

## **Appendix A – Response to Scottish Government Consultation on Minimum All Tenure Housing Land Requirements**

### **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.

#### **East Lothian Comments**

East Lothian Council agrees with the use of the NRS 2018-based principal household projections as a method to provide a consistent base across the country. This consistency will be vital for the Scottish Government in addressing its spatial growth priorities such as regeneration and repopulation.

The Council also supports the use of the mid-range migration variant. Given the 10 year timeframe for LDPs it would seem prudent to continue to use the mid-migration variant as over such a long period. There is no information that would point to a consistent trend that requires the use of the low or high variants. The probability is that over this period, migration will rise and fall and the use of a mid-range will reflect this, in a similar manner to the use of annual averages for housing land requirements.

## **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.

### **East Lothian Comments**

The default set out in the consultation documents only takes into account households in temporary accommodation on 31st March 2020. This does not include households who are recorded via HL1 as homeless but chose not go into temporary accommodation. It also does not include the current existing need of households who are not captured via the homelessness system. Examples of these households include those who are living in housing that does not meet their current needs, or who are living in institutional settings due to appropriate housing provision either not existing or not existing in sufficient supply. As a result of these gaps, the following methodology is recommended.

### **Homeless**

At 31st March 2021, 667 individuals had live homeless applications, this includes those in temporary accommodation and those who are otherwise homeless. Between 2015/16 and 2018/19 an average of around 5% of households whose cases were closed, were discharged to the private rented sector. This allows an assumed adjustment of a 5% reduction in numbers, as 5% of the need can be met within the existing housing stock. This takes the existing need for homeless households to 634 at 31st March 2021.

### **Overcrowded and Concealed**

The Council agrees to use the Scottish Government default for Overcrowded and Concealed.

### **Support Needs / Special Forms of Housing**

The Council recommends that the following household types are be counted, unless by moving they free up social rented provision (either Council or Housing Association);

1. Households whose housing needs cannot currently be met within existing provision i.e. where the housing type required does not exist in the local area, such as 'core and cluster'.

2. Households that require adaptations which cannot be met within their current housing and need to be moved.

Using the above criteria, the total for East Lothian is 74 households. These are from;

1. Housing Episode Forms – H&SCP complete where housing does not exist and the individual has complex needs i.e. learning disability, mental health, and physical disability. Within these, households who currently live in a Council tenancy where the entire household would be moving to a new Council tenancy have been discounted. These figures have been cross-referenced with the re-housing panel list to ensure that there is no double counting. The total number is 63.
2. Re-housing panel points – Households have been discounted who have an application that is; deferred, an offer is pending or recently been accepted, as well as all those who are transfer tenants (as they will be freeing an affordable home by moving), and all those who are also currently homeless (these will be captured in the Homeless figure). The total number is 11.

### **East Lothian Summary**

Homeless Live Cases, with a reduction of 5% – 634

Overcrowded and concealed – 57

Support Needs / Special Forms of Housing – 74

Total = 765 (The default tool in the Scottish Government figure suggests 478).

East Lothian Council recommends that the levels of existing need in the Housing Land Requirement calculation be amended to reflect the 765 households identified in the above calculation, as this more accurately reflects the need in East Lothian. This figure has been fed into the attached Excel calculator.

## **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.

### **East Lothian Council Response**

The Council agrees with the categorisation of East Lothian as urban and to the subsequent use of a 25% flexibility allowance in the calculation of the Council's Minimum Housing Land Requirement.

Although higher than the 10 – 20% figure set out in the current Scottish Planning Policy, the increase to 25% seems appropriate given the longer timeframe of LDPs.

The Council sees a risk of double counting of the flexibility allowance and requests that the development plan regulations acknowledge this risk and thus do not require that additional flexibility be added at the LDP stage. This would result in an unnecessarily large degree of flexibility and make the implementation of an infrastructure-led approach significantly harder.

## **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.

### **East Lothian Council Response**

Initial Default Estimate = 6,050

**Adjusted Estimate = 6,400**

The Council substantially agrees with the methodology and subsequent outputs of the Minimum Housing Land Requirement calculation. The exception are the revisions to the existing need figures set out under question 2. When these revised figures are put in the Excel Calculator, this results in an increase in the Minimum Housing Land Requirement by 350 to 6,400.

This revised figure is higher than the annual average number of homes completed within East Lothian over the last 10 years. Thus the proposed minimum number will result in housing growth across East Lothian. The delivery of the proposed level of growth will put pressure on the infrastructure and environmental capacity of the area and it is essential that NPF4 puts policy in place that ensures this development will progress in a sustainable manner.

It is vital that any housing land requirement figures are accompanied with a strong 'infrastructure first' policy which is backed up through a wider consideration of how infrastructure is funded, so that the infrastructure needs of new communities are addressed before housing development is implemented. This is one of the key methods through which the place making agenda, which will feature so prominently in NPF4, can be delivered.

A copy of the adjusted Excel Calculator showing the revised figures is 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.

### **East Lothian Response**

The Council undertook a short consultation through the Housing Market Partnership (HMP). This was undertaken through the context of SESplan and related to all the South East Scotland local authorities.

There were a limited number of responses to the consultation but one of the responses, from Homes for Scotland (HfS), covered a multitude of interested parties. This also reflected that the HNDA is currently being progressed and consulted on across South East Scotland and many of the affordable housing providers and those involved in the social housing sector are engaging through that process.

### List of HMP members

The consultation was sent out to over 50 organisations including Homes for Scotland, housebuilders, planning consultants, community groups and local authority representatives.

### Summary of HMP views

The Community groups responded making no specific comment on the methodology or the outputs but highlighting the large amount of recent and planned levels of house building across the region. They highlighted the strain that these levels of growth were putting on the infrastructure of the region and the need to address fully these, often-longstanding, issues when developing future planning policy.

Campion Homes responded stating that the minimum housing land requirements were too low, did not represent the needs of the area, were unambitious and needed to be altered to a higher figure. HfS did not agree with the methodology or the outputs in the Scottish Government consultation. HfS recommends an alternative approach which is not based on the household projections but which extrapolates the 2019 completion figures across the following ten years to give an alternative housing land requirement. This alternative requirement also uses an aspirational national housebuilding figure of 25,000 houses per year derived by HfS.

East Lothian Council does not agree with this alternative approach, as it is concerned about the basis of the numbers and the methodology. There is no justification for choosing one particular year as the base year for the delivery of

housing for the next decade, beyond choosing the year that offers the highest post-recession completion figures.

HfS use the proportions of the overall national housing delivery completed in each local authority area in 2019 to determine the levels going into the future. This means that the authorities that have experienced high levels of housing development in 2019 will continue to do so for the next 10 years. This approach does not allow for the development of a wider national planning strategy as it serves to reinforce existing patterns of development, encourages future growth in the areas that for example are either the most marketable, or where there has been a high level of housing growth following the adoption of a new plan.

As the figure is not linked to any household projections or any other indications of future housing related trends, there is no relationship between these figures and a demonstrated need for housing. HfS highlights shortcomings in using household projections as predictors of what is likely to (or desired to) happen in practice. ELC's view is that the alternative approach suggested does not properly address the issues they highlight.

In the case of East Lothian, the figures represent a doubling of average housing completions over the last 10 years and could not be accommodated within the environmental or infrastructure capacity of the Council area. It is also doubtful that the development industry could practically deliver this level of housing either within the Council area or across Scotland.

As a minimum or even a maximum figure the 12,000 houses presented by HfS for East Lothian is undeliverable and both these outputs and their methodology should be dismissed.

The Council does agree with HfS that more local assessment of existing housing need should be undertaken to feed into the methodology and this exercise has been reflected in the calculations above and through the ongoing work of the HNDA.

The Council does concur with the responses from the community groups which highlight the need for any housing growth over the next ten years to be accompanied by an 'infrastructure first' approach to ensure that high quality environments can be delivered that encompass the objectives of the place making and climate change agendas.

HMP agreement

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

N/A

Due to the timescales involved we consulted the HMP on the basis of the Scottish Government's draft minimum figures. The revised existing needs figures have subsequently been arrived at through the continued development of the HNDA process. Local groups are fully engaged in the HNDA process.

List of Additional Stakeholders

N/A

Summary of Stakeholders Views

N/A

## 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

Full Name:

Full Title:

Email:

Date:

Signature:

### Head of Planning

Full Name:

Full Title:

Email:

Date:

Signature: