

ABERDEENSHIRE

LDP

LOCAL DEVELOPMENT PLAN 2016

SUBMISSION No.	041
REFUSED	
3	8
SUPPORTING DOCS	

MAIN ISSUES REPORT ADDENDUM **RESPONSE FORM**

As part of the development of the Proposed Local Development Plan a "Main Issues Report" was published in October 2013. This contained 19 questions, the responses to which we are using to inform the content of the new plan. Importantly the 2013 Main Issues Report was based on a draft Scottish Planning Policy document, which was published by Scottish Ministers in April 2013.

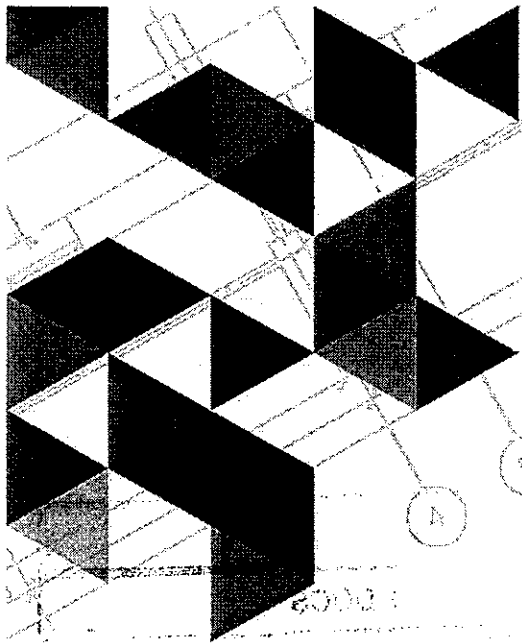
The publication of the final Scottish Planning Policy in June 2014 raised a very small number of new issues on which we would welcome your views. Because of this we have chosen to publish an addendum to the Main Issues Report to highlight possible local interpretations of Scottish Planning Policy.

We are not reopening consultation on the range of other issues that were considered as part of the 2013 Main Issues Report, and ask that you only consider the limited number of additional issues set out in the Main Issues Report Addendum in any response you make.

Please note that further comments on any of the other issues that were included in the 2013 Main Issues Report will not be considered at this stage.

All comments received will be carefully assessed and will be used to inform the preparation of the Proposed Aberdeenshire Local Development Plan. There will be a further opportunity to comment on the specific proposals contained in this plan when it is published, in January 2015.

Please email to ldp@aberdeenshire.gov.uk or send this form to reach us by 19th September 2014.



Please use this form to make comments on the Aberdeenshire Local Development Plan Main Issues Report Addendum 2014. If you are making comments about more than one topic it would be very helpful if you could fill in a separate form for each comment.

Please email or send the form to reach us by 19th September 2014 at the following address:

Post: Planning Policy Team
Infrastructure Services
Aberdeenshire Council
Woodhill House
Westburn Road
ABERDEEN
AB16 5GB

Email: ldp@aberdeenshire.gov.uk

YOUR DETAILS

Title

First name

Surname

Date 18TH SEPTEMBER 2014

Postal Address

Postcode

Telephone Number

E-mail planning@hfm.co.uk

Are you happy to receive future correspondence only by email - Yes No

Are you responding on behalf of another person? Yes No

If yes who are you representing STRATHDEE PROPERTIES LTD

An acknowledgement will be sent to this address soon after the close of consultation.



YOUR COMMENTS

Please provide us with your comments below ensuring you highlight the issue you are commenting on. Please feel free to add any extra pages you may require, ensuring you highlight the issue. We will summarise long comments and in our analysis will consider every point that is made. Once we have done this we will write back to you with Aberdeenshire Council's views on the submissions made. We will publish your name as the author of the comment, but will not make your address public.

Are you answering a question? Yes / ~~No~~

Question Number being answer

PLEASE SEE ATTACHED COVERING LETTER AND PAPER ON LAND SUPPLY AND DISTRIBUTION.

FAIR PROCESSING NOTICE

The Data Controller for this information is Aberdeenshire Council.

The data on the form will be used to inform the content of the Proposed Aberdeenshire Local Development Plan.

This data will potentially be disclosed worldwide (via publication on Internet). We will not publish any address information, but may publish the name of the person completing the form.

By completing and submitting this form, you are consenting to the above processing.

IF YOU HAVE ANY QUERIES REGARDING THE COMPLETION OF THIS FORM, OR REQUIRE FURTHER ASSISTANCE, PLEASE CONTACT:

Aberdeenshire Council,
Planning Policy Team
Tel: 01224 664221



This is the Main Issues Report and associated documents of the **Aberdeenshire Local Development Plan 2016**.

If you have difficulty understanding this document and require a translation, or would like a copy in larger print, please phone us on 01224 665168.

Aberdino srities 2016 metu Vietos plētras plāno Pagrindinių klausimų sprendimo pranešimas ir su juo susiję dokumentai. Jei jums yra sunku suprasti šį dokumentą ir norėtumėte šio dokumento verstos kopijos, ar Dideliu šriftu, prašau kreiptis telefonu 01224 665168.

Это - Отчет по основным вопросам и документы, связанные с Местным планом развития области Аббердиншир до 2016 г. Если у вас имеются трудности в понимании этого документа, и если вы нуждаетесь в его переводе или в копии укрупненным шрифтом, просим позвонить по телефону 01224 665168.

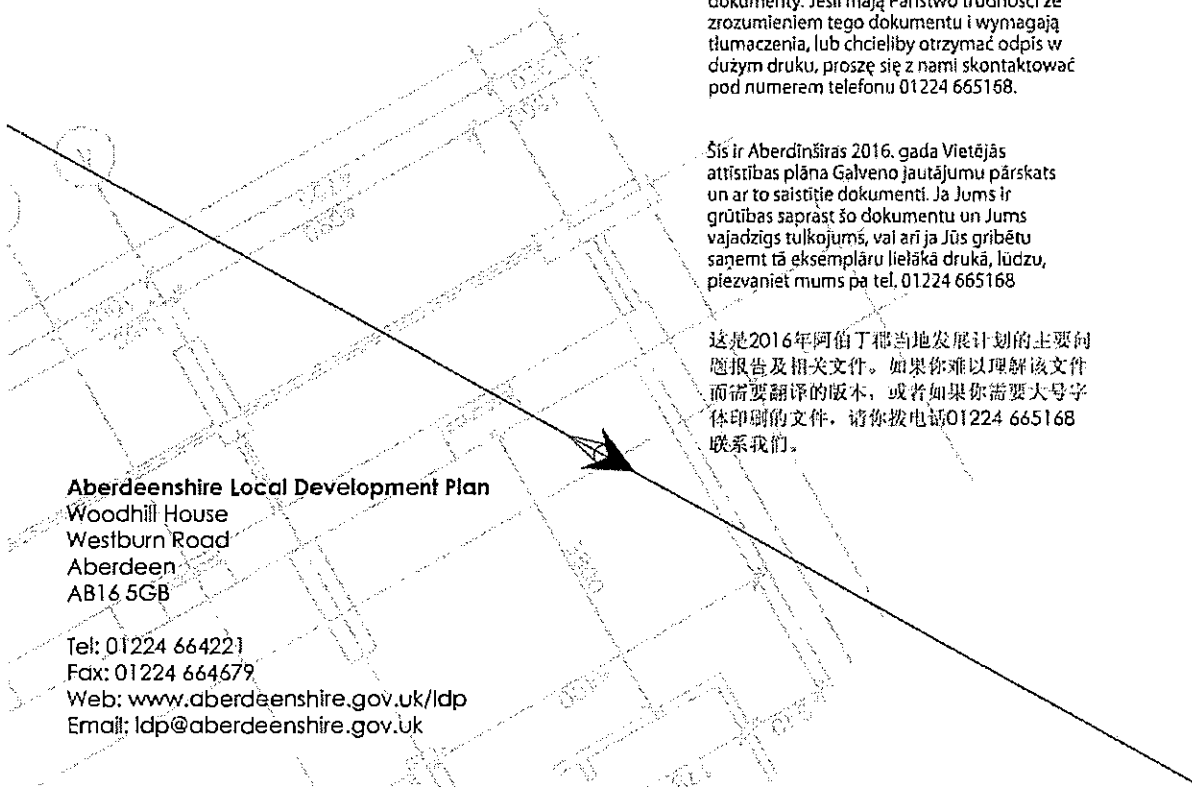
To jest Sprawozdanie na temat Głównych Zagadnień Lokalnego Planu Rozwojowego Aberdeenshire 2016 i powiązane z nimi dokumenty. Jeśli mają Państwo trudności ze zrozumieniem tego dokumentu i wymagają tłumaczenia, lub chcieliby otrzymać odpis w dużym druku, proszę się z nami skontaktować pod numerem telefonu 01224 665168.

Šis ir Aberdīnšīras 2016. gada Vietējās attīstības plāna Galveno jautājumu pārskats un ar to saistītie dokumenti. Ja Jums ir grūtības saprast šo dokumentu un Jums vajadzīgs tulkojums, vai arī ja Jūs gribētu saņemt tā eksemplāru lielākā drukā, lūdzu, piezvaniet mums pa tel. 01224 665168

这是2016年阿伯丁郡当地发展计划的主要问题报告及相关文件。如果你难以理解该文件而需要翻译的版本，或者如果你需要大号字体印刷的文件，请你拨电话01224 665168联系我们。

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HALLIDAY FRASER MUNRO
PLANNING

P1857/SL/lc

18th September 2014

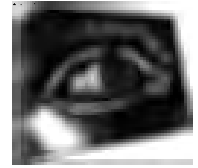
(by email to ldp@aberdeenshire.gov.uk)
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Dear Sir / Madam

**RESPONSE TO MAIN ISSUES REPORT ADDENDUM
ABERDEENSHIRE LOCAL DEVELOPMENT PLAN 2016
Ma052 CAIRNIE, HUNTLY
STRATHDEE PROPERTIES LTD**

This letter and enclosure comprises our response to the Local Development Plan Main Issues Report (MIR) Addendum in respect of the above development bid. It comments on Main Issue 4: Land Supply and Distribution.

Response Summary

We consider that additional housing land is required to be allocated across Aberdeenshire in order to meet the necessary development requirements. A range of effective and deliverable sites have to be allocated in the forthcoming Local Development Plan to ensure housing targets are met. We believe that the land at Ma052 Cairnie, Huntly is an effective housing site that can be delivered to meet LDP housing targets.

We note the updated requirement through Scottish Planning Policy for Local Development Plans to allocate sites for development that 'are effective or expected to become effective in the plan period' and fully endorse this. We believe that the land at Ma052 Cairnie, Huntly meets this important criteria.

The MIR addendum refers to 'continued progress in delivering the vast majority of existing development allocations'. Having reviewed the June 2014 Housing Land Audit figures, we do not agree that this is the case. The majority of projected house completions are tied up in large sites which are yet to come on stream. Tables 1-4 in the attached paper demonstrate this in more detail.

Introduction

Taking on board the officers' comments in the MIR, the development bid site at Bin Avenue, Cairnie, has been reduced from an area of 3ha suitable for 30 houses to 0.6ha suitable for eight to ten houses. This scale of development is considered more in keeping with the scale of the existing settlement and will reduce the impact on infrastructure and services to a more acceptable level. This is discussed in more detail below.

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Housing Land Supply

Please see enclosed statement on Housing Land supply. This outlines the justification and need for additional housing in the 'Local Growth' part of the Rural Housing Market Area and the requirement to allocate future development sites such as that proposed at Bin Avenue, Cairnie. There is a clear need for a range of housing sites to be allocated in the forthcoming Local Development Plan. A small site such as the reduced bid for Cairnie does not require the substantial infrastructure investment of the scale that can delay larger development sites coming forward. Strathdee Properties Ltd recent gained planning permission (APP/2012/2852) for eight houses on the adjacent allocated 'H1' site. This site is being developed on a self build plot basis, thereby contributing to the supply of accessible, affordable housing in the area. This also attracts families to the area, bolstering the primary school roll.

Settlement Objectives and New Development Sites (Cairnie and site Ma052)

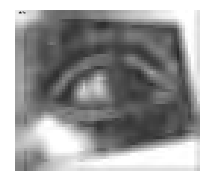
A development bid was submitted proposing up to 30 houses to be allocated on land south of Bin Avenue, Cairnie. This is adjacent to both existing housing and the land benefitting from planning permission for eight houses. The officers' comments in the MIR state that:

'the site itself presents no significant environmental issues ... constraints exist in relation to water provision and sewage capacity ... scale of proposal is significant ... landscape implications ... no services within the settlement ... proposal of this size unlikely to result in creation of further services due to proximity of Huntly.'

As a result of the above comments, the scale of the development bid has been reduced accordingly. Plan ref Cairnie/LP/01(b) forms part of this MIR response and illustrates the area now proposed to be allocated as the next phase of housing in the Cairnie settlement. The area extends to 0.6 ha and could accommodate eight to ten dwellinghouses. The reduction of the development bid area addresses the following concerns expressed by officers:

- No landscape impact. The scale of development proposed, on the south facing slope, will integrate with existing and proposed housing in the settlement. The settlement pattern has already established housing on both sides of Bin Avenue, and the current proposal represents the moderate, measured expansion of this;
- The scale of development now proposed will have a much lesser impact on water and drainage infrastructure. This allows for existing capacity to be used and small-scale upgrades progressed as necessary;
- In terms of services within the settlement, Cairnie has developed organically and benefits from a primary school, village hall and church. Although it may not have retail facilities for example, it is an established settlement with good roads and drainage infrastructure. The adjacent A96 provides a close link to Huntly and its services and employment areas. It would be unusual for a rural settlement of this size and character to support many more services and facilities. Cairnie does however still occupy an important place in the area's settlement hierarchy and should be permitted a reasonable level of future housing opportunities. This will support existing facilities such as the primary school, rather than the alternative of no future development, no new

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18 September 2014

Aberdeenshire Council – MIR Response Ma052

families coming to the village and the eventual closure of the school due to a declining roll.

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Having regard to the foregoing, we would respectfully request that the amended development bid area (plan submitted January 2014) be supported as future residential development allocation in the forthcoming Proposed Aberdeenshire Local Development Plan for up to ten houses.

Should you have any queries on the above / enclosed, or require any further information, then please do not hesitate to contact me.

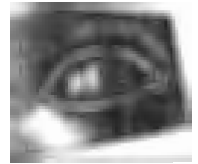
Yours faithfully



**Associate Planning Consultant
Halliday Fraser Munro Planning**

cc. Strathdee Properties Ltd

Encs. Housing Land Supply Statement.



4. Land Supply and Distribution (Previously Main Issue 12)	General Position
<p>4.1 Section 5 of the 2013 Main Issues Report presented a discussion on the supply of land for development within Aberdeenshire. On the basis of the housing and employment allowances within the Proposed Aberdeen City and Shire Strategic Development Plan, the Main Issues Report identified that the land allocations within the 2012 Local Development Plan are expected to be sufficient to meet development requirements for the whole of the period of the 2016 Local Development Plan. The Main Issues Report therefore presented a “Preferred Option” of not allocating significant additional development land within the 2016 Local Development Plan. Since the publication of the Main Issues Report new information has emerged, particularly in respect of housing. This is discussed below.</p>	<p>The significance of this additional consultation stems from two factors:-</p> <ol style="list-style-type: none"> 1) The changes made to SPP2014 and particularly the definitions of effective land supply; and 2) The fact that the Shire’s “preferred option” did not allocate significant additional development land within the proposed 2016 LDP. <p>We have to examine why the changes were made to the SPP2014. What were the drivers in the first place? What was the context, against which this change was deemed necessary by the Scottish Government?</p> <p>Then we need to establish whether the “no change” approach proposed by the Shire is a competent response; and, if not, what would be a better way to address the problem in planning terms.</p>
<p>4.2 Firstly, whilst the Proposed Strategic Development Plan’s housing and employment allowances were subject to challenge when the Main Issues Report was published, the subsequent Examination Report has concluded that the allowances are appropriately generous and the Strategic Development Plan has now been formally</p>	<p>Para 4.2 Examines the background to this consultation and cites two key policy developments as supporting the “no change” response from Aberdeenshire Council. We will examine these in detail in due course, but firstly will revisit the wider context.</p> <p>Yet folk are saying ‘we have a housing crisis’. There continues to be a wide concern in Scotland about the inability to deliver housing numbers in anything like the quantity we</p>

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approved. Revised 2012-based household projections were also published by National Records of Scotland in July 2014 - <http://www.gro-scotland.gov.uk/files2/stats/household-projections/2012-based/2012-house-proj-publication.pdf>. These take into account data from the 2011 Census and show household projections for the Aberdeen and Aberdeenshire area which are significantly lower than the previous 2010-based projections, thereby providing further confidence that the Strategic Development Plan's housing allowances are appropriate to meet development requirements over the long term.

require, just to keep pace with the demographics. In 2013 there were 14,700 houses built across the whole of Scotland when the requirement was nearer to 30,000 homes. Successive Scottish Governments have examined why this state of affairs prevails. Even during the early part of this century when we experienced year on year economic growth – the average annual completions through to 2008 was 23,300 per annum, still a shortfall against requirement. Since the financial crisis, these figures have fallen by approximately 40% per annum to an annual completion figure of 15800 since 2008. If the requirement has remained static at 30,000 (for a while the Scottish Government had a target of 35,000 homes per annum) that means that there has been a total shortfall since year 2000 of nearly 150,000 homes not built in Scotland. Since the financial crisis the annual shortfall has risen from 10,000 per annum to nearer 15000 per annum.

With figures like these it is little wonder that housing professionals describe the issue as a 'housing crisis'. It is not a housing crisis where we witness homelessness (though this remains an issue in pressured market areas). It is more a crisis which is manifest in market reactions such as the rapid growth of the private rented sector, worsening affordability and increasing land prices. These price/cost issues are monitored through the average earnings to average price ratios. Before the 1980s the long term average of house prices to earnings ratio was running consistently at 3.5. Today we've reached a point where house prices are 7.5 times average incomes. This so called housing crisis is therefore manifest as a ticking time bomb. In other words we are storing up problems for the future. The planning system should therefore be well placed to provide solutions looking to the future.

Has the North East of Scotland been immune from these problems? No. Aberdeenshire now has some of the least affordable housing areas in Scotland such as Royal Deeside. Has planning been to blame? Partially – but what is more important is that the planning system can play a significant part in solving the problem.

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The response to the demographic requirements, first set out in the 2009 North East Scotland Structure Plan, did look like the answer to a 'wake-up call'. From a position where a few thousand additional houses were required per plan cycle, we went to the recognition that nearer 72,000 new homes would be required before 2030. Annual completion targets would have to rise from 2000 per annum to over 3,000 per annum in order to achieve these sorts of numbers. And the 2012 LDPs from Aberdeen and Aberdeenshire duly set out housing land allocations which complied with these revised, significantly higher figures.

Have we achieved what we set out to do? Well, from a point in 2008 when we were finally realising that we needed the numeric equivalent of another Aberdeen to be built over the next 30 years, the completion return on the ground do not look hopeful. Completions have continued to decrease as the housebuilding sector has struggled to regroup and reorganise post financial crisis. It has taken a mortgage subsidy provided by the Scottish Government (Help to Buy) to offer any glimmer of growth.

Against these trends there have been two Scotland wide Think Tanks which have examined the problem in detail. Firstly in May 2014, the Land Reform Review Group [LRRG] reported on its remit from the Scottish Government. This meant that it looked at urban land and housing as well as rural land. Then in July 2014 the RICS Scottish Housing Commission published a report covering similar territory. It would be fair to characterise the findings of both of these Think Tanks as the system being broken and reform is urgently required. The LRRG suggests "*there was a significant degree of consensus around the nature of the land aspect of housing development. It was generally seen as a three dimensional problem: accessing land (how land is made or becomes available for housing); the price of land for housing development; and the operation of the planning system (which tends to work in a reactive manner, rather than perform a more proactive, enabling role). It was pointed out that it is how these three aspects of land supply interact together which creates the land*

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	<p><i>supply problem for new housebuilding.</i>” The LRRG recommends significant overhaul of the delivery mechanisms for housing – especially relating to the land supply.</p> <p>The RICS Housing Commission supports the LRRG findings on land supply. It takes a step further in relation to planning. It quotes Audit Scotland’s report...<i>“Our analysis suggests that it could be more than 20 years before there are enough new homes to meet the projected increase in households in any one year”</i>. But it goes much further in terms of the action that can be taken by planning authorities. Its bold recommendation to Government is:-</p> <p><i>“The Scottish planning system should deliver at least a 100% increase in effective supply of land for development by 2016, and that all Local Authorities should be able to demonstrate a 10 year effective land supply as standard”</i></p> <p>The RICS Commission goes on to explain <i>“This increase in land supply would help the orderly business preparation of developers and would help reduce land costs. Housing land costs are high and are a root cause of unaffordability and house price inflation. The Institute of Public Policy Research (IPPR) have concluded that there has been an under-production of 100,000 homes in Scotland over the last decade and HFS argue, following an analysis of Scotland’s mainland local authorities’ provision of effective land supply, that the number of required sites that for the next five years is already 55,000 units short. Accordingly, the Scottish Government and local authorities must be bold and demonstrate strategic leadership in this key area by accelerating credible land supply to match the scale of Scotland’s housing challenges of today and tomorrow.”</i> Note the reference to undersupply – in other words ‘shortfall’.</p> <p>So the advice from Think Tanks and now policy from Government has been to the effect that <i>“We have a problem. We need to solve it”</i>.</p> <p>SO – What has been the response from the Shire that we see in this additional SPP Consultation? It can be characterised as:-</p>
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	<ul style="list-style-type: none">• We zoned enough housing in 2012 and we need to protect those sites already zoned from further competition;• There has been no change to the Strategic Development Plan with which we have to comply so we don't have to do anything more; and• The census tells us that there is now not such a severe demographic problem in terms of household formation. <p>Set against the wider context this would not seem to be a reasonable response.</p> <p>In terms of the land already zoned in the 2012 LDP, the argument that these sites somehow need to be "<i>protected</i>" from competition has no basis in fact and no basis in law. The notion arose from the same thesis that presumes zoning large sites would work best because the economics of those sites, and particularly the infrastructure costs would then be more easily funded. These ideas have been fostered through many 'viability' discussions which the Shire has conducted as a pioneer of the 'planning gain' system.</p> <p>However in reality the effectiveness of any sizeable site is limited by the number of homes it can realistically sell into that local market in any one year. The Aberdeen and Aberdeenshire Housing Land Audit evidences this truism. If you examine the largest sites allocated in the Aberdeen Housing Market Area there are ten sites over 1000 units with the largest, Grandholm, being 7000 units. Tables 1-4 show that even going by the figures reported by the developers of these sites – they will only contribute at 50% of expectation (half the number required in any one year and twice the time to develop). Given there are 22000 homes zoned in these ten sites alone, there is a consequential & significant risk to housing delivery, and to the LDP strategy as a result.</p>
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In this context to claim that the ten sites need to be protected from competition is wrong and misguided. If you factor-in the issues surrounding the last ten years' shortfall – then the argument become naïve. There is nothing anywhere in planning legislation which suggests market positions should be protected. Clearly more competition will impact on prices, but in a context of affordable housing difficulties this is exactly the prescription which should be followed. Moreover it is difficult to see how using the planning system to protect sites from competition complies with legislation concerning fair competition. In effect the planning authority is being asked to protect a monopolistic circumstance. How is this in the public interest? It is worth pointing out that when such a shortfall occurs south of the border in England, the numbers are rolled-forward and added to the next five year requirement. This is very significant.

There is clear guidance to planning authorities about choice in terms of housing markets. Is this being ignored? If so why? If we factor-in the housing shortfall we have experienced over the last 5 years then the arguments become even more sharply defined.

Sadly, the reaction of planning authorities to such a shortfall is simply to increase the overall allocation by an equivalent amount, in a simple linear mathematical fashion without thinking of the dynamic of the housing market. As an example, it is likely that the shortfall across the plan period in one of the SGA Areas in Aberdeenshire could be in the region of 750 houses set against an allocation of 2200. The reaction of saying 'very well – we will zone an additional site of 750 units' misses the point that this site will only supply 100, perhaps 150 units per annum. In terms of the shortfalls, several sites of that size are required to compensate, each producing 100 units per annum. Only in this manner will the requirements be adequately met, the shortfalls caught-up and affordability tackled; more sites in marketable areas. Supply is key to solving the 'housing crisis' both locally and nationally.

So in terms of the first rationale for the “*no change*” position on the Shire LDP, Aberdeenshire Council has scant justification for following this line. Moreover it is easily characterised as the Shire ‘doing nothing’ when it should be helping to overcome one of the key risks to our economic future in the north east, namely the absence of houses for workers. We are aware that economic investment choices are being made by companies on the basis of difficulties recruiting, securing and retaining staff. They are choosing to locate elsewhere in Scotland because of housing shortages in Aberdeenshire. Westhill is a prime example of this issue.

In terms of the second rationale – that the SDP for the area has not changed and we have complied with the numbers through our efforts in the 2012 LDP – this just ignores all the evidence from recent HLAs. Or, more likely, just ignores the evidence. It is no secret that to recommend additional development will be controversial and politically difficult. However that is not the basis upon which LDPs are produced. *The right development in the right place* is the underlying mantra of planning today and both the LRRG and the RICS Housing Commission have underlined this imperative. We contend that to meet requirements there is a need for half a dozen additional, sizeable sites all capable of producing a steady supply of houses per annum so that the SDP targets are met.

The final justification is the least convincing of all. To suggest that a small decrease in household formation rates justifies no additional allocations in the 2016 LDP shows a worrying lack of attention to detail. One only has to witness the huge influx of workers to Aberdeen/Aberdeenshire on a Monday morning to understand the scale of the economic drive currently taking place. The demand for temporary accommodation is increasing exponentially. This is fuelled by a number of factors including:

- the imminent need for AWPR construction worker accommodation;
- the new North Sea Helicopter Regulations with smaller passenger pay loads and

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	<p>restrictions on the number of additional flights that Aberdeen Airport can accommodate;</p> <ul style="list-style-type: none">• the pressures from the explosion in construction projects round the City such as PrimeFour, ABZ, the Core, Gateway, City South;• the pressures from Oil & Gas and Renewable sector conferences;• the withdrawal of University Accommodation from non, term-time letting; and• the basic and fundamental absence of affordable housing – whether rental or for sale. <p>It is this last point which underscores the weakness in the 2011 census argument made by the Shire. There is little doubt that if affordable housing were available, then many of the weekly commuters would simply move to Aberdeen. We hear many businesses saying that the biggest constraint on them investing in the future of the North East Economy is the lack of affordable housing.</p>
<p>4.3 Secondly, an update to the Local Development Plan Action Programme was published in May 2014. This shows continued progress in delivering the vast majority of the existing development allocations and reflects the proactive work being undertaken by the Council's Delivery Team, who are liaising closely with the development industry and other key stakeholders to help bring forward sites for development. The full 2014 Action Programme Update can be viewed online at: http://www.aberdeenshire.gov.uk/planning/plans_policies/LocalDevelopmentPlanActionProgrammeUpdate-May2014.pdf.</p>	<p>The Action Programme is not a Plan – it is a monitoring exercise where potential blockages (mostly infrastructure) are identified. This is a great improvement in terms of assessing and monitoring deliverability information. However the information relating to utilities in particular is scant and not publicly available in a manner that would assist with planning and deliverability. Too much is now hidden beneath commercial confidentiality to enable sensible, public interest driven coordination of infrastructure delivery. The real test of the Action Plan is whether it has resulted in any substantial additional investment in the key infrastructures required to deliver additional housing.</p> <p>Much of the Action Programme is detailed analysis and monitoring of what will be delivered under Section 75 and when it will be delivered. Public reporting of this detail is welcome. The significance is, however, that it shows how far into the future the delivery of facilities and infrastructures are pushed in the name of viability. The very facilities and infrastructures</p>

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	<p>promised, that made a development deliverable, now get postponed till too late in the day and folk are left in housing estates without decent facilities. The real test of the Action Plan is to see whether the capital investment profiles of the major utility companies and social infrastructure providers have been shifted.</p>
<p>4.4 In addition, the 2014 Housing Land Audit (HLA) was finalised in June 2014 in consultation with the house building industry and other relevant bodies. It can be viewed online at: http://www.aberdeenshire.gov.uk/statistics/index.asp.</p>	<p>The razzmatazz in the press release which heralded the publication of the latest 2014 Housing Land Audit (HLA2014) will hopefully not be seen as hubris. Was it necessary to make such a song and dance about the land which has already been zoned? Perhaps that was the point – that in the face of likely challenge some good publicity would help. However as we have stated above – there are national and local indicators (many of which are within the HLA2014) which are of great concern. Were the tone of the over-riding analysis and text – “we know we have a housing crisis, we want to work together to resolve this” then there would have been good cause to celebrate and publish press releases. One of the reasons that ‘shortfall’ is being focussed upon in greater detail is that it more adequately shows past performance. In reality it is relatively straightforward to zone sites; to add sites; or to put red lines around sites. It is self-evident that this can be done since both City and Shire have done so. However - It is far more difficult to make these sites deliver or deliver at a rate which is consummate with the targets set out in the SDP.</p>
<p>4.5 The 2014 Housing Land Audit continues to show a healthy housing land supply, with the overall effective land supply for the next five years in Aberdeen and Aberdeenshire increasing by 5% in comparison with the 2013 audit (Table 1). The audit shows that there is currently a 5-year effective land supply equating to 6.2 years of the housing requirement in the Aberdeen Housing Market Area (AHMA) and 6.6 years in the Rural Housing</p>	<p>It may well be possible to demonstrate a 5 year land supply. We have heard justifications from officials that the present supply is a 6 years, even 7 years supply. This takes no account of the consistent shortfalls which have transpired, in spite of there being a 5 year land supply. It is as if the planning authority is able to say – “<i>as long as we have a 5 year supply it doesn’t matter; we’ve done what we are required to do; it is now up to the private sector to deliver</i>”. It is the bureaucratic equivalent of putting your head in the sand. This doesn’t happen south of the border because shortfalls get counted and are rolled forward to the next LDP period.</p>

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Market Area (RHMA) (Table 3). This continues to exceed the expectations of Scottish Planning Policy, which requires a 5 year effective housing land supply to be maintained at all times. Significantly, there is also a healthy longer-term housing land supply within the Aberdeen and Aberdeenshire area, with a total of 24,400 dwellings identified as effective after 2018 and a total established land supply of 49,809 dwellings (Table 2). Overall, the Housing Land Audit demonstrates a 5, 6, 7 and 8 year land supply in both Housing Market Areas, with over 15,000 houses programmed for development post 2021 (enough to meet a further 7 years of the housing requirement even without the further contributions that are likely to arise from small sites, brownfield sites and the removal of constraints on currently constrained sites).

In Scotland, in Aberdeenshire, what cannot be hidden is the underlying dynamic – it is absolutely one of constraint, and not supply.

Viz:-

- You can't build houses without planning permission;
- To get planning permission you have to be a site zoned in the plan;
- The plan only zones enough sites to make up a 5 year land supply (with a 10-20% over supply now confirmed in the new SPP).

The principles here are clearly about constraint and the housing market is founded on that premise. Land is rationed. Land is held back. Supply is for 5 years. A new supply comes along with the next plan (though aficionados of housing land supply will be aware that it should be 5 years supply at all times – and at the end of the 5 year period too).

So - the issues of house prices and affordability all stem from the fundamental premise that this is **supply constrained, and not supply led**. No wonder that the various Think Tanks are concluding 'system fail'.

The LRRG and RICS Housing Commission have argued for significant change to this system if we are to build enough houses. The RICS Commission went further and argued that an immediate and emergency measure would be to double supply. They state:

"The Scottish planning system should deliver at least a 100% increase in effective supply of land for development by 2016, and that all Local Authorities should be able to demonstrate a 10 year effective land supply as standard".

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	<p>And as we will show below – the 5 year supply demonstrated in the HLA2014 may well result in a considerable number of houses being built <i>an paper</i>. However, it will not be at anything like the rate at which it is required to meet needs and will result in 50% shortfalls over time.</p>
<p>4.6 Finally, the new Scottish Planning Policy was published in June 2014. This places renewed emphasis on the delivery of housing allocations, and requires Local Development Plans to allocate sites for development that are “effective or expected to become effective in the plan period”. This compares with former guidance stating that allocations should be “effective or capable of becoming effective”. The new Scottish Planning Policy makes clear that, in allocating sites, planning authorities should be confident that land can be brought forward for development within the plan period (for the 2016 Local Development Plan the period 2017 to 2027).</p>	<p>In the context of what we have stated already – it is little wonder that the Scottish Government has sought planning authorities to examine ‘deliverability’ again. The change in the terminology is a step in the right direction. The difference between ‘<i>capable of becoming effective</i>’ and ‘<i>expected to become effective</i>’ may look slight. It is meant to be the difference between ‘might be’ and ‘will be’. We hope that this isn’t sleight of hand. To the wider public there would appear to be very little difference. As LRRG and RICS Housing Commission have recommended there needs to be a substantial overhaul.</p> <p>Nevertheless this change will be a small improvement.</p> <p>However what this still masks is that the system is still one which fundamentally constrains housing land.</p>
<p>4.7 Scottish Planning Policy requirements therefore now place a greater onus on ensuring that allocations in the 2016 Local Development Plan <i>are expected to be deliverable</i>. However, as noted above, the 2014 Action Programme Update demonstrates that progress is being made in bringing forward the vast majority of current development allocations. This evidence, in combination with the 2014 Housing Land Audit, gives significant confidence that the range of sites that are currently allocated, and which will largely be carried forward into</p>	<p>We would argue that the way this should be demonstrated needs to be at the macro level <u>and</u> at a site-by-site level. For a 1000 unit site we would expect the planning authority to be realistically assessing how many units that should be producing over time and if it fails to meet these requirements, assess why and come-up with prescriptions to assist/resolve any issues. In our view this is little more than what is done in the existing HLA2014 exercise – it is just an additional layer of analysis. The prescriptions could include assistance with infrastructure issues. Equally it could be a realistic reassessment of what a site (or local market) is able to deliver and then adjustment to the wider land supply on recognition of a shortfall. Recently in Aberdeenshire there was 700 housing units allocated to a generally remote housing area and small settlement – which was greeted with the suggestion that his</p>

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<p>the 2016 Local Development Plan, are deliverable and will enable the Strategic Development Plan’s requirements to be met. The Action Programme that will be published alongside the Proposed Plan will provide a mechanism for testing and demonstrating confidence in delivering the plan allocations.</p>	<p>represented a 100 year land supply. This anecdote illustrates the reality that is described by <i>‘expected to become effective’</i>.</p>
<p>4.8 We therefore continue to be confident that the sites that are currently allocated are deliverable, and that none of the new information discussed above provides a strategic justification to allocate additional development land within the 2016 Local Development Plan in order to meet the Strategic Development Plan’s requirements.</p>	<p>The questions begged by the amendments to the SPP (10-20% cushion, affordable 25%, and revised definition of effective) need to be looked at in the round. Seeking confirmation from developers that sites are deliverable is not what this exercise is about. It is about ensuring that what was promised in the plan will transpire, but if it doesn’t there will be good fall back mechanisms.</p> <p>In the light of current indicators we would suggest that the only realistic option available to Aberdeenshire Council, in current context, would be to zone additional sites so that the annual out turns from those sites look capable of delivering the SDP targets.</p>
<p>Question 3 Do you agree with the assessment of land supply in light of the updated information? If not, please explain why.</p>	<p>We consider the current <i>“no change”</i> assessment as superficial. It is not adequate for the reasons we have explained and the evidence we have submitted supports this position. Aberdeenshire Council requires to allocate additional sites, such as that highlighted at Cairnie, Huntly, which can assist in the doubling of housing output in the short term.</p>

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Cairnie, Huntly – Ma052

Table 1 Local Authority Areas (HLAs)						
	2008	2009	2010	2011	2012	2013
Aberdeenshire	1,373	1,475	1,216	1,080	1,097	1,169
Aberdeen City	520	387	293	522	777	890
TOTAL	1,893	1,862	1,509	1,602	1,874	2,059

Table 2 Ten years completions by authority(Scottish Govt)						
	2008	2009	2010	2011	2012	2013
Aberdeenshire	1559	1553	1635	1190	1167	1064
Aberdeen	354	194	519	657	491	575
Total	1913	1747	2154	1847	1658	1639

Table 3 AHMA/RHMA Completions and HNDA			
yr	built	HNDA	Shortfall
2010	1500	2189	689
2011	1601	2189	588
2012	1863	2189	326
2013	1639	2189	550
total	6603	8756	2153

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Halliday Fraser Munro on behalf of Strathdee Properties Ltd (P1857)

Cairnie, Huntly – Ma052

Table 4 Housing Completions 2013 Aberdeen + Aberdeenshire						Target 1	Target 2	Target 3
	2013 Q1	2013 Q2	2013 Q3	2013 Q4	total	HLA 2013	SDP	HNDA
city	119	111	129	216	575	980	1250	1095
shire	197	264	253	350	1064	1311	1250	1095
total					1639	2291	2500	2190
					Shortfall	652	861	551