

ABERDEENSHIRE

LDP

LOCAL DEVELOPMENT PLAN 2014

SUBMISSION No.	055 38
ISSUES RAISED	
3, 8	1
	6
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.

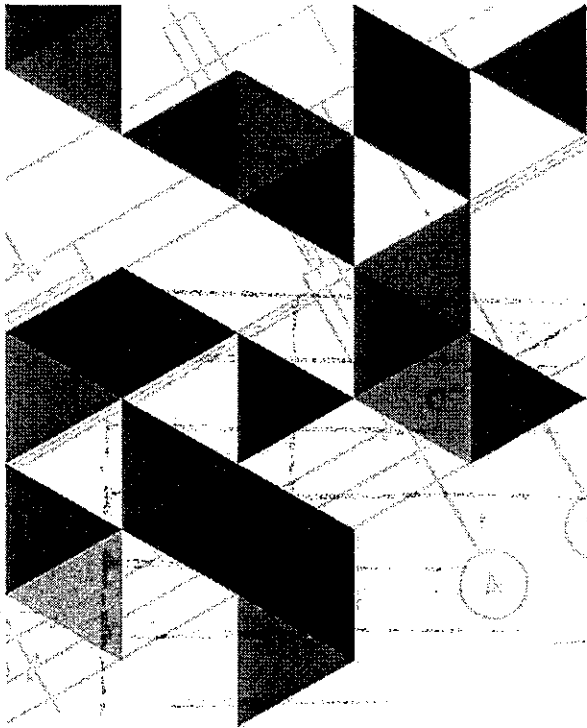
The publication of the final Scottish Planning Policy in June 2014 raised a very small number of new issues on which we would welcome your views. Because of this we have chosen to publish an addendum to the Main Issues Report to highlight possible local interpretations of Scottish Planning Policy.

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 CHRISTINE

Surname DALZIEL

Date 19 SEPTEMBER 2014

Postal Address HALLIDAY FRASER MUNRO, CARDEN CHURCH, 6 CARDEN PLACE, ABERDEEN

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E-mail Christine.dalziel@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 CALA HOMES

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 ENCLOSED COVER LETTER AND STATEMENT

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 Vietas 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 Didelju 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

P1867/CD

19 September 2014

(by email to ldp@aberdeenshire.gov.uk)

Aberdeenshire Local Development Plan
Woodhill House
Westburn Road
Aberdeen
AB16 5GB

Dear Sir / Madam

**ABERDEENSHIRE LOCAL DEVELOPMENT PLAN 2016 - RESPONSE TO MAIN
ISSUES REPORT ADDENDUM**
Ga054 Souterhill, Westhill
CALA Homes

Please find enclosed 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.

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 Ga054 Souterhill meets this important criteria.

3
We consider that the current assessment by the Council that no new housing allocations are required is flawed and believe that additional housing land is needed across Aberdeenshire to meet demand. This is explained fully in the enclosed report. We maintain that further land should be zoned which can assist in increasing the housing output in the short term.

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. The enclosed information demonstrates this in more detail.

Southerhill Ga054

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Following the publication of the Main Issues Report in November 2013, we have reviewed the comments from Officers in relation to the development bid proposed at Souterhill. We maintain that there are no technical or visual constraints that would preclude its delivery or have an adverse effect on the surrounding area and believe that this represents an ideal site for the measured expansion of this established residential area within the town. We also believe that there is a compelling case for additional housing land to be allocated in Westhill, in order to address existing issues such as the availability of affordable housing (due in part to a shortage in the supply of open market housing) and increasing market choice.

During the consideration of the responses to the Main Issues Report by the Garioch Area Committee in May 2014, Local Councillors were supportive of the inclusion of the site and stated that this was their preferred location for housing development in the town in order to meet the significant need for housing from the oil and gas sector. Members also disagreed with the assessment by Officers that the site would result in an unacceptable visual impact. Ultimately, they were advised by Officers that no further housing sites were required and a vote resulted in the site not being included. We have always maintained that further housing sites are required in Westhill to

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19 September 2014

Aberdeenshire Council – MIR Addendum Response Ga054

achieved the Council's own objective of ensuring Westhill remains the Sub-Sea Capital of Europe. Oil and gas companies in the North East are extremely vocal about their requirement for housing to accommodate staff, and Souterhill is the most suitable site for further development, as endorsed by the Local Councillors.

Westhill Capacity Study June 2014

We note that since the MIR consultation in January 2014 and the Garioch Area Committee's consideration of MIR responses and Officer recommendations in late May, an update to the 2008 Westhill Capacity Study was published in May. This was agreed by the Garioch Area Committee, subject to minor changes on 24th June 2014.

The 2014 Westhill Capacity Study identifies the Ga054 Souterhill site as 'Most Suitable for Development'. Given that this piece of work was commissioned by the Local Authority to identify suitable locations for development, and the agreement by Local Members of the conclusions of this document, it would be reasonable to expect that its findings would be aligned with the content of the Proposed LDP.

Accordingly this supports the allocation of additional housing land at Souterhill.

Having regard to the foregoing, there are no constraints to the development of housing on the land at Souterhill as proposed through the original development bid reference Ga054. There are convincing strategic arguments for the allocation of additional land for housing in Westhill. Site Ga054 would help address the recent imbalance of all recent housing development in Westhill taking place on one site by one developer. The land at Souterhill is well related to existing housing, and has good pedestrian and public transport links to the facilities and services in the town centre.

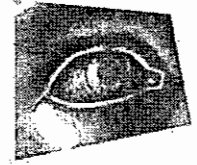
We would respectfully request that the proposed development bid area at Souterhill be supported as future residential development allocation in the forthcoming Proposed Aberdeenshire Local Development Plan for residential development.

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

Yours faithfully



Christine Dalziel
Senior Planning Consultant
Halliday Fraser Munro



ABERDEENSHIRE LOCAL DEVELOPMENT PLAN
MIR Addendum

Land Supply and Distribution (Previously Main Issue 12)

Halliday Fraser Munro Planning on behalf of CALA Homes

1 INTRODUCTION

This statement has been prepared by Halliday Fraser Munro Planning on behalf of CALA Homes in response to Question 3 set out in the Main Issues Report Addendum, published in August 2014.

2 RESPONSE TO QUESTION

Question 3

Do you agree with the assessment of land supply in light of the updated information? If not, please explain why.

- 2.1 We have divided this response into sections, responding specifically to the points raised in Section 4. We have responded to these points in turn below.

[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.]

- 2.2 One of the reasons for this additional consultation is as a result of the changes made to SPP 2014 and particularly the definitions of effective land supply. We have considered why the changes were made to SPP 2014. What were the drivers in the first place? What was the context against which this change was deemed necessary by the Scottish Government?

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- 2.3 Then we need to establish whether the 'no change' approach proposed by Aberdeenshire Council is appropriate, and if not, what would be a better way to address the problem.

[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 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.]

- 2.4 The paragraph above 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, but firstly will consider the wider context.
- 2.5 There continues to be a wide concern in Scotland about the inability to deliver housing numbers in anything like the quantity we 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 15,800 since 2008. If the requirement has remained static

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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 15,000 per annum. [Information sourced from Scottish Government Website: <http://scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/NewBuildAllSector>]

- 2.6 With figures like these it is little wonder that housing professionals describe the issue as a 'housing crisis'. This is a crisis which is manifested 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 1980's 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.
- 2.7 The North East of Scotland has not been immune from these problems. Aberdeenshire now has some of the least affordable housing areas in Scotland. The planning system can play a significant part in solving this problem.
- 2.8 The Aberdeen City and Shire Structure Plan 2009 identified a requirement for 72,000 new homes before 2030. Annual completion targets would of have to of risen from 200 per annum to over 3,000 in order to achieve these numbers. However, 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.

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- 2.9 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.
- 2.10 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 supply problem for new housebuilding.”* The LRRG recommends significant overhaul of the delivery mechanisms for housing – especially relating to the land supply.
- 2.11 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...*“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”*. But it goes much further in terms of the action that can be taken by planning authorities. Its bold recommendation to Government is:-

“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” The RICS Commission goes on to explain *“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*

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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." Note the reference to undersupply – in other words 'shortfall'.

- 2.12 So the advice from Think Tanks and now policy from Government has been to the effect that *'We have a problem. We need to solve it'*.
- 2.13 The response from Aberdeenshire Council to this additional SPP Consultation can be characterised as:-
- 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.
- 2.14 Set against the wider context this would not seem to be a reasonable response.
- 2.15 In terms of the land already zoned in the 2012 LDP, the argument that these sites somehow need to be *'protected'* from competition has no basis in fact and no basis in law. This is part of 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.

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- 2.16 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. Figure 1-4 (below) 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 22,000 homes zoned in these ten sites alone, there is a consequential & significant risk to housing delivery, and to the LDP strategy as a result.
- 2.17 In this context, to claim that the ten sites need to be protected from competition is misguided. 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. This is not 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.
- 2.18 The problem is especially prevalent in the south corridor where only one site is providing all the mainstream housing and all the affordable housing. There is clear guidance to planning authorities about choice in terms of housing markets. It is not clear why this is being ignored. If we factor-in the housing shortfall we have experienced over the last 5 years then the arguments become even more sharply defined.
- 2.19 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,

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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 2,200. 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.

- 2.20 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, the Council 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.
- 2.21 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. 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 100 to 150 houses per annum so that the SDP targets are met.
- 2.22 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

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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 restrictions on the number of additional flights that Aberdeen Airport can accommodate;
 - 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 accommodation requirements;
 - the withdrawal of University Accommodation from non, term-time letting; and
 - the basic and fundamental absence of affordable housing – whether rental or for sale.
-

2.23 It is this last point which underscores the weakness in the 2011 census argument made in the MIR Addendum. 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, especially in Westhill, is the lack of affordable housing.

[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:

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http://www.aberdeenshire.gov.uk/planning/plans_policies/LocalDevelopmentPlanActionProgrammeUpdate-May2014.pdf

- 2.24 The Action Plan 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.
- 2.25 Much of the Action Plan 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 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.
- 2.26 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.

[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>]

- 2.27 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*

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to work together to resolve this” then there would have been good cause to celebrate.

- 2.28 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.

[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 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.)]

- 2.29 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. The suggestion is – *“as long as we have a 5 year supply; we’ve done what we are required to do; it is*

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now up to the private sector to deliver". This doesn't happen south of the border because shortfalls get counted and are rolled forward to the next LDP period.

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

2.31 Ultimately:-

- 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).

2.32 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).

2.33 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'.

2.34 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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- 2.35 The 5 year supply demonstrated in the HLA2014 may well result in a considerable number of houses being built on paper. However, it will not be at anything like the rate at which it is required to meet needs.

[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).]

- 2.36 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.
- 2.37 The change in the terminology is a step in the right direction. The difference between ‘capable of becoming effective’ and ‘expected to become effective’ may look slight. As LRRG and RICS Housing Commission have recommended, there needs to be a substantial overhaul.
- 2.38 Nevertheless this change will be a small improvement. However, what this still masks is that the system is still one which fundamentally constrains housing land.

*[4.7 Scottish Planning Policy requirements therefore now place a greater onus on ensuring that allocations in the 2016 Local Development Plan **are expected to be deliverable**. 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*

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of sites that are currently allocated, and which will largely be carried forward into 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.]

- 2.39 We would argue that the way this should be demonstrated needs to be at the macro level and at a site-by-site level. For a 1,000 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.

[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.]

- 2.40 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. 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.
- 2.41 We would therefore suggest that additional housing sites are allocated in order that annual out turns from those sites look capable of delivering the SDP targets.

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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 Year Completions by Authority (Scot Govt)	2008	2009	2010	2011	2012	2013
Aberdeenshire	1,559	1,553	1,635	1,190	1,167	1,064
Aberdeen City	354	194	519	657	491	575
Total	1,913	1,747	2,154	1,847	1,658	1,639

Table 3 – AHMA / RHMA Completions and HNDA

Year	Built	HNDA	Shortfall
2010	1,500	2,189	689
2011	1,601	2,189	588
2012	1,863	2,189	326
2013	1,639	2,189	550
Total	6,603	8,756	2,153

Table 4 – Housing Completions 2013 (Aberdeen and Aberdeenshire)

	2013 Q1	2013 Q2	2013 Q3	2013 Q4	Total	Target 1 HLA 2013	Target 2 SDP	Target 3 HNDA
City	119	111	129	216	575	980	1,250	1,095
Shire	197	264	253	350	1,064	1,311	1,250	1,095
Total					1,639	2,291	2,500	2,190
					Shortfall:	652	861	551