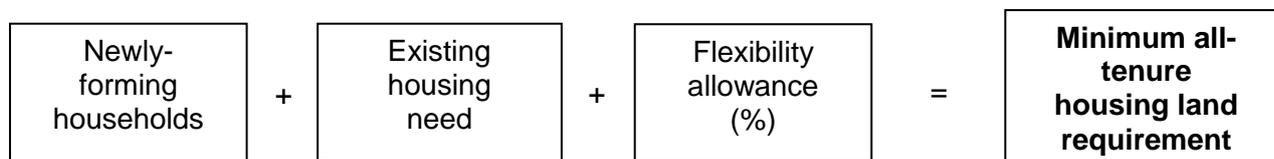


Stirling Council Response to the Minimum All-Tenure Housing Land Requirement – National Planning Framework 4

4 June 2021

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.

Stirling Council Response:

The Council is not in a position to present an alternative household projection for consideration at this time.

The use of the NRS household projections in the calculation of the initial default estimate is consistent with the inputs used in the Council's approved Housing Need and Demand Assessment, 2020 (HNDA). The NRS 2016-based principal household projection was used in the HNDA and considered to best represent the baseline scenario and the best local fit for the Stirling local authority area.

Notwithstanding, the Council has not produced in-house projections and as such, does not possess the type of robust evidence that is needed to adjust the demand input.

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.

Stirling Council Response:

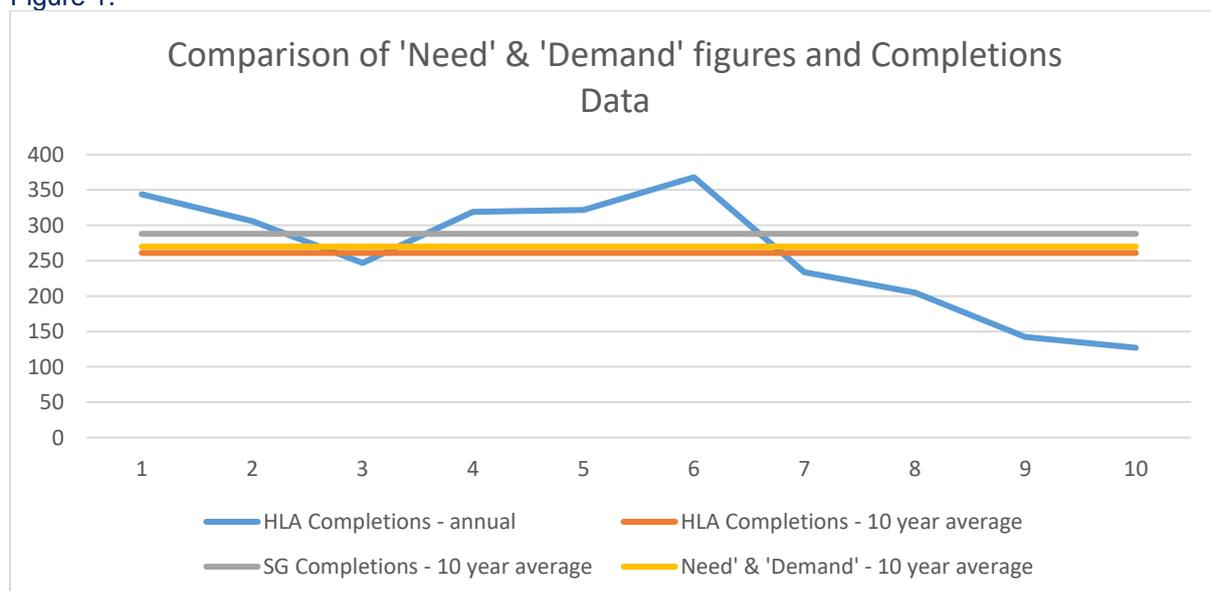
The Council is not in a position to present an alternative housing need projection for consideration at this time.

The Council considers that the number of homeless applications would provide a more accurate measure of housing need; this approach is consistent with the one taken in the Council's HNDA.

Between 2015/16 and 2019/20, the number of homeless applications assessed as homeless or threatened with homelessness in Stirling (including the National Park HMA) has averaged 420 per year. However, this figure would need to be adjusted to remove figures relating to National Park HMA. Furthermore, it is recognised that a proportion of households presenting as homeless would not require a new build home. On this basis, the Council finds the HoTOC model figure of 277 (excluding the National Park HMA) to be an appropriate measure of additional housing units required to meet housing need in relation to the Stirling LDP area.

The figure for newly forming households and existing housing need is closely aligned with both the Scottish Government's and the Council's completions data, as shown in the graph below.

Figure 1.



Source: Schedule of Key Figures, Table 3.

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.

Stirling Council Response:

The Council requests that the Stirling LDP area is reclassified to an 'urban' authority but is nevertheless content with the flexibility allowance of 30%, which will maintain the initial default estimate at 3500.

The justification in support of this request is set out as follows:

- **Functional Housing Market:** SPP highlights the importance of identifying functional housing market areas. The Randall Classification, which is set at a local authority level, does not account for the dynamic and complex nature of housing market areas which often transcend local authority boundaries. Data from the Council's HNDA provides support for an 'urban' classification. It shows that at least 71% of purchasers in Stirling Council area (data includes the National Park area) were from urban areas, of which 20% originated from outwith the authority area.

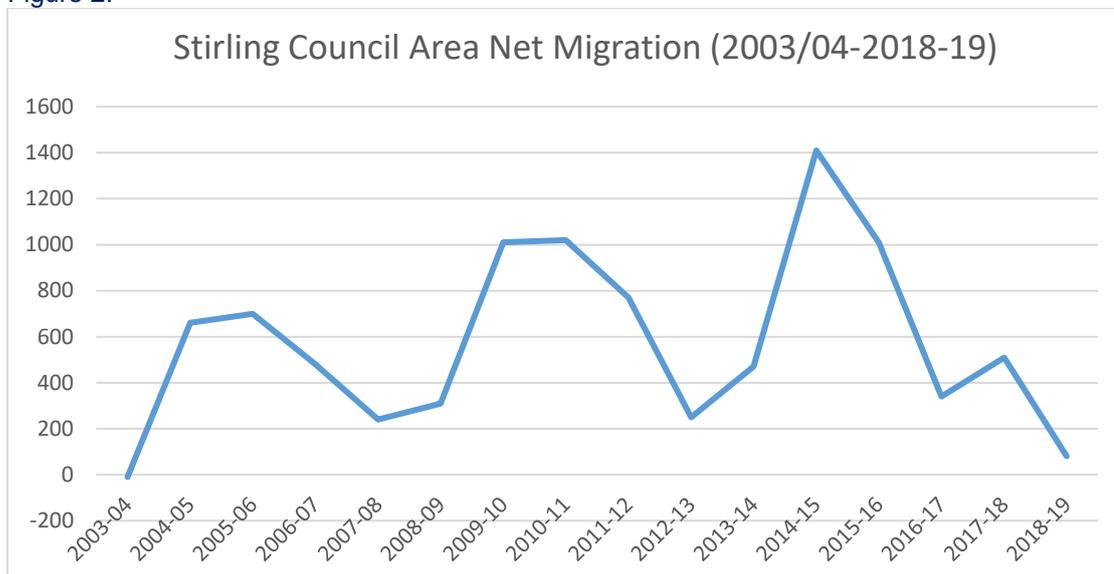
Table 1.

Origin of House Purchasers in Stirling Council Area 2012-15		
Area of Origin	Number	%
Stirling City	2,068	39
Remainder of Core Area	639	12
Rural Area	168	3
National Park Area	229	4
Clackmannanshire	231	4
Falkirk	229	4
Perth & Kinross	142	3
Edinburgh	198	4
Glasgow	423	8
Other Scotland	566	11
Elsewhere in UK	371	7
Overseas	73	1

Source: Stirling's HNDA, 2019-2038, Table 1.4.

- **Migration:** In the Stirling Council Area between 2014/15 and 2018/19, net migration averaged 670 (data includes the National Park area). There is no evidence therefore to suggest that the area is experiencing rural depopulation to justify the ‘rural’ classification and the higher flexibility allowance which has been assigned to it.

Figure 2.



Source: Schedule of Key Figures, Table 4.

- **Rural development pressure:** With exception of the detached northern part of the LDP area comprising the dispersed ‘village’ of Ardeonaig, the Stirling LDP rural area is highly accessible; 50% of Scotland’s population is within an hour of the Plan area, and as such experiences significant housing pressure, particularly around settlements. Between 2010 and 2020, a total of 497 applications were approved for new housing within the countryside, all but four permissions were in the southern Plan area.

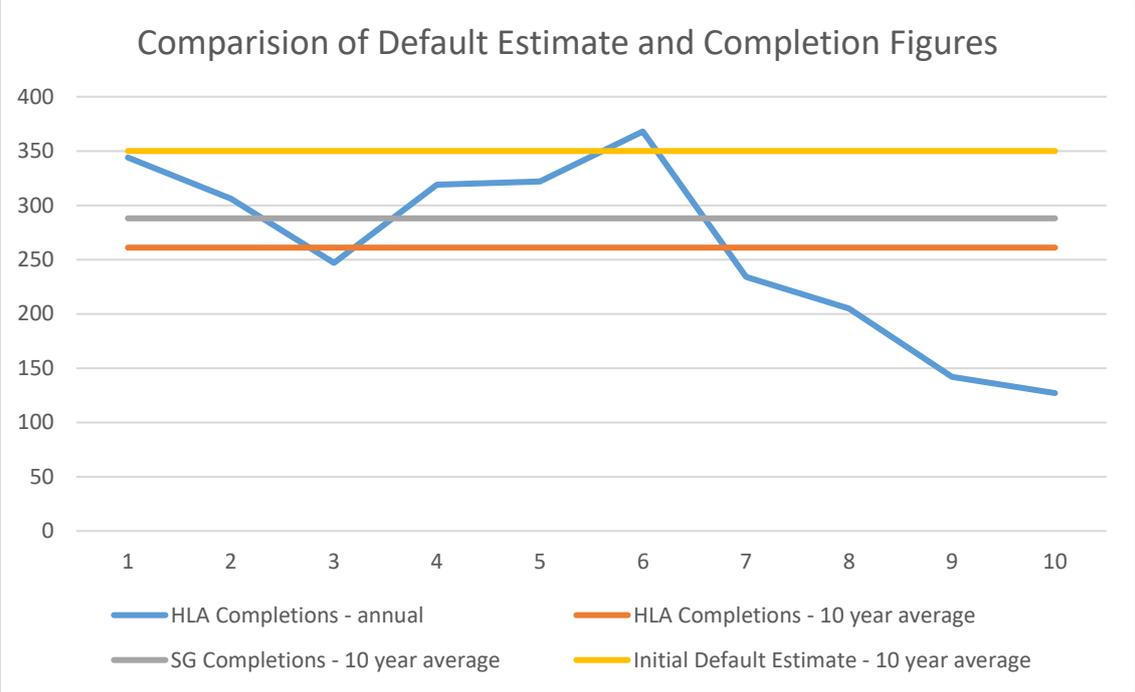
There is also evidence to suggest that demand for countryside living is increasing as a result of the impact of the pandemic and the seismic shift in the way we live and work that it has brought about.

- **Limitations of Randall Classification:** By the Scottish Government’s own admission, the classification tends to over-state the rural population of which Stirling is specifically mentioned.

For the reasons outlined above, it is considered that the Stirling LDP area should be reclassified as an ‘urban’ authority.

Compared to the completions data provided by the Scottish Government, the initial default estimate is 18% higher (or 25% higher compared to the Council’s HLA completions data). Based on the HLA completions data, the annualised figure of 350 has only been exceeded once in the past 10 years – in 2015/16 when 368 completions were recorded. The Council considers however that the locally adjusted estimate is both reasonable and achievable given the confidence that the current downward trend in completions, which reflects a general decline in annual completions since the 10 year ‘peak’ in 2015/16, will be reversed in future years with the expected delivery of the Plan’s strategic housing sites.

Figure 3.



Source: Schedule of Key Figures, Table 3

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 = **3500** (rounded to nearest 50)

Unitary Local Authorities, City Regions and National Parks	NPF4 - Minimum All Tenure Housing Land Requirement					
	10 Year Total					
	Existing Housing Need (a)	Newly-Forming Households (b)	Total (a + b) = (c)	Flexibility Allowance (d)	Flexibility Allowance (25% urban, 30% rural) (c x d) = (e)	Minimum All Tenure Housing Land Requirement (c + e)
Aberdeen City	479	3,323	3,802	0.25	951	4,753
Aberdeenshire	395	4,579	4,974	0.30	1,492	6,466
Aberdeen City Region	874	7,902	8,776	n.a.	2,443	11,219
Angus	157	512	669	0.30	201	869
Fife (North)	148	691	839	0.25	210	1,049
Dundee City	395	1,187	1,582	0.25	395	1,977
Perth and Kinross	117	1,941	2,058	0.30	617	2,676
Dundee City Region	817	4,331	5,148	n.a.	1,423	6,571
City of Edinburgh	2,140	19,905	22,044	0.25	5,511	27,555
East Lothian	478	4,367	4,845	0.25	1,211	6,056
Fife (Central and South)	592	2,764	3,356	0.25	839	4,195
Midlothian	480	5,937	6,417	0.25	1,604	8,021
West Lothian	582	6,477	7,059	0.25	1,765	8,823
Scottish Borders	103	1,267	1,370	0.30	411	1,781
Edinburgh City Region	4,374	40,716	45,091	n.a.	11,341	56,432
East Dunbartonshire	245	2,317	2,563	0.25	641	3,203
East Renfrewshire	97	3,142	3,239	0.25	810	4,049
Glasgow City	3,410	13,745	17,155	0.25	4,289	21,444
Inverclyde	176	0	176	0.25	44	220
North Lanarkshire	921	4,170	5,091	0.25	1,273	6,364
Renfrewshire	309	3,601	3,909	0.25	977	4,887
South Lanarkshire	844	5,379	6,223	0.25	1,556	7,778
West Dunbartonshire	330	7	337	0.25	84	421
Glasgow City Region	6,332	32,360	38,692	n.a.	9,673	48,366
Argyll and Bute	143	0	143	0.30	43	186
Clackmannanshire	145	195	340	0.25	85	425
Dumfries and Galloway	265	63	328	0.30	98	426
East Ayrshire	196	57	252	0.30	76	328
Eilean Siar	69	0	69	0.30	21	90
Falkirk	371	3,833	4,205	0.25	1,051	5,256
Highland	695	2,632	3,327	0.30	998	4,325
Moray	179	1,213	1,392	0.30	418	1,810
North Ayrshire	368	7	375	0.25	94	469
Orkney	49	286	335	0.30	100	435
Shetland	98	136	234	0.30	70	304
South Ayrshire	314	94	408	0.30	122	530
Stirling	277	2,407	2,684	0.30	805	3,489
All Fife	740	3,455	4,195	0.25	1,049	5,243
Cairngorms National Park	52	625	677	0.30	203	880
Loch Lomond and the Trossachs National Park	48	160	208	0.30	62	271

The full excel calculator is enclosed.

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.

List of HMP members

Members that contributed to the exercise include:

- Homes for Scotland

Summary of HMP views

1. Homes for Scotland

Homes for Scotland has provided a set of resources for the Council to consider in order to ensure that NPF4 does not 'under-plan' for housing. HFS findings have been discussed and considered, and the Council's responses to the 'asks' are included within the paper 'A Framework for Locally Adjusted Estimates' which is enclosed. The views and responses are summarised as follows:

- 1. Views on household need:** HFS, in setting out the limitations of the HNDA tool, highlight that not all types of household need are included in the HNDA count and has asked the Council to consider the inclusion of other options as listed in figure 3 of 'Paper 1 – HFS Framework for Locally Adjusted Estimates'.

Council response: In the absence of 'in-house' projections, we support the use of the NRS household projections in calculating the initial default estimate; an approach which is consistent with the approved HNDA. We also consider that any additional types of household need would be best considered and evidenced through the process of reviewing the HNDA. It is agreed that future consideration would be given to this approach.

HFS stance: HFS does not support the use of MATHLRs in NPF4 which reflect only a very limited subset of existing housing need, and so of wider need and demand. We have been pleased to see some local authorities undertaking household survey work, or showing an openness to doing so, to ensure NPF4 plans on the basis of a fuller understanding of need and demand.

- 2. Views on completions and policy thinking:** At the national level HFS has asked that the 2019 completions figures be looked at as the comparison point for

the Scottish Government policy on increasing housing delivery. They have used each authority's 2019 completions in their model for calculating how their 25,000 homes a year aspirational target could be apportioned between authorities.

Council response: In 2019, completions totalled 127 homes which, when input into the HFS model, produces a figure of 1827; this is 1673 (or 48%) less than the initial default estimate of 3500. We consider that such an adjusted figure would be too low.

We also consider that it is for the Scottish Government to set a standardised methodology in meeting the matters prescribed in the new Act in relation to setting housing targets.

HFS Stance: In our discussion with the Council we agreed that 2019-based model does not work in local authorities areas, including Stirling Council, where 2019 completion levels were significantly below average and so not the right starting point for ambitions. We agree with the Council that planning for a continuation of 2019 completion levels in Stirling would produce figures that are too low.

- 3. Views on flexibility allowance:** HFS has indicated it accepts the flexibility rates proposed by the Scottish Government.

Council Response: We do not support the 'rural' classification, however, the Council is not minded to contest the 30% allowance that has been assigned to the Plan area, as set out in Part 3, above; an 'urban' classification is considered more appropriate.

HFS stance: We indicated that any departure from our general position of supporting the Scottish Government flexibility levels would have to be based on clear evidence that the Council had a strong track record of delivering homes on time on a high proportion of the land it identifies for housing in LDPs and audits.

HMP agreement

Has the HMP agreed your minimum housing land figure?

No, HFS has not agreed the minimum housing land figure.

HFS has provided detailed resources to local authorities and the Scottish Government that explain its concerns with the way the MATHLRs have been produced and with the MATHLRs themselves. The areas of dispute, as raised by HFS, include:

- Limited data on existing housing need and insufficient time or guidance within the process for local authorities to address this (other than where work was already in hand). A general position HFS is taking at this stage is that we cannot support any MATHLRs that are not based on fuller evidence of need and demand in individual authority areas and across Scotland as a whole.

- Over reliance on household projections which have inherent limitations as forecasting tools, as highlighted by NRS themselves.
- Disconnection between the process and the figures that it has produced and Scottish Government policy.

HFS has not presented the Council with alternative housing land figure above the initial default estimate.

It is noted that HFS will be writing to all local authorities, and to the Scottish Government, with our final observations and suggested next steps.

List of Additional Stakeholders

None.

Summary of Stakeholders Views

None.

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.

Head of Housing

Full Name: **Stephen Clark**

Full Title: Chief Officer - Housing

Email: clarks@stirling.gov.uk

Date: 03/06/21

A handwritten signature in black ink that reads "S. Clark".

Head of Planning

Full Name: **Chris Cox**

Full Title: Planning and Building Standards Manager

Email: coxc@stirling.gov.uk

Date: 03/06/21

A handwritten signature in black ink that reads "Chris Cox".