



Scotland 2045

Scotland's Fourth National
Planning Framework: Draft

Housing Land Requirement

Explanatory Report

Draft NPF4 - Housing Land Requirement Explanatory Report

Contents

Non-Technical Summary	3
Introduction and Context	9
Policy Background	13
Method	16
Next Steps	29
Annex A Initial Default Estimates	30
Annex B Benchmark Tables	31
Annex C Links to Authority Assessment Reports	33
Annex D Proposed Minimum All-Tenure Housing Land Requirements	34
Annex E Breakdown of Figures	35
Acronyms	37

Non-Technical Summary

Introduction

1. The Town and Country Planning (Scotland) Act 1997, as amended, requires at Section 3A(3)(d) that the National Planning Framework (NPF) contain “targets for the use of land in different areas of Scotland for housing”. To meet this, Annex B of Draft NPF4 proposes a Minimum All-Tenure Housing Land Requirement (MATHLR) for each planning authority in Scotland.
2. This Explanatory Report explains how we have moved from the new statutory requirement to the figures contained in the Draft NPF. This is to support transparency and allow stakeholders to understand the approach taken and the subsequent outcomes.

Case for Change

3. Scottish Ministers acknowledge that planning for housing in Scotland needs to change. There is a need to focus on delivering outcomes, rather than process. Planning for housing is one of the most contested areas of the planning system: it has become increasingly litigious in recent years. The forecasting of housing need and demand has become an industry in itself, consuming significant time and resources for everyone involved.
4. Housing is critical to a wide range of socio-economic issues. Experience of the pandemic has highlighted the importance of quality homes in quality places. There is therefore a need to focus on accelerating delivery and improving the quality of homes and places. This can be supported by introducing a long-term, strategic and public interest approach that clearly, consistently and transparently establishes the housing land requirement much earlier in the plan preparation process.
5. Housing has been one of the key issues throughout the process of planning reform with varying views. During the progress of the Planning Bill, provisions relating to housing targets were added by an amendment lodged and accepted during Stage 2 scrutiny.

A New Approach

6. The statutory requirement is new and has required a new approach to be developed. We have sought to provide a consistent approach across the development planning system in Scotland, that is simpler and more transparent. The approach has produced broad, reasonable and long-term requirements, as is appropriate at the national scale. It looks to provide clarity early in the development plan process and confidence about the baseline amount of land to be identified locally.
7. A [discussion paper](https://www.transformingplanning.scot/media/1296/national-planning-framework-4-housing-land-targets-technical-discussion-paper-2-march-2020.pdf)¹ on the housing land approach was published in March 2020. This introduced a number of guiding principles, as below, and proposed a methodology to meet the statutory requirement

¹<https://www.transformingplanning.scot/media/1296/national-planning-framework-4-housing-land-targets-technical-discussion-paper-2-march-2020.pdf>

Non-Technical Summary

- Providing early clarity and reducing conflict and complexity.
 - Ensuring Local Development Plans (LDPs) allocate sufficient land for housing.
 - An agreed proportion of this land should be 'deliverable'.
 - Minimum figures should be set for all local authority areas in Scotland.
 - A national approach needs to be informed by regional and local knowledge, analysis and input.
8. Responses to the paper were mixed and wide ranging. Overall, there was general support for the principles and for measures that would help to address complexity and conflict, but differing views on how this could be achieved.
9. A Housing Advisory Panel, chaired by the Scottish Government's Chief Planner, was established to help guide this work. It comprised a cross section of members, that were invited to take part on a personal basis due to their experience on housing and planning matters.
10. Taking into account the responses to the discussion paper and the contributions from the Housing Advisory Panel, the approach to establish the MATHLR emerged. This built upon the approach presented in the discussion paper and represented fine-tuning and iterative amendment.

Inputs, Estimates and Adjustments

11. The calculation for arriving at the MATHLR is set out in Figure A below.

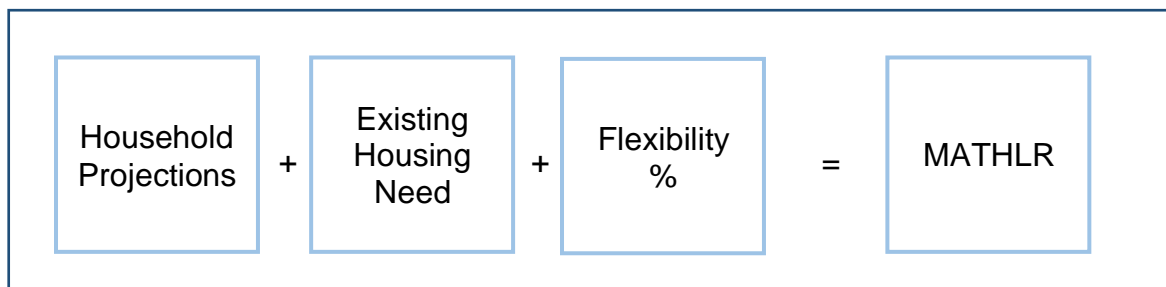


Figure A - Inputs for Establishing Housing Land Requirements

12. For household projections, the 2018-based principal projection of National Records of Scotland (NRS) data is used². This equates to step 1 of the Housing Need and Demand Assessment (HNDA) process. For existing need, this uses a count of homeless households in temporary accommodation and households who are both overcrowded and concealed, from NRS 2011 census information, the 2016-2018 Scottish Household Survey and Scottish Government homelessness statistics as at March 2020. This equates to step 2 of the HNDA process.
13. A flexibility percentage is then applied. This represents a contingency of land to allow for changes in sites coming forward. The flexibility applied is 25% for urban authorities and 30% for rural authorities. This is based on the Randall

² [Household Projections for Scotland, 2018-based | National Records of Scotland \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk)

Non-Technical Summary

Classification using population density. The MATHLR figures are a cumulative total for a period of 10 years.

14. The figures will be the minimum amount of land to be identified within LDPs. Expressing the figure as a minimum requirement prevents this being interpreted as a cap to development. They will be all-tenure as it is the scale of land that is relevant for national spatial planning purposes. Different tenures will continue to be considered at the local level.
15. The figures will focus on the delivery of housing land. The statutory requirement of the Act relates to 'use of land' and it is land use that the planning system regulates. They are termed a requirement to better convey the intention that they are to be met within LDPs. Reference to targets could be inferred as aspirational amounts that authorities try to achieve.
16. The process for arriving at the MATHLR is set out in Figure B below.

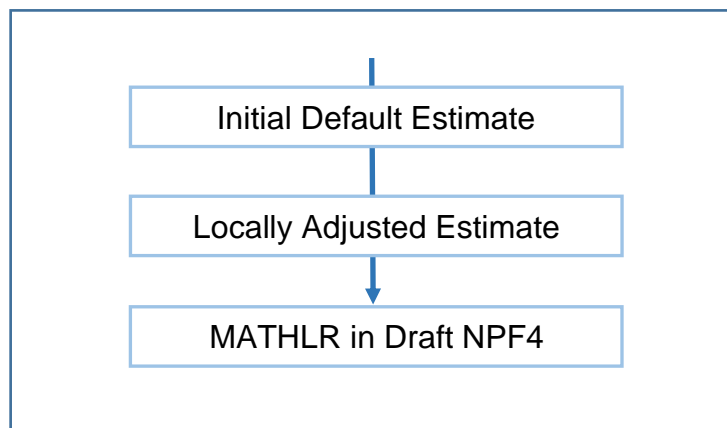


Figure B – Process for Establishing the MATHLR

17. The Scottish Government ran the first two steps of the HNDA Tool using default scenarios and added the relevant flexibility allowance. This provided Initial Default Estimates for each local and national park authority. It was made clear that the Initial Default Estimates were a starting point for local consideration and to enable local input. They represented the beginning of the process and were, in general, a statistical and policy neutral figure to build on.
18. Authorities, either individually or in regional groupings, with their Housing Market Partnership (HMP) and local stakeholders, were asked to consider the Initial Default Estimates and, where relevant, they proposed Locally Adjusted Estimates based on robust local information and relevant policy drivers. They were also asked to benchmark the estimates against completions data that was provided.
19. Information submitted by authorities provided commentary on a range of matters, including:
20. Household Projections: The Initial Default Estimate was based on the NRS 2018-based principal variant. Many authorities contended that these assumed a continuation of past trends and were based on the 2011 census which, given the

Non-Technical Summary

time elapsed, needs to be considered carefully alongside other evidence. It was indicated that the Locally Adjusted Estimate should apply a policy interpretation to the NRS projection. Overcoming these issues, to take account of policy, was a consistent component in evidence submitted. This meant that local economic growth/growth deals (and housing supply to support this), demographic change, affordability, Housing to 2040 and post-pandemic outcomes were able to be taken account of.

21. For some, the adoption of a high migration variation on the NRS 2018-based household projection was sufficient to accommodate limitations. Others sought to adopt their own forecast for household growth.
22. Existing Housing Need: The HNDA Tool counts two types of existing housing need - homeless households in temporary accommodation and households that are both overcrowded and concealed. The HNDA Tool and supporting guidance state that the existing housing need figure used by the Scottish Government is only a minimum and that other types of existing housing need exist. Local authorities and stakeholders highlighted a range of additional factors including higher levels of homelessness, some types of households on social housing waiting lists, affordable housing need, special housing need, Below Tolerable Standard housing and/or, where available, results of local HNDA surveys where they were quality assured.
23. The near unanimity of this expanded assessment of need was recognised. Consequently, this represented an opportunity to expand existing housing need where evidence to quantify it was available; including ensuring that it resulted in a need for a new home and that there was no double counting.
24. Flexibility: The application of flexibility to rural and urban areas was accepted in all but two instances. Aberdeenshire and the Cairngorms National Park indicated a preference for different percentages (25% and 10% respectively) due to views that density is skewed by part of the National Park being within the authority area and also potential impacts on nature conservation interests. Authorities are encouraged to be more directive in where new development should take place, which can be away from areas authorities consider there will be issues with deliverability. As a result, the Randall Classification was considered appropriate despite its limitations.
25. Other matters commented on included: completions, housing land audits, delivery, housing market areas and rounding to the nearest 50.
26. Authorities were asked to engage stakeholders through their Housing Market Partnerships and other local interests. Whilst the level of engagement was mixed, there was general support for increasing the housing land requirement by expanding the definition of need and emphasising policy drivers (particularly with regard to economic growth and social housing provision) to increase household projections.

Non-Technical Summary

Establishing the MATHLR

27. The Scottish Government have then considered the Locally Adjusted Estimates. The evidence and views presented in relation to household projections, existing housing need and flexibility were reviewed. It also included looking at the information provided on housing market partnerships and stakeholder involvement and policy evidence, as well as sign off by senior officials and the statistical evidence used.
28. Recognising that the proposed MATHLRs promote a strategic allocation of housing land to provide a broad estimate for local authority areas and that it is not intended to be precise, they were benchmarked against a number of factors, including completions, Housing Land Audit (HLA) programme, established housing supply, existing housing stock and an area's historic dwellings growth.
29. An Assessment Report for each authority or regional grouping, as relevant, has been prepared. The proposed MATHLR for each planning authority in Draft NPF4 is set out in Table 1 overleaf. Within the table, figures shown for Eilean Siar are not rounded. This is because of the effect rounding can have on numbers at this scale. Figures for the Glasgow City Region are provided for the MATHLR only as breakdowns were not received.

Next Steps

30. Draft NPF4 is now the subject of public consultation and scrutiny by the Scottish Parliament. This may result in amendments to the MATHLR presented in the published NPF4.
31. Once NPF4 is adopted and published, there is a statutory requirement for it to be taken into account by planning authorities when preparing LDPs. There is not a requirement for it to be consistent. It is, however, expected that the MATHLR will be the minimum amount of housing land to be identified within LDPs across Scotland.
32. The LDPs will go on to allocate sites to meet their housing land requirement. The policy aim is for planning to be more directive about guiding where new development should happen and how those developments can deliver more for new and existing communities. The Delivery Programme will proactively support delivery of the LDP and achievement of its intended outcomes, including housing provision.
33. Changes made through the package of planning reform seek to enable authorities to focus their resources on place and delivery, emphasising planners' role in co-ordinating levers across authorities, wider public sector and the private sector to support delivery of development, including housing, that achieves the wider outcomes intended.

Non-Technical Summary

Table 1: Minimum All-Tenure Housing Land Requirement (MATHLR)

Local, City Region and National Park Authority	Proposed MATHLR	Existing Need	Households	Flexibility %	Flexibility Amount
Aberdeen City	7,000	500	5,100	25	1,400
Aberdeenshire	7,550	400	5,400	30	1,740
Aberdeen City Region	14,550	900	10,500		3,140
Angus	2,550	1,350	650	30	600
Fife (North)	1,700	650	700	25	338
Dundee City	4,200	2,150	1,200	25	838
Perth & Kinross	8,500	1,350	5,200	30	1,965
Dundee City Region	16,950	5,500	7,750		3,740
City of Edinburgh	41,300	8,950	24,100	25	8,263
East Lothian	6,400	750	4,350	25	1,275
Fife (Central and South)	5,650	1,750	2,750	25	1,125
Midlothian	8,050	500	5,950	25	1,613
West Lothian	9,600	1,200	6,500	25	1,925
Scottish Borders	4,800	400	3,300	30	1,110
Edinburgh City Region	75,800	13,550	46,950		15,310
East Dunbartonshire	2,500			25	
East Renfrewshire	2,800			25	
Glasgow City	21,350			25	
Inverclyde	1,500			25	
North Lanarkshire	7,350			25	
Renfrewshire	4,900			25	
South Lanarkshire	7,850			25	
West Dunbartonshire	2,100			25	
Glasgow City Region	50,350				
Argyll & Bute	2,150	850	800	30	495
Clackmannanshire	1,500	900	300	25	300
Dumfries & Galloway	4,550	700	2,800	30	1,050
East Ayrshire	4,050	650	2,450	30	930
Eilean Siar	192	81	67	30	44
Falkirk	5,250	350	3,850	25	1,050
Highland	9,500	2,100	5,200	30	2,190
Moray	3,450	500	2,200	30	810
North Ayrshire	2,950	2,300	50	25	588
Orkney	1,600	250	1,000	30	375
Shetland	850	400	250	30	195
South Ayrshire	2,000	1,350	200	30	465
Stirling	3,500	300	2,400	30	810
Cairngorms N.Park	850	50	600	30	195
Loch Lomond & Trossachs N.Park	300	100	150	30	75
All Fife	7,350	2,400	3,450	25	1,500

Introduction and Context

1. The Town and Country Planning (Scotland) Act 1997, as amended, requires at Section 3A(3)(d) that the National Planning Framework (NPF) contain “targets for the use of land in different areas of Scotland for housing”. To meet this, Annex B of Draft NPF4 proposes a Minimum All-Tenure Housing Land Requirement (MATHLR) for each planning authority in Scotland.
2. This paper explains how we have moved from the new statutory requirement to the figures contained in the Draft NPF. This is to support transparency and allow stakeholders and anyone with an interest to understand the approach taken and the subsequent outcomes.

Case for Change

3. Scottish Ministers acknowledge that planning for housing in Scotland needs to change. There is a need to focus on delivering outcomes, rather than process. Planning for housing is one of the most contested areas of the planning system: it has become increasingly litigious in recent years. The forecasting of housing need and demand has become an industry in itself, consuming significant time and resources for everyone involved.
4. Housing is critical to a wide range of socio-economic issues and contributes to achieving many Scottish Government policy objectives, particularly around the economy, sustainability, health and well-being and resilience. Experience of the pandemic has highlighted the importance of quality homes in quality places. There is therefore a need to move on from the current situation in planning for housing to focus on accelerating delivery and improving the quality of homes and places.
5. Planning for housing is often viewed as too complex, inconsistent, caught up in debating numbers and detached from the needs of developers and communities. Consequently, there are views that planning is not currently well placed to ensure it timeously provides the right types of housing, in the right places to meet the diverse needs of communities.
 - Some communities and individuals feel strongly that the system is weighted in favour of housing developers.
 - Some of the development sector contend that planning authorities are not currently allocating sufficient effective housing land. There are also concerns about a lack of acceptance by some communities of the need for new housing.
 - Planning authorities are frustrated at their limited resource being focused on conflicts over numbers, rather than delivering positive outcomes for communities.
6. To be relevant, planning for housing must address these criticisms and move away from debating overly complicated housing figures and calculation methodologies to focus much more on enabling development of quality homes

and creating quality places to live. Planning and housing authorities, developers and communities need to move forward more confidently. This can be supported by introducing a long-term, strategic and public interest led approach that clearly, consistently and transparently establishes the housing land requirement much earlier in the plan preparation process.

Planning Reform

7. In May 2016, the independent review of the Scottish planning system - [Empowering Planning to Deliver Great Places](#) - was published³. This considered, amongst other matters, housing delivery and recommended:
 - The NPF should define regional housing targets as the basis for setting housing land requirements in Local Development Plans (LDPs) (recommendation 12).
 - Establishing a clearer definition of effective housing land so that LDPs can take a positive and flexible approach to addressing the housing land requirement for their area (recommendation 13).
8. The review outlined that, given the national significance of housing delivery, a stronger steer on requirements would allow for fuller parliamentary debate. Making use of data available from Housing Need and Demand Assessments (HNDA) was seen as an important first step, with projections of need and demand being more closely linked with deliverability. Further, the review highlighted that defining whether or not land is suitable for housing was a key issue with ongoing confusion about what is needed to unlock development and specifically the definition of 'effectiveness'.
9. The Scottish Government published an early [response to the Review](#) in July 2016⁴ where agreement, in principle, with many of the recommendations was established. It recognised that further work would be required to consider each recommendation in more detail, with some benefiting from more thorough consideration, research input, discussion and consultation.
10. In January 2017, the Scottish Government published [Places, People and Planning - A Consultation on the Future of the Scottish Planning System](#)⁵. Under the theme of building more homes and delivering infrastructure, it was recognised that there was a need to change the way housing was planned, as there was too great a focus on debating precise numbers, rather than delivery. A more strategic and aspirational approach, at a higher level, was advocated in establishing the number of homes required. Agreeing the amount of land required for housing much earlier in the plan preparation process was promoted.
11. In association with housing targets being set nationally, collaboration and engagement with local stakeholders was emphasised. Fundamentally, the consultation set out that the NPF should be clear on homes required over a 10-year period whilst being flexible to allow for changing market circumstances.

³ <https://www.gov.scot/publications/empowering-planning-to-deliver-great-places/>

⁴ <https://www.gov.scot/publications/planning-review-sg-response/>

⁵ <https://www.gov.scot/publications/places-people-planning-consultation-future-scottish-planning-system/>

Changes promoted included the HNDA Tool being used to derive housing estimates and providing more certainty by 'signing off' the number of homes that are needed at an early stage in the production of LDPs. Consequently, proposal 10 of Places, People and Planning: Being clear about how much housing land is required, was established.

12. Different stakeholders had different views about this proposal⁶. Some did not support what they perceived to be centralisation, removing decisions on housing away from the local context, reducing transparency and a loss of flexibility. There were mixed views from the development industry, including some concerns that too flexible an approach at a national or regional level will do little to improve clarity, as well as calls for greater involvement and challenge in the HNDA process. Planning authorities and others argued that a clear national steer on housing land requirements would be welcomed, if it helped to streamline local development planning and free up resources.
13. The Scottish Government took into account responses to the consultation, including the wide range of views on whether or not housing estimates should be set at a national or local level. It concluded that it would continue to identify a solution, with stakeholders, that minimised the level of debate on how much land is required for housing.
14. The Planning (Scotland) Bill⁷ was introduced in the Scottish Parliament in December, 2017 and passed through three stages of scrutiny during 2018/2019. In its initial form the Bill did not include specific requirements relating to housing requirements in the NPF. The provisions relating to housing targets were added to the Bill by an amendment lodged and accepted during the Stage 2 scrutiny. The Planning (Scotland) Bill was passed by the Scottish Parliament on 20 June 2019 and became an Act on receipt of Royal Assent on 25 July 2019.

Housing System

15. Established by the Housing (Scotland) Act 2001, the broader housing system requires each local authority to prepare a Local Housing Strategy (LHS) for their area supported by an assessment of housing need and demand (HNDA). The LHS sets out a strategic vision for the delivery of housing and housing related services and the outcomes that it will seek to achieve. Each LHS sets out the local authority's view of the type and level of housing to be delivered over the period of the plan in its housing supply target (HST). The evidence base in preparing each HST is compiled through a HNDA.
16. Strategic Housing Investment Plans (SHIPs) are prepared annually by local authorities and set out strategic investment priorities for affordable housing over a 5 year period to achieve the outcomes set out in the LHS. SHIPs reinforce the local authority as the strategic housing authority and are operational strategies, not policy documents. SHIPs are used by the Scottish Government to draft Strategic Local Planning Agreements (SLPAs) for discussion with all local delivery

⁶ As reported in <https://www.gov.scot/publications/planning-review-analysis-of-consultation-responses-june-2017/>

⁷ Planning Scotland Bill | Scottish Parliament Website

Draft NPF4 - Housing Land Requirement Explanatory Report

partners and for final agreement with local authorities⁸. Once agreed, SLPAs form the basis of individual Registered Social Landlords and local authority programme agreements.

Report Structure

17. The following sections of this report:

- Provide a summary of the overall policy approach related to housing, population and land-use planning. It highlights the integrated nature of Government policy.
- Present the methodology for establishing the MATHLR. It outlines the approach, input from a range of stakeholders, consideration of matters raised and explains the process for arriving at the figures.
- Outline the next steps in relation to parliamentary scrutiny, public consultation and incorporation of the MATHLR through LDPs.

⁸ The City of Edinburgh and Glasgow City Councils manage their housing supply budget. They draft their own SLPAs for agreement with the Scottish Government.

Policy Background

18. The policy position that informs the approach to the MATHLR is outlined below.

Housing to 2040

19. [Housing to 2040](#)⁹ outlines how the Scottish Government will take housing policy forward over the long term. Given the alignment of the planning and housing systems, that help to deliver the right mix of homes in the right locations, the statutory requirement for Scottish Ministers to have regard to any national strategy and action plan for housing prepared by Scottish Ministers (Housing to 2040) in preparing NPF, is important. Part 1 of Housing to 2040 - More homes at the heart of great places - establishes that the Scottish Government will make changes so that the housing system works well to deliver affordable and good quality homes for everyone.
20. Housing to 2040, through Action 5, seeks to shift the planning system to be more directive about the quality of places, including where new development should happen and how those developments can deliver more for new and existing communities, including for 20 minute neighbourhoods. Key actions are to:
- Implement new planning policies to discourage development in unsustainable locations and actively encourage new homes where they are close to local services, supported by sustainable transport connections, and designed with green infrastructure, health and wellbeing in mind.
 - Discourage greenfield development and instead promote reuse of vacant and derelict land.
 - Adopt an infrastructure-first approach to neighbourhood planning to improve access to services and reduce overall car mileage.
 - Support the development of quality homes that meet people's needs.
 - Tackle the question of housing land requirements up front, so that planning can focus more on quality and delivery.
21. Housing to 2040 sets an ambition to deliver 100,000 affordable homes over ten years to 2031/32, with at least 70% of these for social rent. It also looks to accelerate funding from 2027/28 to bring more existing homes into this programme, as well as building new ones. More recently [A Fairer, Greener Scotland: Programme for Government 2021-22](#)¹⁰, commits to the delivery of 110,000 affordable homes by 2032, of which at least 70% will be available for social rent and 10% will be in remote, rural and island communities.

⁹ <https://www.gov.scot/publications/housing-2040-2/>

¹⁰ <https://www.gov.scot/publications/fairer-greener-scotland-programme-government-2021-22/>

22. [A Scotland for the Future: Opportunities and Challenges of Scotland's Changing Population](#)¹¹ is a national population strategy for Scotland. The Scottish Government's aim is to make communities across Scotland attractive places to live, work, bring up families and to move to; so that Scotland's population profile provides a platform for sustainable and inclusive economic growth and wellbeing.
23. A key strand of the Strategy is balance: ensuring that the population is more balanced and distributed across Scotland. Without intervention, 14 local authority areas are expected to experience a decrease in population, with most of those being located in the west and south-west of the country. This creates skill shortages, threatens community sustainability and puts pressure on public services. For those areas that are dealing with an increase in the population, this brings its own challenges in providing the infrastructure and services (including housing) to support this. The Strategy promotes NPF4 as a means to support sustainable rural settlements and gives a clear steer on the homes that will be required to meet the long-term needs of a changing population.

National Planning Framework 4 - Position Statement

24. Scotland's [Fourth National Planning Framework Position Statement](#)¹² established that the vision for housing will align with Housing to 2040 and identified key considerations for housing land allocation, taking into account the statutory outcomes to meet the housing needs of people living in Scotland, including increasing the population of rural areas.
25. The Position Statement, in considering a Plan for Resilient Communities, looked to promote active planning of, and support for, the delivery of good quality homes. It placed an emphasis on homes, and their provision, at the heart of a spatial strategy that puts people first.
26. Identifying the housing land required in each local authority area was indicated as the preferred approach. This would allow the formation of a common approach to housing land requirements for LDPs, aligned with LHSs and wider strategic investment priorities.
27. Actively supporting delivery and maintaining a steady pipeline of land for homes was signalled. Taking a longer-term perspective on land for homes to promote deliverability and viability, and steer development to appropriate locations was also promoted. The release of land, in line with the development plan, would be triggered when the need for additional capacity was clearly demonstrated.

¹¹ <https://www.gov.scot/publications/scotland-future-opportunities-challenges-scotlands-changing-population/pages/8/>

¹² <https://www.gov.scot/publications/scotlands-fourth-national-planning-framework-position-statement/>

Draft NPF4 - Housing Land Requirement Explanatory Report

Draft National Planning Framework 4

28. Draft NPF4 refocuses planning policy for housing on supporting delivery of high quality, sustainable homes that meet the needs of people throughout their lives. It looks to the outcomes we want to achieve on climate change, inclusive growth, health and well-being, and infrastructure first, as well as meeting the statutory requirement on housing land.
29. Quality Homes policy in Draft NPF4 expects that LDPs should identify a housing target for the area it covers in the form of a housing land requirement. Representing how much land is required, is should, at least, meet the 10 year MATHLR which is set out in an annex of Draft NPF4 (and set out in Annex D of this document).
30. The policy establishes that LDPs should set out a deliverable housing land pipeline, representing when land will be bought forward. It indicates that the pipeline should comprise short, medium and long term sites, which can be supported by infrastructure requirements. The Delivery Programme and Housing Land Audit should be used to manage the development pipeline.
31. The policy also expects LDPs to allocate land in sustainable locations that create quality places for people to live. The locations of where new homes are allocated should be consistent with the principles of 20 minute neighbourhoods and the infrastructure first approach.
32. Policy in NPF4 will, once finalised and published, be used to determine planning applications. It supports high quality homes of different types that improve affordability and choice. It also looks to proposals to provide information on how they benefit communities.

Method

Approach

33. The statutory requirement is new and has required a new approach to be developed. It is met through the provision of the MATHLR.
34. We have sought to provide a consistent approach across the development planning system in Scotland, that is simpler when compared to current policy expectations and is therefore more transparent. We have used a robust and evidence-based approach to ensure national analysis is informed by local information and policy ambition, resulting in figures that are based on current housing need and future demand for housing.
35. The approach has produced broad, reasonable and long-term requirements, as is appropriate at the national scale. It looks to provide clarity early in the development plan process and confidence about the baseline amount of land to be identified locally. Local flexibility will remain in that authorities will be able to allocate additional land through their LDPs, should this be supported by additional evidence or take-up of land at a faster pace than estimated. The approach will also provide for local needs to be met by enabling local planning and housing authorities to address place-based matters, for example location, priorities and deliverability, at the local level.
36. The approach reaffirms that it is important for the planning and housing systems to relate to each other. The important linkages between the LDP and LHS remain. The future components of the Development Plan, NPF and LDPs, will be moving to a ten-year review cycle, while the LHS will remain in a five-year review cycle. The LHS review provides an opportunity to update local evidence and test the appropriateness of the housing land requirement identified in LDPs. In carrying out this work, planning and housing interests across Scottish Government have worked collaboratively and we have sought input from planning and housing interests in local authorities, who have engaged with their local stakeholders.

Consultation

37. A [discussion paper](#)¹³ setting out a proposed methodology that could be used for setting 'targets for the use of land in different areas of Scotland for housing' was published in March 2020 and was consulted on alongside the NPF4 Call for Ideas. The period for comments was extended, as it was for the Call for Ideas, due to the pandemic. An independent analysis of the consultation responses was included as part of the analysis of the NPF4 [Call for Ideas](#)¹⁴.
38. 25 respondents replied directly to the consultation. This included responses from local authorities, house builders, Homes for Scotland and community councils. Other respondents made relevant comments under the housing-related themes in

¹³ <https://www.transformingplanning.scot/media/1296/national-planning-framework-4-housing-land-targets-technical-discussion-paper-2-march-2020.pdf>

¹⁴ <https://www.gov.scot/publications/npf4-analysis-reponses-call-ideas/>

the broader NPF4 Call for Ideas consultation and these views were also included in the independent analysis.

39. The discussion paper introduced a number of guiding principles for a proposed methodology. Whilst there was a mix of views on these, with some respondents saying they could not support them or that the principles may have some problems working in practice, there was general support for them. A brief summary of the feedback received on the guiding principles is set out below:

- *Providing early clarity and reducing conflict and complexity*
There was support for moving towards an approach that would reduce debate around housing land requirements and reduce conflict and complexity.
- *Ensuring LDPs allocate sufficient land for housing*
Views indicated that it is impossible to state the quantum of land needed without first assessing the number of homes required. The process should also be outcome focused and any land identified as a result of a housing land requirement must be presented in the context of being necessary to meet a housing supply target. A minimum requirement could be open to interpretation and will increase opportunities for debate and conflict.
- *An agreed proportion of this land should be deliverable*
There was broad support for the principle of focusing on deliverable, rather than effective land. However, some respondents stated their disagreement with this principle. For example, it was stated that identifying deliverable land should not be used as a reason to reject other sustainable and deliverable home building opportunities if it cannot be demonstrated that the identified land is free of barriers (market or otherwise) to the delivery of homes. It was not clear what 'an agreed proportion' meant in practical terms, and how this would be measured and established. Nor was it clear with whom agreement would be required, or what was meant as 'deliverable' in this context. There should be a clear plan of action within LDPs to show that every site is, or will go through defined steps to become deliverable. This would establish deliverability over the short, medium and longer term.
- *Minimum figures should be set for all local authority areas*
Most agreed with the principle of setting minimum figures for all local authority areas and there was support for consistency, although some expressed concern that it could result in unsustainable development and the undermining of spatial and regeneration priorities. There was majority support for a single figure rather than a range.
- *National approach should be informed by regional and local knowledge, analysis and input.*
Input of regional and local knowledge and analysis was welcomed and would be crucial in ensuring that the targets are realistic and result in the delivery of high-quality homes in the right locations. While a national approach requires support at the regional and local level, this should not be to the detriment of meeting Scotland's housing need and demand.

40. The discussion paper proposed a methodology for estimating the housing land requirement as:

- The Scottish Government could run the first steps, steps 1 and 2, of the HNDA Tool using the default scenario and assumptions of:
 - a. Household projections - the default scenario choice is the National Records of Scotland (NRS), 2018-based, principal household projection.
 - b. Existing housing need count - the default is the proxy method built into the tool which is a count of homeless households in temporary accommodation and households who are *both* overcrowded *and* concealed (HoTOC).
- Local areas could agree or propose adjustments to the scenarios and assumptions noted above. Authorities would be required to agree the scenarios and assumptions with their Housing Market Partnership (HMP) (including key wider stakeholders such as Homes for Scotland). In some areas, authorities may wish to reflect functional housing market areas that cross local authority boundaries. In this instance, they could propose adjustments at local authority level.
- The Scottish Government could apply a level of flexibility.
- Housing land figures would be set out in the Draft NPF4 and be subject to public consultation and transparent scrutiny. Draft NPF4 would be accompanied by a report supporting the housing land figures.
- A revised NPF4 would subsequently be laid before Parliament. There would be an opportunity to update the data between draft and revised NPF to reflect up-to-date information.
- LDPs would be expected to meet the housing land figure set in NPF4 as a minimum. Any adjustment to the figures would need to be agreed at the LDP gate-check stage.

41. Responses to the consultation raised a number of matters regarding the methodology. These are summarised below:

- There was a general view that the housing land requirement should be applied nationally. Although, as the requirement for housing land varies from area to area, there was a view to apply local evidence to support local requirements.
- There was general support for a single figure as this would clearly define housing land requirements and would reduce debate at the development plan gatecheck and examination, provided that local knowledge and expertise had been brought to bear.

Draft NPF4 - Housing Land Requirement Explanatory Report

- Using the HNDA Tool as a starting point to commence the process of setting a housing land requirement was generally supported; with the importance of considering policy drivers and their impacts being stressed.
- With regard to using NRS household projections, it was recognised that a more rounded approach is needed to avoid setting housing numbers that merely reflect trends rather than future potential.
- With regard to using HoTOC, its' limitations were noted as homelessness may be more broadly defined.
- With regard to using flexibility, this was noted as allowing for sites to come forward when others had failed or were delivering more slowly than programmed.
- It was highlighted that there should be the opportunity to reflect functional housing market areas, that cross local authority boundaries, through effective regional working.
- There was a strong call for there to be clear definitions of meanings for key terms.

Housing Advisory Panel

42. A Housing Advisory Panel chaired by the Scottish Government's Chief Planner, was established to help guide this work. It comprised a cross-section of approx. 12 members that were invited to take part on a personal basis due to their knowledge, skills and experience on housing and planning matters. Their experience was drawn from across the public and private sector and representative organisations as well as academia to reflect a broad range of views.
43. Recognising the strong and varying views of members, the remit of the panel was clarified to confirm that the role did not extend to producing outputs or recommendations, or taking decisions. It was also clarified that individuals were not representing a particular organisation.
44. The panel met in September 2020 and March 2021. Discussions focused on the approach and methodology for estimating the MATHLR. Significant points discussed and noted by the panel included:

September 2020

- It will not be easy to take conflict out the system; there will be challenges given the substantial vested interests. It is however, a worthwhile goal to move to a system with less conflict.
- Housing markets and geographies are very local, making it difficult to manage at a national level. In rural and remote areas, housing can be very different.
- Wider policy levers and budgetary context are important, for example Housing to 2040.

Draft NPF4 - Housing Land Requirement Explanatory Report

- Identifying numbers is the start of the process – their deliverability will be key.

March 2021

- Population and housing projections are trend based, they do not take into account ambitions for an area.
- The types of existing household need accounted for in the HNDA input data are limited, there are likely to be other areas of need relevant.
- Completions information uses an average over 10 years, over which completions generally increased to 2019 and can be looked at using Scottish Government data or local authority Housing Land Audits.
- In some areas, initial estimates are low.

Consideration of Matters Raised

45. Taking into account the responses to the discussion paper and the contributions from the Housing Advisory Panel, the approach to establish the MATHLR was refined. This built upon the approach presented in the discussion paper and represented fine-tuning and iterative amendment.
46. A Q&A¹⁵ document was prepared that outlined the Scottish Government position on a range of the matters raised: key points are summarised below:
 - The NRS household projections are trend based however, the method proposed provides for local authorities to take account of national, regional and local policy drivers to inform their choice of projection or any alternative. As the planning process moves to the local level and LDPs are prepared, authorities will have an opportunity to reflect any updates to evidence, including policy drivers.
 - The HoTOC data contains information collated nationally however, the method proposed is a starting point: it is recognised that existing need will differ locally around Scotland reflecting different housing market dynamics. Local authorities are asked to use robust, locally available information that evidences a requirement for an additional housing unit.
 - HNDA is a well-established tool that uses the best available data to provide a consistent approach. The method proposed provides for the HDNA inputs to be refined using robust local information.
 - Understanding Housing Market Areas (HMAs) and the dynamic of them is important. The method proposed provides the ability to work across boundaries in regional groupings and where that is preferred, HMAs will be particularly relevant.
 - The completions information provided was a 10 year average from 2010 to 2019. It is based on local authority NB1 and NB2 returns (generally from building standards departments) and Housing Association new build information provided to the Scottish Government ([Housing statistics quarterly update: new housebuilding and affordable housing supply - gov.scot](https://www.gov.scot/publications/housing-statistics-quarterly-update/new-housebuilding-and-affordable-housing-supply/pages/10.aspx))

¹⁵ <https://www.transformingplanning.scot/media/2247/housing-npf4-pdf-ga.pdf>

(www.gov.scot). These are submitted and collated systematically, as well as quality assured and formally published. Whilst there is best practice on Housing Land Audits, there is no standard approach.

47. A number of amendments and clarifications were made to the approach, including:
- Rather than requiring authorities to ‘agree’ the figures with their HMP, it was instead considered appropriate to require authorities to ‘engage’ with them and relevant interests. This reflects that it is local authorities that have responsibilities for planning and housing and preparing LDPs and LHSs.
 - Rather than the Scottish Government apply flexibility at the end of the process, it would instead be considered locally with other inputs.
 - Rather than flexibility potentially being used to lower figures, it would instead only be applied to increase figures to meet its intended objective.

Inputs

48. The calculation for arriving at the MATHLR is set out in Figure 1 below:

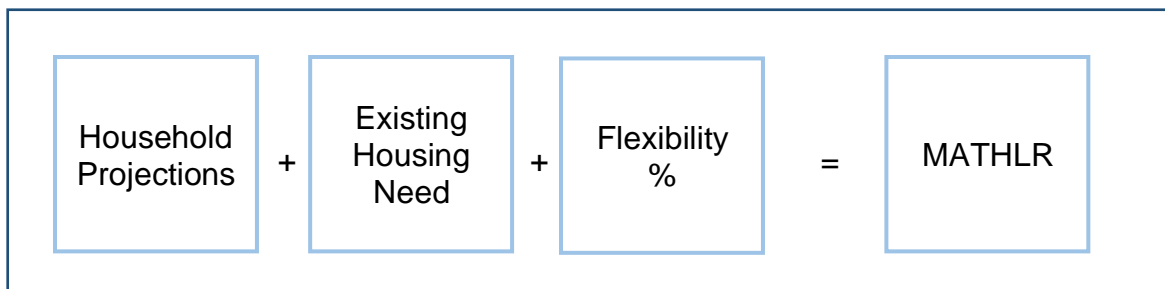


Figure 1 – Inputs for Calculating the MATHLR

49. For household projections, the 2018-based principal projection of [National Records of Scotland \(NRS\)](#) data is used¹⁶. This equates to step 1 of the HNDA process.
50. For existing housing need, this uses a count of homeless households in temporary accommodation and households who are *both overcrowded and concealed* using NRS 2011 census information, the 2016-2018 Scottish Household Survey and Scottish Government homelessness statistics as at March 2020. This equates to step 2 of the HNDA process.
51. A flexibility percentage is then applied. This represents a contingency of land to allow for changes in sites coming forward. It is in the long term public interest to ensure there is sufficient land available to meet future requirements, in the knowledge that over time there will be changes that effect whether sites come forward or not.
52. The flexibility is similar to the ‘generosity’ applied in current Scottish Planning Policy (SPP); in that it reflects the aim of ensuring that LDPs allocate sufficient

¹⁶ [Household Projections for Scotland, 2018-based | National Records of Scotland \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk)

land for housing. The percentages are higher than the SPP (10-20%) to account for the change in legislation that now requires plans to be reviewed at intervals of no more than 10 years, instead of the previous 5. As plans will likely be in place for longer, there is a greater chance of changes to sites coming forward.

53. The flexibility applied is 25% for urban authorities and 30% for rural authorities. The distinction is made to reflect the statutory requirement that the NPF must contribute to the outcome of increasing the population of rural areas. The Randall Classification is used to distinguish authorities, with those authorities with a population density below one person per hectare identified as rural and those above identified as urban.

Terminology

54. Clarity of the use of terms was considered important. They can therefore be explained as follows:
55. The figures will be a minimum amount of land to be identified within LDPs. Expressing the figure as a minimum requirement prevents this being interpreted as a limit or a cap to development: planning authorities through their LDPs will be able to have higher local housing land requirements where evidence justifies this and the home building industry will then be able to fulfil and exceed delivery of homes above the minimum national requirement.
56. The figures will be all-tenure as it is the scale of land that is relevant for national spatial planning purposes. Different tenures, for example market and affordable housing, will continue to be considered at the local level in the more detailed planning for housing processes of the HNDA, LHS and LDPs.
57. The figures will focus on the delivery of housing land. The statutory requirement of the Act relates to 'use of land' and it is land use that the planning system regulates. LDPs allocate land where housing will be located and the aim is to ensure there is enough land planned, in the right locations, to meet housing need and demand. As the amount of land to be allocated is informed by the amount of housing need and demand, expressing the requirement as a number of units is more relevant than expressing it in acres or hectares.
58. The figures are termed a requirement to better convey the intention that they are to be met through allocation of sufficient land within LDPs. Reference to targets could be inferred as aspirational amounts that authorities try to achieve. There is also the potential for confusion with the Housing Supply Target that is set out in the LHS.

Process

59. The process for arriving at the MATHLR is set out in Figure 2 below.

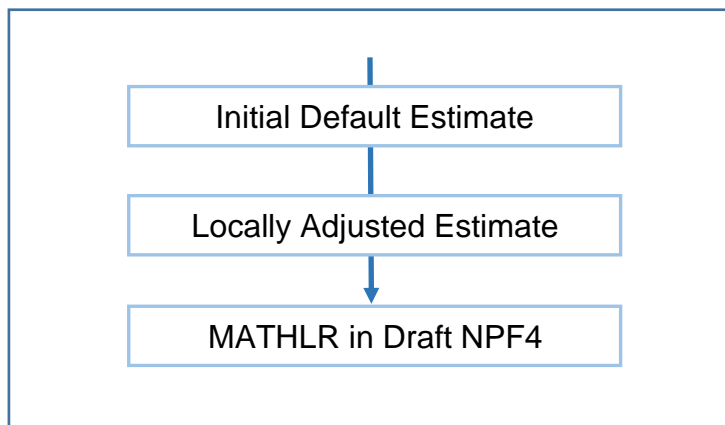


Figure 2 – Process for Establishing the MATHLR

60. The Scottish Government ran the first two steps of the HNDA Tool using default scenarios and added the relevant flexibility allowance. This provided Initial Default Estimates for each local and national park authority.
61. Authorities, either individually or in regional groupings, with their Housing Market Partnership (HMP) and local stakeholders, then considered the Initial Default Estimates and, where relevant, they proposed Locally Adjusted Estimates based on local information and relevant policy drivers.
62. The Scottish Government then considered the Locally Adjusted Estimates and have proposed the Minimum All Tenure Housing Land Requirement for each planning authority in Draft NPF4.
63. Following engagement and scrutiny, requirements will be included in the final NPF and they must then be taken into account in preparing LDPs.

Initial Default Estimates

64. The Initial Default Estimates (IDE) are set out in Appendix A.
65. The detail of how the IDEs were arrived at is set out in a [Method Paper](#)¹⁷. As well as the key inputs, amendments to the data were made to enable figures to be produced for national parks, to annualise figures to a 10 year timeframe and to round to the nearest 50. The authorities were also re-ordered to reflect regional groupings.
66. It was made clear that the Initial Default Estimates were a starting point for local consideration and to enable local input. They represented the beginning of the process and were, in general, a statistical and policy neutral figure to build on. The estimates were expected to increase through local input that took into account public and private sector ambitions to support growth in housing

¹⁷ <https://www.transformingplanning.scot/media/2252/npf4-housing-land-figures-method-paper-pdf-123mb-v2.pdf>

provision: they were not the estimates that were expected to be included within Draft NPF4.

Local Input

67. In February 2021, the Scottish Government Chief Planner and Director for Housing and Social Justice wrote to local authority Heads of Planning and Heads of Housing to seek the input of their authorities and relevant stakeholders to meeting the statutory requirement. This included:
- A [letter](#)¹⁸ that emphasised the Scottish Government’s commitment to enabling the delivery of high quality homes and the need for positive engagement and constructive co-operation across planning and housing and leadership with local stakeholders from the public and private sectors. It confirmed the Initial Default Estimates as a starting point.
 - A [Method Paper](#)¹⁹ outlined the methodology for the Initial Default Estimates.
 - A [Template](#)²⁰ was provided for authorities to complete and return.
 - [Guidance](#)²¹ to support completion of the template.
 - A [calculator](#)²² was provided to support consideration and to be completed and returned.
 - A [presentation](#)²³ and [Q&A document](#)²⁴ were also made available following discussions with the Heads of Planning Development Planning sub-committee and the Housing Advisory Panel.
68. Working with their HMPs and local stakeholders, authorities were asked to consider the estimates and whether robust local information and policy drivers indicated an adjustment was appropriate. It was expected that authorities would take into account the completions data provided.
69. Responses were sought by early June 2021. A number of extensions to this timescale were sought, with responses being received during the month.

¹⁸ <https://www.transformingplanning.scot/media/2176/npf4-housing-land-figures-letter-to-stakeholders.pdf>

¹⁹ <https://www.transformingplanning.scot/media/2252/npf4-housing-land-figures-method-paper-pdf-123mb-v2.pdf>

²⁰ <https://www.transformingplanning.scot/media/2185/chma-planning-review-initial-default-minimum-all-tenure-housing-land-requirements-response-template.docx>

²¹ <https://www.transformingplanning.scot/media/2178/npf4-housing-land-figures-guidance.pdf>

²² <https://www.transformingplanning.scot/media/2251/chma-planning-review-initial-default-minimum-all-tenure-housing-land-requirement-excel-calculator-xls-186kb-v2.xlsx>

²³ <https://www.transformingplanning.scot/media/2237/housing-npf4-local-input-stage-presentation-march-2021.pdf>

²⁴ <https://www.transformingplanning.scot/media/2247/housing-npf4-pdf-ga.pdf>

Locally Adjusted Estimates

70. Copies of submissions from authorities are available online: [Responses from Planning Authorities | Transforming Planning](#). Information submitted provided commentary on a range of matters, summarised below.
71. Household Projections: The Initial Default Estimate was based on the NRS 2018-based principal household projection. Many authorities pointed out that these are a continuation of past trends and were based on the 2011 census which, given the time elapsed, needs to be considered carefully alongside other evidence. It was indicated that the Locally Adjusted Estimate should apply a policy interpretation to the NRS projection. Overcoming these issues, to take account of policy, was a consistent component in evidence submitted. This emphasised taking account of local economic growth/growth deals (and housing supply to support this), demographic change, affordability, Housing to 2040 and post-pandemic outcomes.
72. For some, the adoption of a high migration variation on the NRS 2018-based household projection was sufficient to accommodate limitations. Others sought to adopt their own forecast for household growth.
73. Existing Housing Need: The HNDA Tool counts two types of existing housing need - homeless households in temporary accommodation and households that are *both overcrowded and* concealed. The HNDA Tool and supporting guidance state that the existing housing need figure used by the Scottish Government is only a minimum and that other types of existing housing need exist. Local authorities and stakeholders highlighted a range of additional factors including higher levels of homelessness, some types of households on social housing waiting lists, affordable housing need, special housing need, Below Tolerable Standard housing and/or, where available, results of local HNDA surveys where these were quality assured.
74. The near unanimity of this expanded assessment of need was recognised. Consequently, this represented an opportunity to expand existing housing need where evidence to quantify it was available; including ensuring that it resulted in a need for a new home and that there was no double counting. This expansion of existing housing need based on local knowledge and local housing markets mirrors what many authorities can, and do, already for their HNDA.
75. Further, for local household surveys to be relevant and offer strong evidence, they need to be robust and representative of the local area and community. The questions asked need to eliminate bias and the representativeness of the surveys must be demonstrable. Any limitations of the surveys must be clearly articulated when the findings are used. A knowledge of survey design is required for this. Local household surveys can be costly and time consuming to undertake and a careful cost/benefit analysis of undertaking one should always be carried out including an assessment of what data sources already exist and whether these are sufficient in terms of the question(s) to be answered.
76. Flexibility: The application of flexibility to rural and urban areas was accepted in all but two instances. Aberdeenshire and the Cairngorms National Park indicated a

preference for different percentages. Aberdeenshire sought the urban 25% as they consider the population density is skewed by the area of the authority within the Cairngorms National Park. The National Park sought a change to 10%, highlighting potential impacts on nature conservation interests. Authorities are encouraged to be more directive in where new development should take place, which can be away from areas authorities consider there will be issues with deliverability. As a result, the Randall Classification was considered appropriate despite its limitations.

77. Completions: It was thought prudent to take account of the 10-year trend in completions as a comparative benchmark. Homes for Scotland was of the view that as there is evidence of general growth of completions each year between 2010 and 2019, using an average from this period would not be suitable. It was suggested that current completion levels (2019) should be used as this reflected pre-pandemic capacity following the financial crisis of 2008. However, it was argued that the 10-year average trend was reflective of delivery and more robust than a one-off year; particularly where this was the year with highest completions for most local authorities.
78. Past completions provide evidence of past trends in the delivery of new housing units. Completions do not in themselves, create demand for a new unit of housing. The information should not therefore be a determinant of future housing requirements but is a helpful factor to use as a comparative benchmark to sense check whether a requirement is reasonable.
79. Housing Land Audit (HLA) Completions: A view emerged amongst local authorities that the HLA completions represented a robust record of completions, although many HLA completions omitted developments on small sites or made assumptions in this regard. This is because HLA completions are used to inform the preparation and monitoring of LDPs. However, [research](#)²⁵ has indicated there is a lack in consistency of approach across Scotland to HLAs and given that completions, whether measured through the HLA or by returns to the Scottish Government, should not be a primary determinant for the housing land requirement estimate, but rather act as a benchmark; local authorities were encouraged to retain the quality assured Scottish Government 10-year completion figure for this purpose.
80. Delivery: A view was expressed that low housing land requirements can create complications for infrastructure planning and delivery, and uncertainty for communities. Similarly, an over-generous housing land requirement can undermine confidence in the delivery of housing. Most respondents sought to use completions data, either Scottish Government or HLA, as a benchmark against which the adjusted estimate could be compared and contrasted.
81. Housing Market Areas: Glasgow City Region (GCR) set out that the principle of housing demand being met irrespective of local authority boundaries is highly applicable in the GCR as there are strong interconnections between the outer authorities and parts of Glasgow. The GCR argued that an approach that requires a MATHLR for each local authority, disregards established policy based on functional Housing Market Areas. Planning for housing based on a local

²⁵ <https://www.gov.scot/publications/research-project-housing-land-audits-january-2019/documents/>

authority area, rather than on a HMA, may lead to excessive green belt planning pressures in areas of buoyant commercial market demand and reduce the effectiveness to direct development to areas requiring interventions and support, usually on brownfield sites. Consequently, the MATHLR should be for functional HMAs.

82. It is a statutory requirement for each planning authority to prepare an LDP and across Scotland, generally, each authority prepares one plan: the exceptions relate to large geographical areas (i.e. Highland) and subject specific plans (i.e. South Ayrshire). The method for arriving at the MATHLR provides for cross-border issues to be considered and addressed through co-operation with neighbouring authorities, including consideration of functional HMAs. These considerations could lead to some local authority areas having an increased MATHLR, to accommodate a higher level of homebuilding than anticipated; whilst other areas would be reduced where there was strong commercial demand with environmental and infrastructure constraints necessitating restraint. However, the over-all impact on the MATHLR would be neutral across the authorities
83. Rounding to Nearest 50: It was suggested that where an estimate is low, the '50s' rounding requirement should not apply as it can have a significant distorting impact that could undermine deliverability. Consequently, for local authorities where any component of the MATHLR is 50 or less, no rounding should be applied.

Housing Market Partnerships & Stakeholder Views

84. Generally, HMPs and stakeholder engagement informed the Locally Adjusted Estimates. However, the level of engagement was mixed. Largely, most HMPs and stakeholders viewed the Initial Default Estimates as low, requiring an uplift to reflect local circumstances and aspirations. Support was forthcoming for increasing the housing land requirement through expanding the definition of need and emphasising policy drivers (particularly with regard to economic growth and social housing provision) to increase household projections. Benchmarking through comparing and contrasting with historic completion rates informed these considerations.
85. In addition to responses from authorities, comments were received from the following:
 - South of Scotland Enterprise, which supported adjusted estimates from Scottish Borders Council and Dumfries and Galloway Council.
 - Chair of Aberdeenshire Council's Infrastructure Services Committee and Chair of Aberdeenshire Council's Communities Committee, who were in support of the joint submission from Aberdeen and Aberdeenshire Councils.
 - Methlick Community Council, who sought a joined-up approach, agreed by all, which incorporates housing need and service provision with the wishes of the local community.

Draft NPF4 - Housing Land Requirement Explanatory Report

- Newmachar Community Council, seeking an increase in the number of social housing units built in the future.
- Homes for Scotland (HfS), who reflected on their engagement with local authorities, provided observations on the process, highlighted household survey work as a means for refining existing need and argued for a review of the HNDA Tool. HfS retained a number of concerns about the data/material that underpins the Draft NPF4 MATHLRs.
- The Scottish Property Federation shared concerns expressed by Homes for Scotland (HfS) and sought an upwards adjustment of housing need and demand, and corresponding minimum housing land requirements. It argued for higher minimum flexibility of 30% in urban areas and 35% in rural areas. Economic development and growth was highlighted as a key consideration in house building. The Initial Default Estimates, it argued, appeared to lack any ambition to address the six statutory outcomes set out in the Planning (Scotland) Act 2019.
- Colliers, on behalf of Mactaggart & Mickel Homes, indicated concerns regarding low figures for the Initial Default Estimates and planning for housing land for Edinburgh and the Glasgow conurbation. They encourage the housing land requirement to set ambitious targets with 250,000 over ten-years being suggested.

Assessment and the Proposed MATHLR

86. The Scottish Government considered the Locally Adjusted Estimates submitted by the local and national park authorities through Summer 2021. This reviewed evidence and views presented in relation to household projections, existing housing need and flexibility. It also included looking at the information provided on housing market partnerships and stakeholder involvement and policy evidence, as well as sign off by senior officials and the statistical evidence used.
87. Where accepted, the Locally Adjusted Estimates (or a minor revision to them) have been included as the proposed MATHLR within Draft NPF4. Where further explanation or clarification was considered required, discussions with relevant authorities took place to seek further information, which was used to inform the proposed MATHLR. Additional information submitted by authorities is available online [Responses from Planning Authorities | Transforming Planning](#). Where matters could not be resolved, the MATHLR included within the Draft NPF4 reverted to the Initial Default Estimate or a variation of it.
88. Recognising that the proposed MATHLRs promote a strategic allocation of housing land to provide a broad estimate for local authority areas and is not intended to be precise, they were benchmarked against a number of factors, including completions, HLA programme, established housing supply, existing housing stock and an area's historic dwellings growth. Annex B provides details of the benchmarking information.
89. An Assessment Report for each authority or regional grouping, as relevant, has been prepared. Annex C provides links to the Assessment Reports for each

Draft NPF4 - Housing Land Requirement Explanatory Report

authority or regional grouping. A single report has been produced for Fife. The information covers two areas, Fife North, and Fife Central and South. This reflects that Fife was formerly part of two Strategic Development Plan areas and contributed to separate Housing Need and Demand Assessments.

90. Annex D provides an overview of the proposed MATHLR for each local and national park authority. Within the table, figures shown for Eilean Siar are not rounded. This is because of the effect rounding to the nearest 50 can have on numbers at this scale. Figures for the Glasgow City Region are provided for the MATHLR only as breakdowns were not received.
91. Annex E provides a breakdown of the Initial Default Estimates, Locally Adjusted Estimates and the proposed MATHLR by the three inputs. It illustrates the progression to the figures in Draft NPF4. As above, within the table, figures shown for Eilean Siar are not rounded because of the effect rounding can have on numbers at this scale. Also as above, figures for the Glasgow City Region MATHLR breakdown are not included as they were not received.

Next Steps

92. Draft NPF4 is now the subject of public consultation and parliamentary scrutiny. This includes consideration of the proposed MATHLR. Parliament will be at liberty to receive evidence on the MATHLR in its entirety or in part. In parallel with parliamentary scrutiny, public consultation will result in views and representations being made. Subject to these considerations, this may result in amendments to the MATHLR presented in the published NPF4.
93. NPF4 will provide a consistent, evidenced and transparent approach to housing land requirements and will have been considered by the Scottish Parliament. It will be a starting point from which each LDP will build.
94. Once NPF4 is adopted and published, there is a statutory requirement for it to be taken into account by planning authorities when preparing LDPs. There is not a statutory requirement for it to be consistent however, it is expected that the MATHLR will be the minimum amount of housing land to be identified within LDPs across Scotland.
95. The MATHLR, as it is a minimum, can be revised upward as LDPs are prepared, where robust evidence supports this. The production of the Evidence Report will inform the housing land requirement building from NPF4's MATHLR. It will take account of any updated evidence, for example household projections, local need figures or recent policy drivers. It will also consider implications of the broader housing system, including a robust and credible HNDA and consideration of updated LHSs. The housing land requirement will then be established at the LDP gatecheck.
96. The LDPs will go onto to allocate sites to meet their housing land requirement. The aim is for planning to shift to be more directive about the quality of places, including guiding where new development should happen and how those developments can deliver more for new and existing communities. As the proposed figures are to be used as a starting point, debate should be minimised thereby freeing up planning authority capacity to focus on quality, location and delivery.
97. A supporting Delivery Programme for each LDP will set out how an authority propose to implement its plan. It will be instrumental to achieving an outcomes-focussed approach to development planning. The Delivery Programme will proactively support delivery of the LDP, including housing provision. It will identify the phasing of a pipeline of deliverable housing land and it will link to monitoring via the Housing Land Audit to inform actions to support delivery or amendment/review of the plan.
98. Changes made through the package of planning reform seek to enable authorities to focus their resources on place and delivery, emphasising planners' role in co-ordinating levers across authorities, wider public sector and the private sector to support delivery of development, including housing, that achieves the wider outcomes intended.

Annex A: Initial Default Estimates

Local, City Region and National Park Authority	Initial Default Estimate	Existing Need	Households	Flexibility %	Flexibility Amount
Aberdeen City	4,750	500	3,300	25	950
Aberdeenshire	6,500	400	4,600	30	1,500
Aberdeen City Region	11,250	900	7,900		2,450
Angus	850	150	500	30	200
Fife (North)	1,050	150	700	25	200
Dundee City	2,000	400	1,200	25	400
Perth & Kinross	2,650	100	1,950	30	600
Dundee City Region	6,550	800	4,350		1,400
City of Edinburgh	27,550	2,150	19,900	25	5,500
East Lothian	6,050	500	4,350	25	1,200
Fife (Central and South)	4,200	600	2,750	25	850
Midlothian	8,050	500	5,950	25	1,600
West Lothian	8,850	600	6,500	25	1,750
Scottish Borders	1,750	100	1,250	30	400
Edinburgh City Region	56,450	4,450	40,700		11,300
East Dunbartonshire	3,200	250	2,300	25	650
East Renfrewshire	4,050	100	3,150	25	800
Glasgow City	21,450	3,400	13,750	25	4,300
Inverclyde	250	200	0	25	50
North Lanarkshire	6,300	900	4,150	25	1,250
Renfrewshire	4,900	300	3,600	25	1,000
South Lanarkshire	7,800	850	5,400	25	1,550
West Dunbartonshire	450	350	0	25	100
Glasgow City Region	48,400	6,350	32,350		9,700
Argyll & Bute	200	150	0	30	50
Clackmannanshire	450	150	200	25	100
Dumfries & Galloway	400	250	50	30	100
East Ayrshire	350	200	50	30	100
Eilean Siar	100	69	0	30	21
Falkirk	5,250	350	3,850	25	1,050
Highland	4,350	700	2,650	30	1,000
Moray	1,800	200	1,200	30	400
North Ayrshire	450	350	0	25	100
Orkney	450	50	300	30	100
Shetland	300	100	150	30	50
South Ayrshire	500	300	100	30	100
Stirling	3,500	300	2,400	30	800
Cairngorms National Park	850	50	600	30	200
Loch Lomond & Trossachs National Park	250	50	150	30	50
All Fife	5,250	750	3,450	25	1,050

Annex B: Benchmark Tables

Local Authorities & National Parks	MATHLR	10 Year Scottish Government Completions (2010 - 2019)	HLA 5 Year Programmed ²⁷	Established Housing Land Supply ²⁶	Total Dwellings (2019) ²⁷	Dwelling growth % (2009 - 2019) ²⁸
Aberdeen City Region						
Aberdeen City	7,000	7,734	6,542	21,331	119,523	8.1%
Aberdeenshire	7,550	12,132	6,296	23,565	119,196	10.3%
Dundee City Region						
Angus	2,550	2,464	2,248	3,469	56,928	5.8%
Fife (North)	1,500	2,403	955	5,695	-	-
Dundee City	4,200	2,377	3,612	4,747	74,891	1.6%
Perth & Kinross	8,500	5,560	3,682	19,176	73,267	7.2%
Edinburgh City Region						
City of Edinburgh	41,300	16,654	12,415	30,000	252,731	9.0%
East Lothian	6,400	5,124	6,644	13,659	48,851	10.6%
Fife (Central and South)	5,650	9,613	5,720	28,831	-	-
Midlothian	8,050	6,271	5,496	11,941	41,226	15.8%
West Lothian	9,600	6,568	8,363	25,362	80,911	8.8%
Scottish Borders	4,800	3,512	3,679	9,176	58,671	5.4%
Glasgow City Region						
East Dunbartonshire	2,500	3,678	1,776	1,819	46,986	6.4%
East Renfrewshire	2,800	2,999	1,816	1,954	39,144	6.1%
Glasgow City	21,350	15,338	19,918	36,841	314,604	4.9%
Inverclyde	1,500	2,397	2,007	5,423	38,977	-0.8%
North Lanarkshire ²⁹	7,350	7,567	8,403	22,827	156,694	6.2%

²⁶ From the most up to date HLAs found on local authority websites.

²⁷ From NRS - [Estimates of Households and Dwellings in Scotland, 2019 | National Records of Scotland \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk)

²⁸ From NRS - [Estimates of Households and Dwellings in Scotland, 2019 | National Records of Scotland \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk)

²⁹ HLA 5-year programme estimated from available 3-year programme.

Annex B: Benchmark Tables

Local Authorities & National Parks	MATHLR	10 Year Scottish Government Completions (2010 - 2019)	HLA 5 Year Programmed ²⁷	Established Housing Land Supply ²⁶	Total Dwellings (2019) ²⁷	Dwelling growth % (2009 - 2019) ²⁸
Renfrewshire	4,900	5,846	4,486	9,630	88,086	6.6%
South Lanarkshire	7,850	11,341	7,412	9,076	152,998	7.3%
West Dunbartonshire	2,100	2,601	1,973	5,398	45,357	2.5%
Argyll & Bute	2,150	2,025	3,738	5,319	48,134	3.6%
Clackmannanshire	1,500	1,145	1,628	4,845	24,716	5.0%
Dumfries & Galloway	4,550	2,966	3,068	8,755	75,089	4.1%
East Ayrshire	4,050	3,669	2,301	5,111	58,628	4.5%
Eileanan Siar	192	1,270	508	1,298	14,734	4.5%
Falkirk	5,250	4,579	2,690	5,649	75,226	6.7%
Highland	9,500	10,012	6,505	10,523	119,061	8.6%
Moray	3,450	4,514	2,160	12,528	45,630	8.7%
North Ayrshire	2,950	3,123	2,558	9,115	68,496	3.5%
Orkney	1,600	1,450	-	1,569	11,322	11.1%
Shetland	850	993	-	1,419	11,305	7.4%
South Ayrshire	2,000	2,400	2,696	7,795	55,668	4.2%
Stirling	3,500	2,878	2,778	8,009	41,638	6.5%
Cairngorms National Park	850	-	-	-	-	-
LL & Trossachs National Park	300	-	-	-	-	-
All Fife	7,350	12,016	6,675	34,526	178,183	5.6%

Annex C: Links to Authority Assessment Reports

The Assessment Reports are available online at [Responses from Planning Authorities | Transforming Planning](#)

- Aberdeen City & Aberdeenshire
- Angus
- Argyll & Bute
- Cairngorms National Park
- Clackmannanshire
- City of Edinburgh
- Dumfries and Galloway
- Dundee
- East Ayrshire
- East Lothian
- Eileanan Siar
- Falkirk
- Fife
- Glasgow City Region
- Highland
- Loch Lomond and Trossachs National Park
- Midlothian
- Moray
- North Ayrshire
- Orkney
- Perth & Kinross
- Scottish Borders
- Shetland
- South Ayrshire
- Stirling
- West Lothian

Tables in the Assessment Reports use the following headings:

- ‘Default’** These are figures used in the Initial Default Estimates.
- ‘Adjusted’** These are figures provided by authorities in their initial responses on Locally Adjusted Estimates.
- ‘MATHLR’** This is included where there are different figures either provided by authorities in any supplementary submission or they are proposed by the Scottish Government on the basis of information provided.

Annex D: Proposed Minimum All-Tenure Housing Land Requirement

Local, City Region and National Park Authority	Initial Default Estimate	Existing Need	Households	Flexibility %	Flexibility Amount
Aberdeen City	7,000	500	5,100	25	1,400
Aberdeenshire	7,550	400	5,400	30	1,740
Aberdeen City Region	14,550	900	10,500		3,140
Angus	2,550	1,350	650	30	600
Fife (North)	1,700	650	700	25	338
Dundee City	4,200	2,150	1,200	25	838
Perth & Kinross	8,500	1,350	5,200	30	1,965
Dundee City Region	16,950	5,500	7,750		3,740
City of Edinburgh	41,300	8,950	24,100	25	8,263
East Lothian	6,400	750	4,350	25	1,275
Fife (Central and South)	5,650	1,750	2,750	25	1,125
Midlothian	8,050	500	5,950	25	1,613
West Lothian	9,600	1,200	6,500	25	1,925
Scottish Borders	4,800	400	3,300	30	1,110
Edinburgh City Region	75,800	13,550	46,950		15,310
East Dunbartonshire	2,500			25	
East Renfrewshire	2,800			25	
Glasgow City	21,350			25	
Inverclyde	1,500			25	
North Lanarkshire	7,350			25	
Renfrewshire	4,900			25	
South Lanarkshire	7,850			25	
West Dunbartonshire	2,100			25	
Glasgow City Region	50,350				
Argyll & Bute	2,150	850	800	30	495
Clackmannanshire	1,500	900	300	25	300
Dumfries & Galloway	4,550	700	2,800	30	1,050
East Ayrshire	4,050	650	2,450	30	930
Eilean Siar	192	81	67	30	44
Falkirk	5,250	350	3,850	25	1,050
Highland	9,500	2,100	5,200	30	2,190
Moray	3,450	500	2,200	30	810
North Ayrshire	2,950	2,300	50	25	588
Orkney	1,600	250	1,000	30	375
Shetland	850	400	250	30	195
South Ayrshire	2,000	1,350	200	30	465
Stirling	3,500	300	2,400	30	810
Cairngorms National Park	850	50	600	30	195
Loch Lomond & Trossachs National Park	300	100	150	30	75
All Fife	7,350	2,400	3,450	25	1,500

Annex E: Breakdown of Figures

Local, City Region and National Park Authority	Initial Default Estimate	Locally Adjusted Estimate	Proposed MATHLR	Completions (2010-19)	Initial Default Estimate				Locally Adjusted Estimate				Proposed MATHLR			
					Existing Need	Households	Flexibility %	Flexibility Amount	Existing Need	Households	Flexibility %	Flexibility Amount	Existing Need	Households	Flexibility %	Flexibility Amount

Aberdeen City	4,750	7,000	7,000	7,734	500	3,300	25	950	500	5,100	25	1,400	500	5,100	25	1,400
Aberdeenshire	6,500	7,250	7,550	12,132	400	4,600	30	1,500	400	5,400	25	1,450	400	5,400	30	1,740
Aberdeen City Region	11,250	14,250	14,550	19,866	900	7,900		2,450	900	10,500		2,850	900	10,500		3,140
Angus	850	2,550	2,550	2,464	150	500	30	200	1,350	650	30	600	1,350	650	30	600
Fife (North)	1,050	1,700	1,700	2,403	150	700	25	200	650	700	25	338	650	700	25	338
Dundee City	2,000	4,200	4,200	2,377	400	1,200	25	400	2,150	1,200	25	838	2,150	1,200	25	838
Perth & Kinross	2,650	8,500	8,500	5,560	100	1,950	30	600	1,350	5,200	30	1,965	1,350	5,200	30	1,965
Dundee City Region	6,550	16,950	16,950	12,804	800	4,350		1,400	5,500	7,750		3,740	5,500	7,750		3,740
City of Edinburgh	27,550	36,900	41,300	16,654	2,150	19,900	25	5,500	4,150	25,350	25	7,375	8,950	24,100	25	8,263
East Lothian	6,050	6,400	6,400	5,124	500	4,350	25	1,200	750	4,350	25	1,275	750	4,350	25	1,275
Fife (Central and South)	4,200	5,650	5,650	9,613	600	2,750	25	850	1,750	2,750	25	1,125	1,750	2,750	25	1,125
Midlothian	8,050	8,050	8,050	6,271	500	5,950	25	1,600	500	5,950	25	1,613	500	5,950	25	1,613
West Lothian	8,850	9,600	9,600	6,568	600	6,500	25	1,750	1,200	6,500	25	1,925	1,200	6,500	25	1,925
Scottish Borders	1,750	4,400	4,800	3,512	100	1,250	30	400	100	3,300	30	1,020	400	3,300	30	1,110
Edinburgh City Region	56,450	71,001	75,800	47,742	4,450	40,700		11,300	8,450	48,200		14,333	13,550	46,950		15,310
East Dunbartonshire	3,200	2,550	2,500	3,678	250	2,300	25	650				0			25	
East Renfrewshire	4,050	2,300	2,800	2,999	100	3,150	25	800				0			25	
Glasgow City	21,450	21,450	21,350	15,338	3,400	13,750	25	4,300				25			25	
Inverclyde	250	1,500	1,500	2,397	200	0	25	50				25			25	
North Lanarkshire	6,300	9,000	7,350	7,567	900	4,150	25	1,250				25			25	

Annex E: Breakdown of Figures

Local, City Region and National Park Authority	Initial Default Estimate	Locally Adjusted Estimate	Proposed MATHLR	Completions (2010-19)	Initial Default Estimate				Locally Adjusted Estimate				Proposed MATHLR			
					Existing Need	Households	Flexibility %	Flexibility Amount	Existing Need	Households	Flexibility %	Flexibility Amount	Existing Need	Households	Flexibility %	Flexibility Amount

Renfrewshire	4,900	4,900	4,900	5,846	300	3,600	25	1,000			25				25	
South Lanarkshire	7,800	7,800	7,850	11,341	850	5,400	25	1,550			25				25	
West Dunbartonshire	450	2,100	2,100	2,601	350	0	25	100			0				25	
Glasgow City Region	48,400	51,600	50,350	51,767	6,350	32,350		9,700	0	0		0	0	0		0
Argyll & Bute	200	2,150	2,150	2,025	150	0	30	50	850	800	30	495	850	800	30	495
Clackmannanshire	450	1,500	1,500	1,145	150	200	25	100	900	300	25	300	900	300	25	300
Dumfries & Galloway	400	4,550	4,550	2,966	250	50	30	100	700	2,800	30	1,050	700	2,800	30	1,050
East Ayrshire	350	4,050	4,050	3,669	200	50	30	100	650	2,450	30	930	650	2,450	30	930
Eilean Siar	100	192	192	1,270	69	0	30	21	81	67	30	44	81	67	30	44
Falkirk	5,250	5,250	5,250	4,579	350	3,850	25	1,050	350	3,850	25	1,050	350	3,850	25	1,050
Highland	4,350	10,000	9,500	10,300	700	2,650	30	1,000	4,350	3,350	30	2,310	2,100	5,200	30	2,190
Moray	1,800	3,450	3,450	4,514	200	1,200	30	400	500	2,200	30	810	500	2,200	30	810
North Ayrshire	450	2,900	2,950	3,123	350	0	25	100	2,300	7	25	577	2,300	50	25	588
Orkney	450	1,600	1,600	1,450	50	300	30	100	250	1,000	30	375	250	1,000	30	375
Shetland	300	850	850	993	100	150	30	50	400	250	30	195	400	250	30	195
South Ayrshire	500	500	2,000	2,400	300	100	30	100	300	100	30	100	1,350	200	30	465
Stirling	3,500	3,500	3,500	2,878	300	2,400	30	800	300	2,400	30	810	300	2,400	30	810
Cairngorms N. Park	850	850	850		50	600	30	200	50	600	30	195	50	600	30	195
Loch Lomond & Trossachs N. Park	250	300	300		50	150	30	50	100	150	30	75	100	150	30	75
All Fife	5,250	7,350	7,350	12,016	750	3,450	25	1,050	2,400	3,450	25	1,463	2,400	3,450	25	1,500

Acronyms

HfS	Homes for Scotland
HLA	Housing Land Audit
HMP	Housing Market Partnership
HNDA	Housing Need and Demand Assessment
HoTOC	HoTOC is the proxy method built into the HNDA Tool which is a count of homeless h ouseholds in t emporary accommodation and households who are both o vercrowded and c oncealed.
HST	Housing Supply Target
IDE	Initial Default Estimate
LA	Local Authority(ities)
LDP	Local Development Plan
LHS	Local Housing Strategy
LAE	Locally Adjusted Estimate
MATHLR	Minimum All Tenure Housing Land Requirement
NB1/NB2 returns	Private sector and local authority housing completions notified to the Scottish Government by local authorities.
NPF	National Planning Framework: a long-term plan for Scotland that sets out where development and infrastructure is needed to support sustainable and inclusive growth.
NPF4	The Fourth National Planning Framework will be part of the statutory development plan. The Third NPF was published in June, 2014. NPF2 was published in July 2009 and NPF1 in April, 2004.
NRS	National Records of Scotland
Q&A	Questions and Answers
SHIP	Strategic Housing Investment Plan
SLPA	Strategic Local Planning Agreement, associated with SHIPs
SPP	Scottish Planning Policy



Scottish Government
Riaghaltas na h-Alba
gov.scot

© Crown copyright 2021

OGL

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-80201-570-6 (web only)

Published by The Scottish Government, November 2021

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS964346 (11/21)

W W W . g o v . s c o t