

# **National Planning Framework 4**

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

### **RESPONSE TEMPLATE**

**COMHAIRLE NAN EILEAN SIAR  
4 JUNE 2021 (Revised September 2021)**

**Scottish Government**

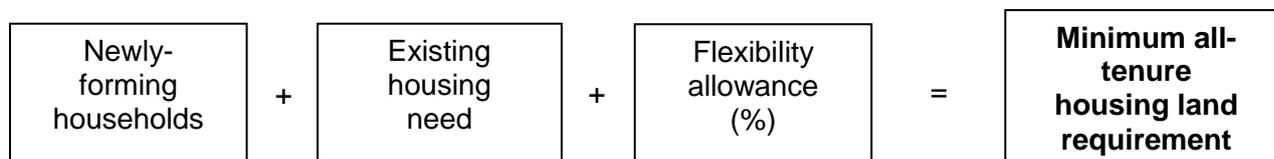
**Planning & Architecture Division and Housing & Social Justice**

**February 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](mailto: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](mailto: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.**

*The Household Projections for the Outer Hebrides as set out in the default model are accepted as a useful starting point, but it is felt that considerable flexibility will be required throughout all assumptions in order to give the Comhairle the scope to address a number of factors such as Population Growth, the Islands Deal and the raft of new Housing initiatives arising from the 'Housing to 2040' agenda.*

*Arising from Scotland's National Population Strategy and in line with the aspiration of NPF4 around rural repopulation, the Comhairle would highlight the Repopulation initiative it is leading on for the [Convention of the Highlands and Islands](#). This repopulation initiative is a 'place-based approach' to demography that create linkages between the national population strategy and a more localised approach to population issues. A collaboration between Scottish Government, Local Authorities and COHI, the aim is to address the unique demographic challenges felt by fragile communities on the north and west periphery of Scotland through targeted, place-based interventions. "Repopulation Zones" will require national Government, Local Authorities and development agencies to focus deep and sustained effort into each Zone. A key aspect of this will be the provision of housing options in these areas, which should be reflected in a more ambitious housing supply figure, across all tenures. It is anticipated that outcomes of this initiative should manifest as newly forming households in 5 to 10 years' time, which has been captured in the amended housing land requirement.*

*Similarly, the Islands Deal will invigorate the island economy and will also require an increased housing supply to support the various initiatives, again necessitating a more ambitious housing supply figure. The Islands Deal of £100m benefiting the 3 islands authorities will lever in a further £235m and is anticipated to create over 1,300 sustainable jobs throughout the islands, with requisite new housing need and formation.*

*In the Outer Hebrides The Islands Deal proposals are presently based around a suite of five projects:*

1. *Outer Hebrides Energy Hub*
2. *Outer Hebrides Destination Development*
3. *Spaceport 1*
4. *Primary Industries Development*
5. *Outer Hebrides Campus Development*

*The profile of the various elements of the Islands Deal concentrates significant investment and outcomes in years 3 to 7 of the 10 year programme, again reflected in future housing requirements and newly forming households.*

*A number of innovation projects linking the Outer Hebrides, Orkney and Shetland are also being developed. These three joint-islands projects are under the following themes:*

- *Skills, Talent Attraction and Entrepreneurial Support*
- *Island Centre for Net Zero Carbon*
- *Creative Islands and Wellbeing*

*These will create wealth and opportunity throughout the islands, attract and help retain an economically activity population, and create further housing demand.*

*A further suite of investment and growth initiatives including the post Brexit Shared Prosperity Fund and town centre and infrastructure investment through the Levelling Up Fund should realise growth and development and resultant economic opportunities and aligned housing requirement. These schemes include transformational transport and connectivity projects which will lever additional investment have 'Place' at their core and will generate housing need.*

*The role out of national housing policy will also have to be factored into any projections. The 'Housing to 2040' initiative aims to deliver a raft of new policy and legislation (much of this yet to be fully developed and quantified and thus leaving a degree of uncertainty at this stage), aimed at improving the housing market and in particular housing supply, so it would be important to have flexibility, particularly in the short to medium term. Current active Housing policy, such as Rapid Rehousing for example, would also need to be considered in setting supply targets.*

*The figures shown in Step 5 represent the anticipated profile curve of Newly Formed Households, in relation to the projects referenced above.*

## 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.**

*The Comhairle would be content to use the prepopulated figures for Existing Need and Housing Completions as a starting point as these are in line with the approach taken to develop the HNDA. However, there are some factors we require to take cognisance of.*

*Existing Housing Need of 69, in accordance with the figures submitted to the Scottish Government in June 2020, is an accurate reflection of households in temporary accommodation on 31 March last year. At the end of April this year, the number remained at 69. However, with the addition of overcrowded and concealed households this figure may be an underestimate, Comhairle nan Eilean Siar had 129 open homelessness cases, with a duty to permanently house 104 of these.*

*Numbers on Hebridean Housing Partnership’s waiting list on 31 March 2021 amounted to 531, which include the numbers outlined in homelessness stats. Of the 531, 124 were existing tenants looking to transfer, thus 407 households are currently waiting for a home that suits their needs in the Outer Hebrides. Some of these will be individuals seeking to relocate to take up employment, but the majority are in situ already.*

*Data for the five-year period from 2012-2021 gives the following total housing list numbers (waiting/transfer):*

2016/17	2017/18	2018/19	2019/20	2020/21
586 (444/142)	583 (435/148)	561 (435/126)	541 (416/125)	531 (407/124)

*The Affordable Housing Programme has an impact on demand, as demonstrated above, but waiting list demand has remained above 400 year on year, and whilst Existing Need gives a picture of homes required as per households in temporary accommodation, it does not give a complete picture of social or economic factors that necessitate a move to a new or more suitable home, neither does it take account of local or national policy objectives in respect of population initiatives.*

*House completions in the last five-year period were as follows:*

2016/17	2017/18	2018/19	2019/20	2020/21
62	61	74	81	57 (Covid Impact)

*The HMP feels that the rounded down figure of 50 at Annex N is too conservative, as evidenced by waiting list numbers, house completions, policy objectives and socio-economic factors. Ideally, we would annualise the need (2020/21 HHP waiting list figures divided by 5) to give a more representative Existing Need of 81 ( $407/5=81.4$ ) in Step 7.*

## **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.**

*The Comhairle is content with the proposed Flexibility Allowance of 30%.*

## 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 = 69 (plus 30% = 90) Rounded down to 50.*

*Adjusted Estimate = 81 EHN + 67 NFH = 148 (plus 30% = 44) = 192 MATHLR*

*As outlined above the model immediately penalising authorities like ours who have small figures to start with, where the actual number are impacted significantly by small alternations or assumptions. Further the '50' rounding does not work for us – in effect halving our evidenced housing need before we even begin.*

*Housing buying market conditions – The latest Registers of Scotland data evidences the anecdotal information around the significant increase in property transactions, some of which can be attributed to Covid relocators. For March 2021 there was a 119% increase in the number of sales from the same period in 2019. Whilst a buoyant market and in-migrants are welcomed, it will alter the current housing supply significantly in the Islands, displacing existing or potential buyers, and disrupting supply. This must be considered when assessing future housing supply.*

*A Skills Assessment produced by Skills Development Scotland for the Outer Hebrides in December 2020 assessed the future demand for skills and job openings in the mid-term, 2020-2023. This showed there would be a need to encourage young people to stay and work and also a need to attract talented new workers to the islands. There are an anticipated 900 job openings for this period, 200 of which are expansion demand and 700 of which are replacement demand, with a greater requirement for people with higher education qualifications. The workforce is expected to grow by 1.4% over this period with a 1.5% increase in Scotland. The forecasts for the long-term (2023-2030) highlight that strong jobs growth is not forecast to continue.*

*A major obstacle to attracting and retaining talent is access to housing for those moving to work in the islands. Access to housing will become more of an issue as, post Covid, more people look to retire to the islands for its safe healthy environment and other people moving to home-work in beautiful island locations. There is a risk that local young people and families are outpriced as housing prices increase to meet demand. The Comhairle's own Social Care Service is currently having to employ a number of agency staff over the coming months due to increasing demand. The Service requires accommodation for these agency staff but accommodation is at a premium and extremely difficult to source.*

*The incidence of windfall and individual self-build are a feature of the Outer Hebrides Housing Market which are hard to forecast which needs to be recognised. A recent increase in pre-app discussions indicate a continued growth in development.*

*The Comhairle would seek that the '50s' rounding measure is not applied to the small figures/data for its areas, as this in effect halves the presented housing supply requirement.*

**Take no more than 1 page**



## 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

*Comhairle Housing Services Team  
Comhairle Development Plan Team*

### Summary of HMP views

*The Comhairle is in the process of establishing a new HMP in line with the most recent Scottish Government guidance for Local Housing Strategies. This process will be completed towards the end of 2021, with a view to developing the next LHS during 2022.*

*At this stage it is not possible to consult with partners wider than the Comhairle's Housing and Planning Teams.*

*The Housing and Planning Teams have worked closely together to consider this exercise and are in agreement with the proposed figure for housing land supply, as well as with the narrative in this document.*

### HMP agreement

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

YES

If not, please explain any disputes

### 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.**

### Head of Housing

Full Name: Iain Watson

Full Title: Housing Services Manager

Email: [REDACTED]

Date: 6 September 2021

Signature: [REDACTED]

### Head of Planning

Full Name: Joe MacPhee

Full Title: Head of Economic Development & Planning

Email: [REDACTED]

Date: 6 September 2021

Signature: [REDACTED]

