

# **National Planning Framework 4**

## **Minimum All-Tenure Housing Land Requirement**

### **Shetland Islands Council Response**

June 2021

**Scottish Government**

**Planning & Architecture Division and Housing & Social Justice**

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

The newly forming households according to the Scottish Government assumptions for Shetland is 150 using the 2018 NRS principle projection.

This was considered unreflective both in terms of the output from historic development and the ambitious plans that are in place for the future.

Over the past 10 years, the completion rate of 993, we have delivered an average of 99 units per year which is considerably more than the 300 as included in the initial assumption provided.

There are a number of significant economic projects and opportunities for Shetland planned for the next 10 years due to the successful Island Deal bid and a number of other economic development opportunities. These will all require a skilled workforce to relocate to Shetland, and proportion of these will be required to require permanent accommodation. As well as ensuring that there are new opportunities for skilled employment, another priority is to provide employment and housing in order to retain our young population.

Further information on future plans are included below -

A link to the Shetland Islands Council Corporate Plan, 'Our Ambition' -

[Our Ambition 2021-26 – Shetland Islands Council](#)

A link to the latest SHIP -

<https://www.shetland.gov.uk/downloads/file/3094/strategic-housing-investment-plan-appendix-1a-2021-2026>

A link to the Shetland Islands Council Economic Development Strategy-

<https://www.shetland.gov.uk/downloads/file/1247/economic-development-strategy>

A link to the Islands Deal –

<https://www.shetland.gov.uk/islands-growth-deal>

A number of scenarios were run including principal, low migration, high migration and principal with a 0.2% growth and principal with a 0.25% growth.

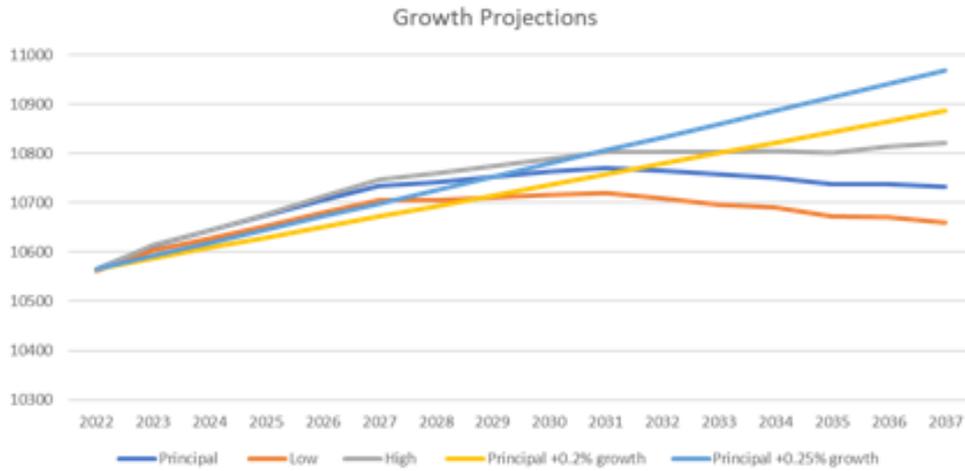
While considering these options, principal, low and high migration showed very little difference and based on the evidence regarding the housing policy drivers and our future ambitions, we have decided the most appropriate scenario is for 0.25% growth leading to 850 units MATHLR.

This is considered a small, prudent uplift of the principal projections, but in line what we want to achieve, as demonstrated below.

By setting a minimum of 850 this will lead to continuing the quantities of units already being provided historically.

### Chart 1 – Household Projections Options

Household projections: 2022 to 2037 plus 15 year total

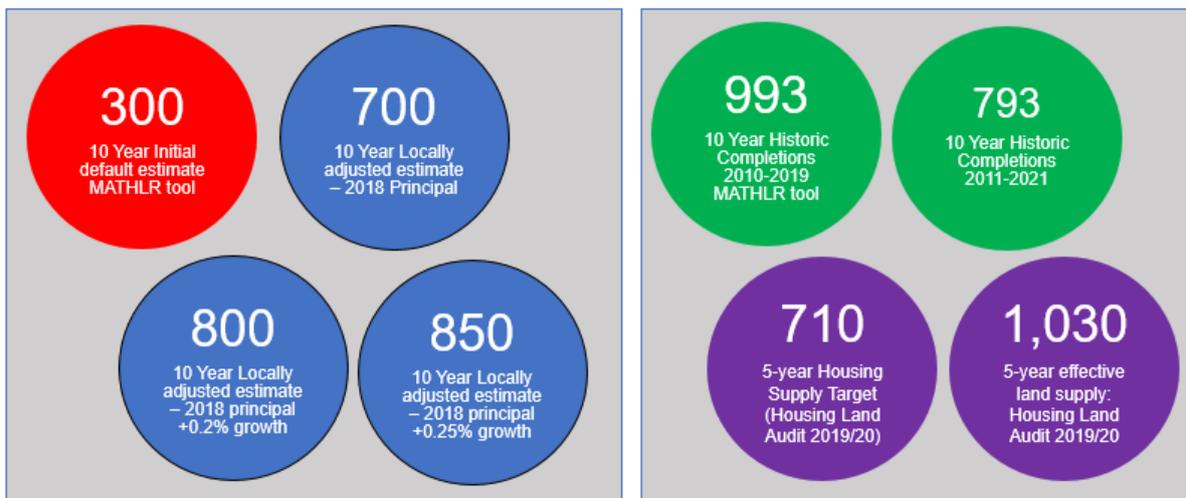


	2,022	2,037	%
Principal	10,566	10,732	101.6%
Low	10,562	10,660	100.9%
High	10,563	10,821	102.4%
Principal +0.2% growth	10,566	10,887	103.0%
Principal +0.25% growth	10,566	10,887	103.8%

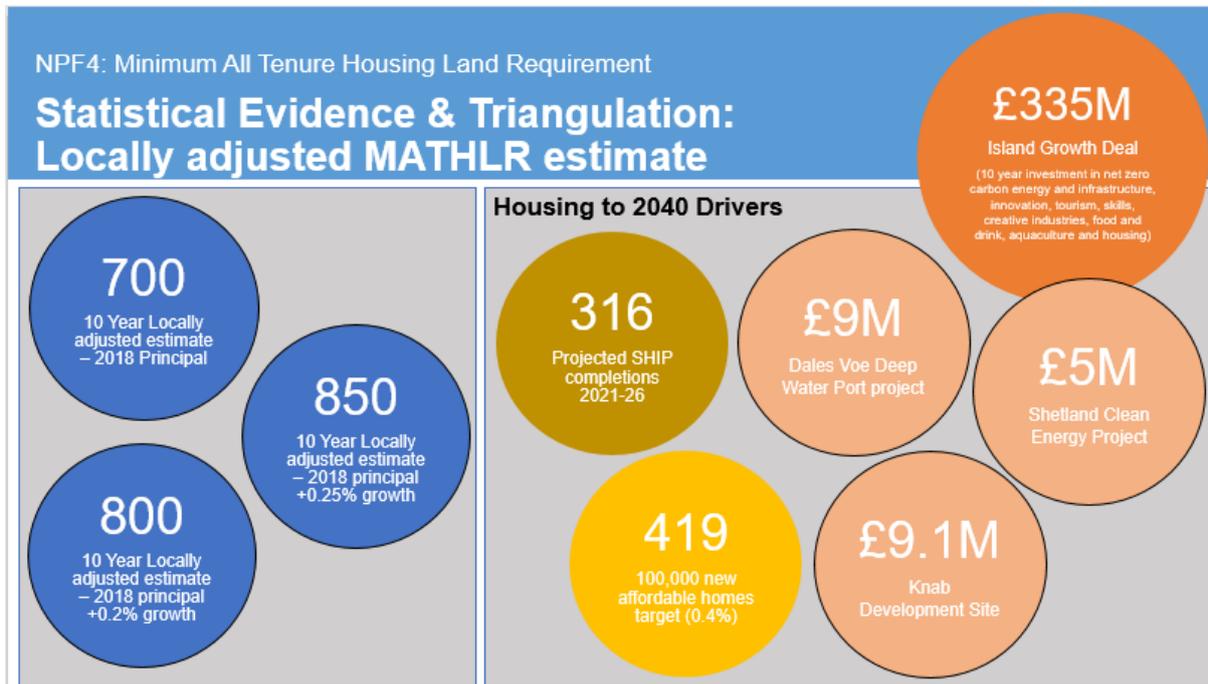
### Chart 2 – Locally adjusted MATHLR Estimates & Historic Delivery

NPF4: Minimum All Tenure Housing Land Requirement

#### Statistical Evidence & Triangulation: Locally adjusted MATHLR estimate



**Chart 3 – Options and Economic Growth Plans In Place for the Future**



## TEMPLATE PART 2 – Existing Housing Need

The initial default estimate using the Scottish Government assumptions for Shetland is 100, using the homeless households in temporary accommodation and households both concealed and overcrowded.

Through the HNDA process, an estimate for the existing need for additional units has been calculated. The data used was extracted from the Shetland Islands Council housing management information as this was considered the most appropriate way to demonstrate the existing need at a local level.

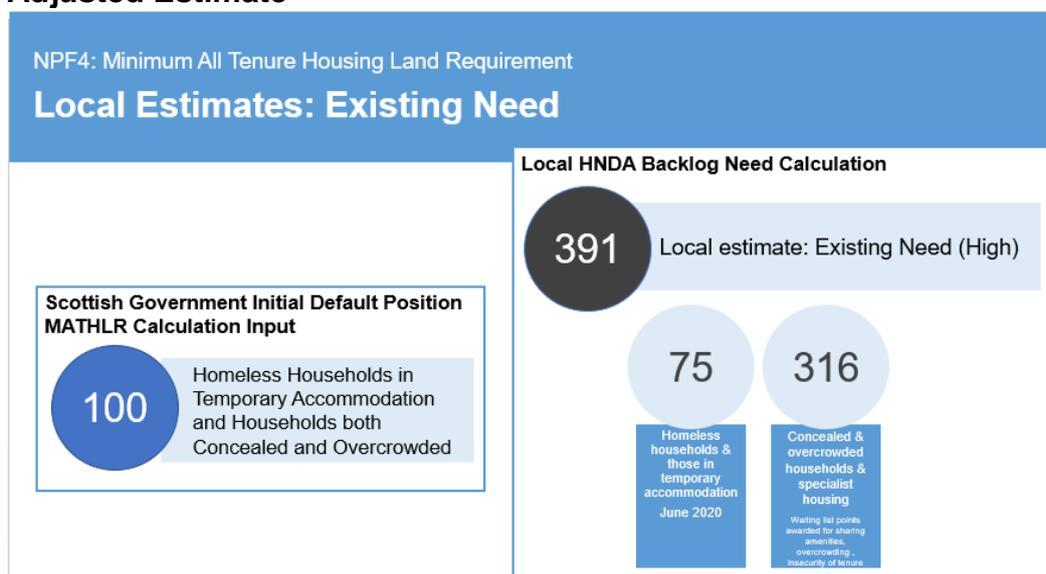
The first step was to identify the number of active homeless cases. The next step was to identify those housing applicants with specific needs. Housing applicants who had been awarded particular points were included in the calculation where their current housing situation included sharing amenities, being overcrowded, not having a secure tenure or social & medical needs. Through the calculation, all duplication was removed to ensure each application was only counted once.

Table 4.1 Existing Housing Need, for additional units

Existing Housing Need, for additional units	Number
Active Homeless Cases	75
Housing Applications Awarded Sharing Amenities Points and Overcrowding Points, Insecurity of Tenure, Specialist Need (removing duplicates)	316
Total	391

Below shows the comparison between the Scottish Government assumption and the locally adjusted estimate.

### Chart 4 – Estimated Need – Scottish Government Assumption and Locally Adjusted Estimate



### **TEMPLATE PART 3 – Flexibility Allowance**

The flexibility allowance of 30% for Shetland as a rural area was considered reasonable for Shetland. Based on the existing need, the flexibility allowance is 200.

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

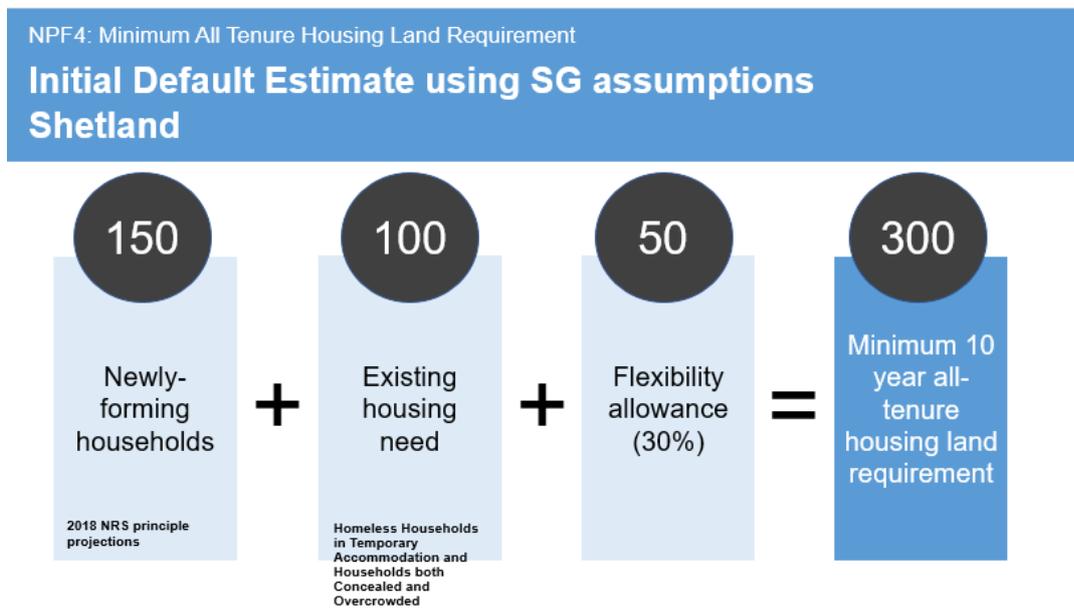
Initial Default Estimate = 300

Adjusted Estimate = 850

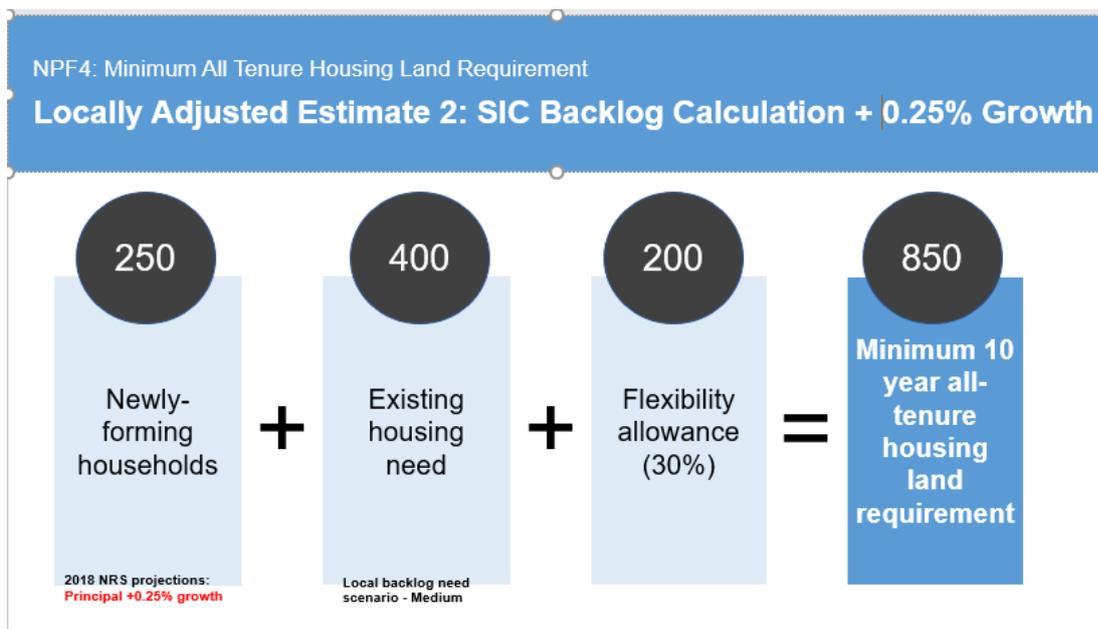
A copy of the adjusted Excel Calculator has been submitted with the response.

Below shows the initial default estimate and our locally adjusted estimate.

**Chart 5 – Initial Default Estimate for MATHLR**



**Chart 6 – Locally Adjusted Estimate for MATHLR**



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

### List of HMP members

We have spoken to our partners and stakeholders to gather views and perspectives on the proposals.

Shetland Islands Council Development Management Team –  
Neil Grant - Director of Development  
Anita Jamieson - Executive Manager Housing  
Iain MacDiarmid – Executive Manager Planning  
Thomas Coutts – Executive Manager Economic Development  
Michael Craigie – Executive Manager Transport  
Vaila Simpson – Executive Manager Community Planning

Suzanne Shearer – Team Leader Development Plans and Heritage  
Monique Hunter – Senior Research & Information Officer, Housing Service

\*Shetland has no volume house builders and no local industry association so it proves hard to engage with them as a group. There is a requirement to engage with them as individual businesses which is unachievable as part of the HMP. Shetland Islands Council's Housing and Planning services are committed to engaging with the housebuilding industry throughout the development of the Local Housing Strategy and the Local Development Plan. The Council's Economic Development service support local businesses including those in the housebuilding industry and are able to provide input on the ambition of that sector to grow and develop.

### Summary of HMP views

- HMP were disappointed by the low number provided by the Government. With a history of delivering circa 99 housing units per annum a MATHLR figure of 300 for 10 years was far too low.
- All in agreement with the increased number of 850 MATHLR and the evidence base used to support this increase.
- They were keen to ensure the Council's ambitions to see Shetland grow and prosper were reflected in the need for increased housing to accommodate the anticipated increased workforce.
- The increase in numbers reflects the ambition of the HMP to deliver the quantities of housing reflected in the HNDA.
- Council Strategies which support the delivery of sustainable settlements and communities throughout Shetland require housing to be delivered across all the Housing Market Areas.

### HMP agreement

Has the HMP agreed your minimum housing land figure?

YES

## List of Additional Stakeholders

A presentation on the locally adjusted estimates and the supporting evidence was given to the group of Members and Officials listed below.

Chairs of all Shetland Islands Council Committees –  
Steven Coutts, SIC Leader  
Malcolm Bell, SIC Convenor  
Alasdair Cooper, Chair of Development Committee  
Emma MacDonald, Chair of Planning Committee & IJB & Depute Leader  
George Smith, Chair of Education & Families  
Robbie MacGregor, Vice Chair of Environment & Transport

Maggie Sandison, Chief Executive, Shetland Islands Council  
Peter Peterson, Executive Manager, Executive Services

## Summary of Stakeholders Views

- Baseline figure too low, revised calculation made sense in terms of the Councils' and Shetland partnerships plans for sustainability into the future.
- Planning and Housing senior officers presented the case for increased numbers and explained the methodology behind the MATHLR.
- There was unanimous agreement that the baseline figure was very low, that it did not reflect the past completion rates.
- The ambition to see Shetland thrive and grow sustainably was emphasised.
- Unanimous agreement that the 850 unit MATHLR was an appropriate increased figure to submit as a response to the consultation to reflect the Council's ambition for economic growth.
- The requirement to provide suitable housing for our existing population was raised and the need to recognise that if we are to fulfil the aspirations in Our Ambition – Shetland Islands Council's Corporate Plan and the Shetland Partnership Plan (LOIP) additional housing will be required for the hoped for increased number of skilled workforce.

Discussions have also taken place with The North of Scotland Development Plans Forum and more detailed conversations with Orkney and the Western Isles Planning and Housing teams.

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

### Head of Housing

Full Name: Anita Jamieson

Full Title: Executive Manager, Housing Service, Shetland Islands Council

Email: anita.jamieson@shetland.gov.uk

Date: 18/06/2021

Signature:



### Head of Planning

Full Name: Iain MacDiarmid

Full Title: Executive Manager, Planning Service, Shetland Islands Council

Email: iain.macdiarmid@shetland.gov.uk

Date: 18/6/2021

Signature:

