

ABERDEEN CITY & SHIRE STRATEGIC DEVELOPMENT PLANNING AUTHORITY

Date: 26 June 2014

Title: Housing Land Audit 2014

1 Purpose of Report

- 1.1 The purpose of this report is to advise Members of the results of the 2014 Housing Land Audit (attached as **Appendix 1**) and its implications for the housing land supply position.

2 Background

- 2.1 The annual Housing Land Audit (HLA) measures the quantity of land available for new housing in Aberdeen City and Aberdeenshire. Scottish Government planning policy (SPP and PAN 2/2010) requires that a minimum effective supply of 5 years worth of land should be maintained at all times.
- 2.2 The Audit is prepared jointly by Aberdeen City and Aberdeenshire Council in consultation with the house building industry, landowners and relevant bodies including Scottish Water, SEPA and Scottish Government (Housing Investment Division).
- 2.3 The HLA has a base date of 1 January 2014, at which point the Aberdeen City and Shire Structure Plan (2009) was still in force. This plan was replaced on 28 March 2014 by the Aberdeen City and Shire Strategic Development Plan and this change will be reflected in next year's Audit.

The 2014 Housing Land Audit

- 2.4 Before discussing the Audit, it is useful to clarify the precise meaning of a number of commonly used phrases.

The total land supply is known as the **Established Supply** and this is divided into three main categories:

- The **Five Year Effective Supply** contains all units on sites which do not have constraints or where a constraint is likely to be resolved and are therefore expected to come forward within five years of the base date of the audit (1 Jan 2014). The five year effective supply includes the estimated contribution from small sites of less than five units.
- The **Post Five Year Effective Supply** contains units on effective sites which are programmed beyond the five year period as a result of factors such as lead in times, the capacity of the developer and local market conditions.
- The **Constrained Supply** consists of those sites, or parts of sites, which have problems such as drainage, access or marketability making it unlikely that development will start within five years from the base date of the Audit.

- 2.5 The Housing Land Audit is divided up by Housing Market Area (HMA). The Aberdeen Housing Market Area (AHMA) includes Aberdeen City and the part of Aberdeenshire which forms roughly a 30km radius of the City boundary, while the Rural Housing Market Area (RHMA) takes in the rest of Aberdeenshire. Sites within the Cairngorms National Park have been excluded from the RHMA totals as this area of Aberdeenshire is not covered by the Structure Plan.
- 2.6 As shown in Figure 1 below, on 1 January 2014, the Established Supply in the Structure Plan Area extended to 49,809 units, of which 36,114 were in the AHMA, and 13,695 in the RHMA. Of these, 12% in the AHMA and 42% in the RHMA are constrained. In the Effective Supply, 11,664 units in the AHMA and 3,786 units in the RHMA are expected to come forward within five years. This figure includes the estimated contribution from small sites of 467 units in the AHMA and 725 units in the RHMA. This leaves 20,283 (AHMA) and 4,117 (RHMA) units on effective sites programmed beyond the five year period.

Figure 1: Housing Land Supply by Housing Market Area

	Aberdeen HMA	Rural HMA	Structure Plan Area (TOTAL)
Effective (5 Yr)	11,664	3,786	15,450
Effective (Post 5 Yr)	20,283	4,117	24,400
Constrained	4,167	5,792	9,959
Established	36,114	13,695	49,809

- 2.7 The Five Year Effective Supply across the Structure Plan Area has increased by 6% since 2013. This increase reflects the progress being made in bringing forward allocated sites from the two Local Development Plans.
- 2.8 Of the Five Year Effective Supply, 75% is located in the AHMA and 25% in the RHMA. Within the AHMA, 56% of the effective units are located within Aberdeen City.
- 2.9 An integral part of the process of preparing the Housing Land Audit is consultation with representatives of the house building industry and other interested parties in order to try to reach agreement on the Effective Supply. This year agreement was reached on all sites except one. The programmed build rate at Chapelton of Elsick was disputed by the development industry and this is set out in Chapter 7 of the Audit (Appendix 1).

Housing Land Supply

- 2.10 Scottish Government planning policy (SPP and PAN 2/2010) states that local authorities should ensure that a supply of effective land for at least 5 years should be maintained at all times to ensure a continuing generous supply of land for house building. In order to measure the adequacy of the housing land supply, the number of units in the Effective Supply must be measured against the housing requirement in the Structure Plan.
- 2.11 Both councils and the SDPA have now completed the first round of new development plans which has significantly increased the supply of housing

land. Both councils have up-to-date Local Development Plans and are now reviewing these in line with the Strategic Development Plan. This is a significant achievement, with Aberdeen City and Shire being the only city-region with a fully up-to-date development plan.

- 2.12 The Established Housing Land Supply in the Structure Plan Area is currently 49,809 units, a net increase of 172% since 2011 (18,325 units) and is at the highest level since local government reorganisation in 1996.
- 2.13 Figure 2 shows the Effective Supply in each of the housing market areas and compares this with the 5 year housing requirement from the Structure Plan. This year the supply is once again above the 5 year housing requirement, with 6.2 years supply in the AHMA and 6.6 years in the RHMA.

Figure 2: Comparison of Housing Land Supply Against Requirement

	Housing Market Area	Housing Requirement 2014-2018	Effective Supply 2014	No. of Years Supply
Structure Plan Housing Requirement	Aberdeen HMA	9,459	11,664	6.2
	Rural HMA	2,869	3,786	6.6

3 Implications

- 3.1 As the supply in each of the housing market areas is above the 5 year housing requirement of the Structure Plan, no action needs to be taken beyond the continued implementation of the Structure Plan / Strategic Development Plan and the two Local Development Plans.

4 Conclusions

- 4.1 The 5 Year Effective Housing Land Supply identified in the 2014 audit is 11,664 units in the AHMA and 3,786 units in the RHMA. This equates to a housing land supply of 6.2 years and 6.6 years respectively when measured against the Structure Plan requirement.

5 Recommendations

- 5.1 It is recommended that the SDPA note the contents of the 2014 Housing Land Audit.

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