HMP membership, provide a summary of their views and an indication of whether the HMP has agreed the locally adjusted estimate of the minimum all-tenure housing land requirement. Also provide a list of additional stakeholders and a summary of their views. Use the sub-headings provided.

Take no more than 4 pages.

(see page 6 of the Guidance Note)

List of HMP members

Perth & Kinross Council
Angus Council
Fife Council

Summary of HMP views

The four local authorities from the previous Tayplan Strategic Development Plan Authority (Dundee City Council, Perth and Kinross Council, Angus Council and Fife Council) along with Arneil Johnson consultants have been working collaboratively as part of the Tayside HNDA and have also been working together in the engagement and response to the NPF4 initial default MATHLR figures. There is a mutual understanding and agreement that the amendments put forward to locally adjust the initial default MATHLR figures across the Tayside local authorities have been based on locally robust evidence, HNDA survey work and policy aspirations.

HMP agreement

Has the HMP agreed your minimum housing land figure? *Please delete accordingly*

YES

List of Additional Stakeholders

The following stakeholders directly engaged in the process - Abertay HA; Barratt Homes; Bield HA; Caledonia HA; Broughty Ferry Community Council; Campion Homes; DJ Laing; Persimmon Homes; Sanctuary Housing; Stewart Milne; Viewpoint HA; Hillcrest HA; Homes for Scotland, NatureScot

Summary of Stakeholders Views

In preparing a response to the Scottish Government's MATHLR consultation, stakeholders across Tayside area were invited to submit written comments and also to attend a Tayside Housing Market Partnership event which was held on 25th May 2021. This brought together the four local authorities from the previous Tayplan Strategic Development Plan Authority (Dundee City Council, Perth and Kinross Council, Angus Council and Fife Council) with the stakeholders and delivery partners who comprise their Housing Market Partnership.

The objective of the event was to inform each Council's response to the Scottish Government's consultation on the initial default estimates provided in February 2021.

A total of 23 stakeholders attended the Dundee City sessions. The stakeholders were in agreement that the Scottish Government initial default figures were an underestimation of the housing needs of the existing City population. Following a presentation outlining the local evidence and the assumptions used to develop two local MATHLR estimates for Dundee City, stakeholders were asked to consider:

"Of the two locally adjusted scenarios presented, which estimate should be selected as the preferred Minimum All Tenure Housing Land Requirement?"

The outcomes were as follows:

- Group 1: 3 stakeholders selected Scenario 1 (4,200) and 13 stakeholder selected Scenario 2 (5,200) as their preferred MATHLR estimate
- Group 2: 0 stakeholders selected Scenario 1 (4,200) and 12 stakeholder selected Scenario 2 (5,200) as their preferred MATHLR estimate

Whilst support was expressed for Scenario 2, alternative perspectives on the most appropriate local MATHLR estimate were expressed by some stakeholders. Those who supported the selection of Scenario 2 were clear that the ambitious agenda for economic growth in Dundee required to be matched by an ambitious agenda for growing housing output.

However, this positivity was also tempered by recognition that delivery of a MATHLR target of 5,200 will 'depend on managing the development constraints that currently make housing delivery more challenging'.

For those supportive of selecting Scenario 1, it was acknowledged that the local estimate 'is a minimum figure, which makes the 5,200 estimates **very** ambitious when we consider housing output over the last 10 years'. In fact, it was suggested that the '4,200 estimate is perhaps more realistic'.

Furthermore, in validating the selection of the MATHLR estimate, stakeholders were asked:

"Do you have any challenges to the assumptions we have made to derive local estimates?"

Firstly, stakeholders considered the local estimate of existing need (2,150) which is significantly higher than the Scottish Government's default estimate of 400. Unanimously, stakeholders agreed that the default estimate is a significant

underestimation of the housing needs of the existing City population. Benchmarking the default estimate to the number of applicants on the City's Common Housing Register or who are progressing through the homeless service at any point in time, led stakeholders to conclude that the default measure is 'woefully inadequate' and that 'a single RSL could meet the needs of more than 400 households in a single year'.

It was noted that Covid-19 has had a significant impact on the number of households currently in temporary accommodation and also on progress in implementing the Rapid Rehousing Transition Plan. As a result, the backlog of households in urgent housing need is currently significant and will take some time to address. It was noted that as local estimates are based on 2019/20 homelessness statistics, the existing need measure could be a conservative estimate.

In validating the figures, stakeholders sought and attained assurance that:

- the figures derived from the HNDA survey had eliminated any potential double counting across need categories
- the figures utilised from housing waiting lists had been sourced from the Common Housing Register and this comprised of data from Dundee City Council, Abertay HA, Caledonia and Hillcrest. In addition, housing waiting list data was also sourced from Angus HA, Home Group, Blackwood and Bield HA therefore providing a credible and comprehensive measure of expressed demand for alternative housing across the City

Stakeholders supported the principle that the estimate of existing need should extend beyond temporary accommodation, overcrowded and concealed households to measure the needs of those with (i) immediate insecure tenure; (ii) specialist housing needs; and (iii) poor housing condition. This was felt as a justifiable approach given the high levels of 'latent demand' arising from the City's current household population.

In validating the figures for specialist housing requirements, partners questioned the scale of need expressed relative to other Tayside partner areas. It was explained that the estimate of need figure was established using data from the Common Housing Register and waiting lists from other housing associations (resulting in a more conservative estimate than the HNDA Survey figure) as this measure was validated by a medical assessment process and not simply as self-assessment. However, the HNDA survey results do provide interesting context. The scale of households with an illness or disability whose home does not meet their needs is significantly higher in Dundee (43%) than in the wider Tayside population (33%). The survey results suggest that a higher concentration of flatted properties in Dundee limits the range of housing options available to who have particular housing requirements. Having scrutinised the evidence utilised, the suggested local estimate of existing need was assessed by stakeholders as robust and credible.

In addition, stakeholders were asked to consider the range of policy drivers which should be taken into account in selecting a local estimate of new need. Stakeholders agreed that the scale of committed economic development projects will attract households moving into the Dundee area to take up new jobs and employment

opportunities supported by the various infrastructure and development projects promised in the Tayside City Deal.

Stakeholders also acknowledged that the ambition for growth in housing provision should echo the scale of the City's ambition for economic growth. Some stakeholders also questioned the credibility of using household projections as the basis for estimate future housing output.

Finally, stakeholders were asked to consider:

“Does the preferred MATHLR estimate allow us to achieve an ambition to grow housing provision in the Dundee City area?”

Whilst stakeholders commented that the selection of the higher MATHLR scenario (5,200) would align fully to the City's ambition to grow the Dundee economy, some notes of caution were expressed:

It was also acknowledged that whilst the City has progressive economic growth plans, 'not all of this is residential growth – it also focuses on tourism, commercial and retail growth'. Whilst some stakeholders echoed the view that 'we need to reflect on our previous track record - housing outputs do not reflect the 5,200 scenario. The groundswell of stakeholder opinion focused on selecting a minimum land requirement estimate which was just as ambitious as the City's very progressive economic strategy:

It was acknowledged that a partnership approach to proactively tackling any infrastructure constraints that impede housing development will be required to achieve this.

Written comments were submitted from Homes for Scotland on the Scottish Government's initial default figures and an alternative model was submitted based on an all tenure delivery of 25,000 homes per year across Scotland with the estimated minimum HLR figure for Dundee City presented as 4,329. Homes for Scotland response also stated that the Scottish Government's initial default figure was based on existing need figures that were too low, that the 2018 NRS principal projections do not form a good basis for newly forming households and that the 2019 completion figures should be used and that overall the corresponding HLRs, are much too low and do not make sense when compared to current delivery levels and policy ambitions.

TEMPLATE PART 6 – Joint Housing and Planning Senior Official Sign-Off

Instructions

This template should be agreed and signed-off, jointly, by the Head of Housing and the Head of Planning or the equivalent senior official from each department. Typed signatures can be provided.

Take no more than 1 page.

(see page 6 of the Guidance Note)

Head of Housing

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Date: 04/06/2021

Signature:



Head of Planning

Full Name: Mr Gregor Hamilton

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Signature:

