

National Planning Framework 4

Aberdeen City and Aberdeenshire

Minimum All-Tenure Housing Land Requirement

ASSESSMENT REPORT

Scottish Government

Planning & Architecture Division and Housing & Social Justice

September 2021

CORE OUTPUTS ASSESSMENT

1 Locally Adjusted Estimate

Aberdeen City Council and Aberdeenshire Council has worked collaboratively to provide their locally adjusted estimates.

	Initial Default Estimate	Locally Adjusted Estimate
Aberdeen City	4,750	7,000
Aberdeenshire	6,500	7,250
North-East Region	11,250	14,250

The locally adjusted estimates for the Aberdeen City and Aberdeenshire planning authorities are primarily driven by the adoption of a high migration variant of the household projections. The authorities consider that the high migration variant provides greater confidence that any increase in need and demand can be accommodated.

The high migration variant gives a locally adjusted estimate which is below historic completions (Scottish Government - 19,886 units; 2010 – 2019 - [Housing statistics quarterly update: new housebuilding and affordable housing supply - gov.scot \(www.gov.scot\)](http://www.gov.scot/housing-statistics-quarterly-update-new-housebuilding-and-affordable-housing-supply)). However, the locally adjusted estimate is reasonable as a minimum when historic levels of delivery are taken into consideration.

2 Household Projections (Newly-Forming Households)

The National Records of Scotland (NRS) 2018-based high migration variant household projection has been chosen for both areas.

The single year data for 2022 to 2037 and total are generated correctly within the Excel Calculator.

Two reasons are given for the use of the high migration variant household projections.

Firstly, both areas have experience positive net in-migration for many years and whilst this has not been the case for 2016-18, the latest 2019 figures show a return to net positive migration for Aberdeen City and a slowing of net negative migration for Aberdeenshire. This suggests that the drop in in-migration is likely to be a short term reaction to a sharp drop in oil prices and that a return to positive net in-migration is beginning again. Were the NRS 2018-based principal variant to be used, there is a risk of under-estimating future growth by projecting forward from a period based on unprecedented circumstances.

Secondly, over the past 10 years the number of completions has been substantially higher than the initial default estimates as based on the NRS principal household variant. The use of the NRS high migration variant brings the locally adjusted estimate more in line with the level of past completions over the previous decade and to avoid an under-estimate.

Household Projection: Default Compared to Adjusted Estimates

	Default	Adjusted
Aberdeen City	3,300	5,100
Aberdeenshire	4,600	5,400

3 Existing Housing Need

Existing Housing Need: Default Compared to Adjusted Estimates

	Default	Adjusted
Aberdeen City	500	500
Aberdeenshire	400	400

The initial default estimate of existing housing need (Aberdeen City 479, Aberdeenshire 395) has not been adjusted by the authorities and Housing Market Partnership (HMP). Whilst the Response Template sets out a critique of the need aspect of the initial default estimate, highlighting that it is considered to be an under-estimate due to housing waiting lists and potential implications of changes to meet net zero targets, no adjustments are proposed or included in the calculator.

4 Flexibility Allowance

Aberdeen City

Aberdeen City use the default 25% flexibility allowance.

Aberdeenshire

Aberdeenshire disagree with the classification of the whole of Aberdeenshire as 'rural' and propose that the flexibility should be set at 25% and not 30%. They consider the area is more similar in character to other City Region authorities which are classed as 'urban' for this work, e.g. Fife or the Lothians. They indicate that Aberdeenshire's overall population density is skewed downwards by the area which lies within the Cairngorms National Park (CNP). The CNP accounts for nearly 25% of Aberdeenshire's total area and is very rural compared with Aberdeenshire as a whole.

The proposed Aberdeenshire LDP has adopted the Scottish Government's 6-fold Urban/Rural Classification to identify 'accessible' and 'remote' areas for the application of land use polices and the below map shows that the majority

of Aberdeenshire is classed as accessible rather than remote using this classification.



In addition, Aberdeenshire do not agree that allocating additional housing land to rural areas will achieve the objective of encouraging rural repopulation. They are of the view that it does not deliver housing in the absence of market demand and adds to constrained supply. They note the prevalence of small scale demand and development of 4 units or less and refer to recent permitted development changes that allow for the conversion of agricultural or forestry buildings to provide up to 5 dwellings.

The Scottish Government has applied a flexibility percentage to all authorities to represent a contingency of land and allow for changes in sites coming forward over the plan period. It has been consistently applied across all planning authority areas through use of the Randall Classification, which is based upon population density within a unitary authority. The rural classification and application of 30% is applied where a unitary authority has a population density of less than one person per hectare.

With regard to the view that allocating additional housing land to rural areas, in its self, may not improve delivery, Housing 2040 (March 2021) indicated that planning should take a more directive approach to where new development should take place and key messages of planning reform refer to enabling delivery. Allocations in rural areas may be considered appropriate to achieve wider outcomes and authorities may support the delivery of these in a range of ways, beyond allocation, making use of resources drawn corporately from across a Council.

It is acknowledged that the changes to permitted development will require monitoring, however it is subject to certain exclusions and Prior Approval requirements. Any conversions will also be unallocated and treated as windfall. It is not anticipated therefore this will have a significant impact on the MATHLR for Aberdeenshire.

Overall, there is a statutory requirement for National Planning Framework to support the outcome of increasing the population of rural areas of Scotland. It

	<p>is for the authority to determine the appropriate location of the land that would accommodate that accrued through the flexibility allowance but the Scottish Government consider it should remain at 30% for Aberdeenshire for the reasons above and to ensure a consistent approach across the country. Maintaining the 30% flexibility equates to a difference of 290 more units to that in the locally adjusted estimate.</p>
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<p>CORE PROCESSES ASSESSMENT</p>	
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<p>1</p>	<p>Using the Response Template and Excel Calculator</p> <p>The authorities have submitted a joint response on the Response Template to make the case for change and word limits are not exceeded. A copy of the adjusted Excel Calculator has been provided.</p>
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<p>2</p>	<p>Housing Market Partnership (HMP) and Stakeholders Involvement</p> <p>The HMP comprises senior planning and housing officers from each authority supported by an internal engagement group. This internal group comprises officers from specialist teams from both authorities: Aberdeen City Council Local Development Plan team, Aberdeen City Council Housing Team, Aberdeenshire Council Planning Information and Delivery Team, Aberdeenshire Council Housing Team.</p> <p>An external engagement group has provided input, comprising Stewart Milne Homes, Barratt Homes, Places for People, Lippe Architects, Castlehill Housing Association, Grampian Housing, Hillcrest Homes, Colaren Home, Kirkwood Homes, Homes for Scotland, Case Consulting, Osprey Housing, Langstane Housing Association.</p> <p>Wider engagement has been undertaken through a number of events with elected members and Community Councils.</p> <p>The HMP was of the view that while it accepts the validity of the NRS 2018 projections as the most current baseline to inform the NPF4, it does not believe they reflect the aspirations for future delivery nor does the initial default estimate reflect the city region’s history of consistent housing delivery.</p> <p>The policy interpretation by the HMP of the initial default estimate is that it is too low and should be replaced by the high migration scenario which, is not only more reflective of the city region’s future ambitions for growth but, aligns with an established approved spatial strategy (i.e. SDP2020).</p> <p>The authority report that there was a general consensus over the course of engagement events that the initial default estimate for Aberdeen City Council and Aberdeenshire Council did not reflect the aspirations of the city region and</p>
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	<p>differed from the approved SDP2020. There was alignment that the housing need and demand for the period of NPF4 lay between the principal projection for the initial default estimate and the housing land requirement of the SDP2020.</p> <p>The view expressed was that the locally adjusted estimate should be split evenly between Aberdeen City and Aberdeenshire and that the rural classification for Aberdeenshire did not support deliverability. The HMP agreed that the high migration projection is the appropriate estimate. There was also a view that need should give due consideration to waiting lists.</p> <p>Supporting representation was received from Newmachar Community Council, Cllr Anne Stirling, Chair of Communities Committee, Aberdeenshire and Cllr Peter Argyle, Chair of Infrastructure Services Committee, Aberdeenshire Council that particularly supported the reduced allocation for Aberdeenshire. Cllr Argyle highlighted that allocating land does not in itself deliver housing in the absence of market demand, and this is particularly true in more remote rural areas, so a pragmatic approach is needed to avoid over allocation and under delivery. Methlick Community Council sought a joined-up approach, agreed by all, which incorporates housing need, service provision with the wishes of the local community.</p>
<p>3</p>	<p>Joint Housing and Planning Senior Official Sign-Off</p> <p>Signed-off by appropriate senior officers of Aberdeen City and Aberdeenshire councils.</p>
<p>4</p>	<p>Statistical Evidence</p> <p>The councils have used some robust sources of statistical evidence to support their case including:</p> <ul style="list-style-type: none"> • NRS, 2018-based household projection - high migration variant • Scottish Government estimate of existing housing need <p>The evidence for the adjusted figures, where they have been made, includes well recognised sources of evidence including the following:</p> <ul style="list-style-type: none"> • Official Statistics and National Statistics • Housing Land Audit • 6-fold Urban/ Rural classification <p>There are alternative sources for completions data. The decision by the council to use the Housing Land Audit for this over other sources, including the default is not clear and there is no indication of the data quality for this source.</p>

5 Policy Evidence

The response references local, regional and national policy drivers including Housing to 2040, SHIPs, SDP and LDPs. However, there are some relevant policy aspirations that do not appear to have been factored in, including outcomes of the Planning Act (2019) and Scotland's population strategy, particularly with regard to population balance and increasing the population of rural areas.

MINIMUM ALL-TENURE HOUSING LAND REQUIREMENT (MATHLR)

For the reasons specified above the proposed MATHLR is:

	MATHLR
Aberdeen City	7,000
Aberdeenshire	7,550
North-East Region	14,550