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## SCRUTINY BOARD (CITY DEVELOPMENT)

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Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Wednesday, 26th April, 2017 at 10.30 am

*(A pre-meeting will take place for ALL Members of the Board at 10.00 a.m.)*

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### MEMBERSHIP

#### Councillors

- N Buckley - Alwoodley;
- P Davey - City and Hunslet;
- N Dawson - Morley South;
- G Latty - Guiseley and Rawdon;
- S Lay - Otley and Yeadon;
- A Ogilvie - Beeston and Holbeck;
- D Ragan - Burmantofts and Richmond Hill;
- E Taylor - Chapel Allerton;
- C Towler - Hyde Park and Woodhouse;
- P Truswell (Chair) - Middleton Park;
- P Wadsworth - Guiseley and Rawdon;

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*Please note: Certain or all items on this agenda may be recorded*

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**Principal Scrutiny Adviser:**  
**Sandra Pentelow**  
**Tel: 24 74792**

Produced on Recycled Paper

# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p><b>RESOLVED –</b> That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p><b>No exempt items have been identified.</b></p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p><b>LATE ITEMS</b></p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstances shall be specified in the minutes.)</p>	
4			<p><b>DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS</b></p> <p>To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.</p>	
5			<p><b>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</b></p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p><b>MINUTES - 22 MARCH 2017</b></p> <p>To confirm as a correct record, the minutes of the meeting held on 22 March 2017.</p>	1 - 4
7			<p><b>HOUSING MIX - TRACKING OF SCRUTINY RECOMMENDATIONS AND DESIRED OUTCOMES</b></p> <p>To receive the report of the Head of Governance and Scrutiny Support and Director of City Development which sets out the progress made in responding to the recommendations arising from the Scrutiny inquiry into Housing Mix.</p>	5 - 104

Item No	Ward/Equal Opportunities	Item Not Open		Page No
8			<p><b>EMPLOYMENT GROWTH AND ACCESS TO OPPORTUNITIES</b></p> <p>To receive the report of the Director of City Development which provides summary information on the changes in the local economy and the labour market. It also provides examples of the demand and supply side interventions for labour.</p>	105 - 118
9			<p><b>WORK SCHEDULE</b></p> <p>To agree the Board's Work Schedule for the remainder of the municipal year.</p>	119 - 136
10			<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p>Wednesday, 17 May 2017 at 2:00pm (no pre-meeting)</p> <p><b>THIRD PARTY RECORDING</b></p> <p>Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts on the front of this agenda.</p> <p>Use of Recordings by Third Parties – code of practice</p> <ul style="list-style-type: none"> <li>a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.</li> <li>b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete.</li> </ul>	

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## SCRUTINY BOARD (CITY DEVELOPMENT)

WEDNESDAY, 22ND MARCH, 2017

**PRESENT:** Councillor P Truswell in the Chair

Councillors N Buckley, P Davey, S Lay,  
D Ragan, E Taylor, C Towler, P Wadsworth  
and G Wilkinson

### 59 Declaration of Disclosable Pecuniary Interests

There were no disclosable pecuniary interests declared at the meeting.

### 60 Apologies for Absence and Notification of Substitutes

Apologies for absence were submitted by Cllr G Latty and Cllr A Ogilvie. Cllr G Latty was substituted by Cllr G Wilkinson.

### 61 Minutes - 15 February 2017

**RESOLVED** – That the minutes of the meeting held on 15<sup>th</sup> February 2017 be approved as a correct record.

### 62 Transport for Leeds - Supertram, NGT and Beyond

The Board received the report of the Head of Governance and Scrutiny to support this session of the scrutiny inquiry.

The following information was appended to the reports:

- Appendix A- NGT Project Timeline
- Appendix B- Letter from Martin Woods 12/05/2016

The following representatives were in attendance to respond to Members queries and comments:

- Cllr Andrew Carter, Leader of the Conservative Group and Executive Member for City Development 2004 -May 2010
- Cllr Ryk Downes, Chair or Deputy Chair of the West Yorkshire Integrated Transport Authority (Metro) 2006 -2011
- Gary Bartlett, Chief Highways Officer
- Andrew Wheeler, West Yorkshire Combined Authority

The key areas for discussion were:

- Overview of the involvement of Councillor A Carter and Councillor R Downes during the Supertram & NGT schemes.

Draft minutes to be approved at the meeting  
to be held on Wednesday, 26th April, 2017

- The view that Leeds is disadvantaged because a rapid transport system was not installed in the 80's when other major cities such as Sheffield and Manchester were developing theirs. The missed opportunities to attract investment to develop wider additional connectivity.
- An overview from Councillor R Downes' regarding his visits to view rapid transit systems in Europe including a visit to Karlsruhe (South West Germany).
- The retirement of the former Chief Executive of Metro, Mr Kieran Preston, prior to the NGT Public Inquiry.
- The extent to which eventual government decisions to refuse the Supertram and NGT schemes were influenced by representation of objectors, such as First Bus.
- Clarity was sought regarding the initial decision to utilise Supertram routes creating the three arterial routes for NGT, and the early considerations about the A660 Headingley route.
- Frustration regarding the removal of the Eastern route by DfT and the inspector's subsequent observations regarding regeneration.
- Clarity sought regarding change in government opinion regarding Rapid Bus Systems from November 2005 to May 2007.
- The narrow focus of the Atkins report, commissioned by the DfT, and the response to the report by Leeds City Council and Metro.
- The extent to which opposition to the NGT scheme was dealt with prior to the Public Inquiry.
- The need to improve bus provision in Leeds.

**RESOLVED-** The Scrutiny Board:

- a) Noted the information contained within the report of the Head of Governance and Scrutiny Support.
- b) Considered the written and verbal information provided by the visiting representatives.

(Cllr D Ragan left the meeting at 10:30am during the consideration of this item)

**63 Flood Risk Management Strategy**

The Board considered the report of the Director of City Development which facilitates scrutiny of flood risk management functions as required by sections 4 & 6 of the Flood and Water Management Act 2010.

The following information was appended to the report:

- Appendix 1- Progress on LFRMS Appendix C (2016)
- Appendix 2- Updated version LFRMS Appendix C (i) Measures 2017
- Appendix 3- Storm Eva Flood Investigation Section 19 Report, Executive Board 8<sup>th</sup> February 2017



The following representatives were in attendance to respond to Members queries and comments:

- Jonathan Moxon, Flood Risk Manager
- John Bleakely – Group Engineer, Flood Risk Management
- John Woods – Lead Flood Risk Manager (Leeds District) Environment Agency
- Cllr Richard Lewis, Executive Member for Regeneration, Transport and Planning
- Cllr Lucinda Yeadon, Executive Member for Environment and Sustainability

The key areas for discussion were:

- Progress made in 2016 in relation to the Local Flood Risk Management Strategy.
- Clarity sought regarding current rainfall levels and the current risk of flooding in areas of Leeds.
- Clarity sought regarding the remit of the Local Flood Risk Management Strategy in relation to varying types of flood risk and the organisational responsibilities of the Council and the Environment Agency. The extent of partnership working was also explored.
- Detail sought concerning the current gully cleansing programme in relation to frequency of cleansing and responses to structural damage. The board requested that gully cleansing schedules are circulated to Parish Councils to support communication to members of the public.
- Update sought regarding the current number of homes still unoccupied and businesses still not fully re-established as a result of Storm Eva. The difficulties subsequently experienced with regard to flood insurance premiums.
- The establishment of the Climate Change Committee, vice chaired by Councillor Lucinda Yeadon, in partnership with the University of Leeds.

**RESOLVED-** The Scrutiny Board:

- a) Noted the information contained within the report of the Director of City Development.
- b) Considered the written and verbal information provided by the visiting representatives.

## **64 Work Schedule**

The Head of Governance Services and Scrutiny Support submitted a report which detailed the Scrutiny Board's draft work programme for the current municipal year.

Sandra Pentelow, Principal Scrutiny Officer was in attendance to respond to members questions.

The draft Scrutiny Board (City Development) work schedule for 2016/17 was appended to the report.

**RESOLVED-** The Scrutiny Board noted the content of the report and agreed the work programme.

**65 Date and Time of Next Meeting**

Wednesday 26<sup>th</sup> April at 10:30 am (pre-meeting for all Board Members at 10:00 am)

The meeting concluded at 11:30 am

**Report of the Head of Governance and Scrutiny Support & Director of City Development**

**Report to Scrutiny Board (City Development)**

**Date: 26 April 2017**

**Subject: Housing Mix – Tracking of scrutiny recommendations/desired outcomes**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. This report sets out the progress made in responding to the recommendations arising from the Scrutiny inquiry into Housing Mix
2. Scrutiny Boards are encouraged to clearly identify desired outcomes linked to their recommendations to show the added value Scrutiny brings. As such, it is important for the Scrutiny Board to also consider whether its recommendations are still relevant in terms of achieving the associated desired outcomes.
3. The Scrutiny recommendation tracking system allows the Scrutiny Board to consider the position status of its recommendations in terms of their on-going relevance and the progress made in implementing the recommendations based on a standard set of criteria. The Board will then be able to take further action as appropriate.

**Recommendations**

4. Members are asked to:
  - Agree those recommendations which no longer require monitoring;
  - Identify any recommendations where progress is unsatisfactory and determine the action the Board wishes to take as a result.

## 1 Purpose of this report

- 1.1 This report sets out the progress made in responding to the recommendations arising from the Scrutiny inquiry into Housing Mix.

## 2 Background information

- 2.1 At the July 2015 meeting of Scrutiny Board (City Development), Members agreed to undertake a joint Inquiry with Scrutiny Board (Environment and Housing) into 'Housing Mix'. It was agreed that the Inquiry would be progressed via a joint working group.
- 2.2 Work in this area was initially started by the then Scrutiny Board (Housing and Regeneration) following a request for scrutiny from a member of the public and former co-optee of that Scrutiny Board. This request for Scrutiny focused on a request for Members to re-examine the adequacy of the responses provided to the first two recommendations of a previous scrutiny inquiry completed in 2011 by Scrutiny Board (Regeneration) on Housing Growth.
- 2.3 It was agreed by both Scrutiny Boards that matters relating to previous recommendations would be considered during the course of the working group's discussions. However the focus of this fresh Inquiry would be the delivery of Policy H4<sup>1</sup>, that is, delivery, as expressed in the Core Strategy, of the right property type and tenure within criteria of affordability.
- 2.4 The review concluded in March 2016 and a report setting out the Scrutiny Board's findings and recommendations was published in the same month. In July 2016, the Scrutiny Board received a formal response to the recommendations arising from this review.

## 3 Main issues

- 3.1 Scrutiny Boards are encouraged to clearly identify desired outcomes linked to their recommendations to show the added value Scrutiny brings. As such, it is important for the Scrutiny Board to also consider whether its recommendations are still relevant in terms of achieving the associated desired outcomes.
- 3.2 The Scrutiny recommendation tracking system allows the Scrutiny Board to consider the position status of its recommendations in terms of their on-going relevance and the progress made in implementing the recommendations based on a standard set of criteria. The Board will then be able to take further action as appropriate.
- 3.3 This standard set of criteria is presented in the form of a flow chart at **Appendix 1**. The questions in the flow chart should help to decide whether a recommendation has been completed, and if not whether further action is required.
- 3.4 To assist Members with this task, the Principal Scrutiny Adviser, in liaison with the Chair, has given a draft position status for each recommendation. The Board is asked to confirm whether these assessments are appropriate and to change them where they are not. Details of progress against each recommendation are set out within the table at **Appendix 2**.

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<sup>1</sup> Policy H4 aims to ensure that the new housing developed in Leeds is of a range of type and size to meet the mix of households expected over the Plan period.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 Where internal or external consultation processes have been undertaken with regard to responding to the Scrutiny Board's recommendations, details of any such consultation will be referenced against the relevant recommendation within the table at **Appendix 2**.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Where consideration has been given to the impact on equality areas, as defined in the Council's Equality and Diversity Scheme, this will be referenced against the relevant recommendation within the table at **Appendix 2**.

### **4.3 Council Policies and City Priorities**

4.3.1 The adopted Core Strategy takes forward the spatial objectives of the Vision for Leeds and the priorities set out in the best Council Plan, particularly in relation to promoting sustainable and inclusive economic growth. This will be supported through the identification of land and its phasing through the Site Allocations Plan and Aire Valley Leeds Area Action Plan. Appropriate housing mix is a key element of this process.

### **4.4 Resources and Value for Money**

4.4.1 Details of any significant resource and financial implications linked to the Scrutiny recommendations will be referenced against the relevant recommendation within the table at **Appendix 2**.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 This report does not contain any exempt or confidential information.

### **4.6 Risk Management**

4.6.1 This section is not relevant to this report.

## **5 Conclusions**

5.1 The Scrutiny recommendation tracking system allows the Scrutiny Board to consider the position status of its recommendations in terms of their on-going relevance and the progress made in implementing the recommendations based on a standard set of criteria. This report sets out the progress made in responding to the recommendations arising from the Scrutiny inquiry in Housing Mix.

## **6 Recommendations**

6.1 Members are asked to:

- Agree those recommendations which no longer require monitoring;
- Identify any recommendations where progress is unsatisfactory and determine the action the Board wishes to take as a result.

## **7 Further Appendices**

- Executive Board, 19<sup>th</sup> April 2017, Housing White Paper – Department of Communities & Local Government (DCLG) – Appendix 3
- Report to Development Plans Panel, 22 November 2016, Models of Housing Delivery – Appendix 4
- Edge Analytics (2016) Leeds Demographic Review – Appendix 5

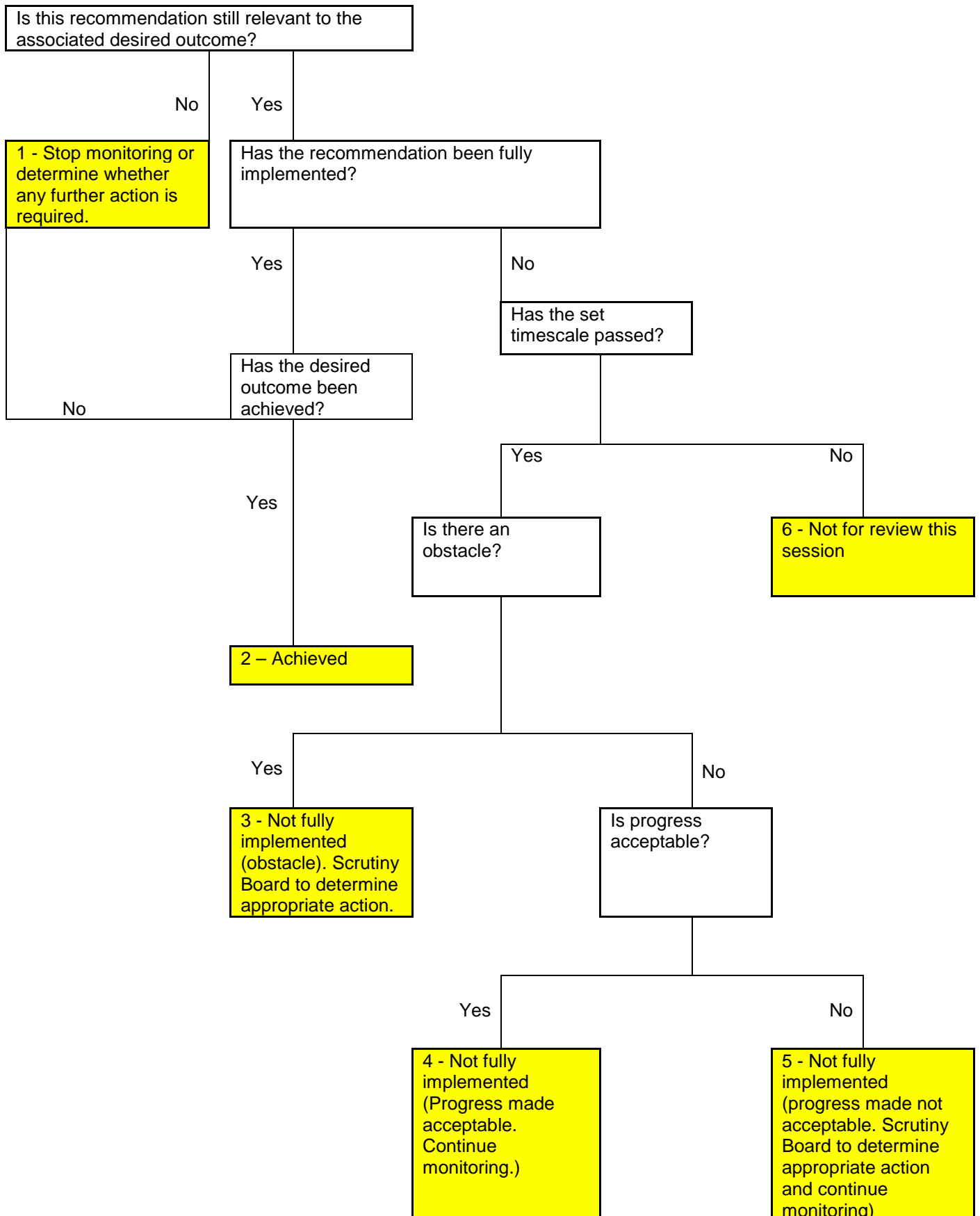
## **8 Background documents<sup>2</sup>**

None

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<sup>2</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

**Recommendation tracking flowchart and classifications:**  
**Questions to be considered by Scrutiny Boards**



Position Status Categories

- 1 - Stop monitoring or determine whether any further action is required
- 2 - Achieved
- 3 - Not fully implemented (Obstacle)
- 4 - Not fully implemented (Progress made acceptable. Continue monitoring)
- 5 - Not fully implemented (Progress made not acceptable. Continue monitoring)
- 6 - Not for review this session

<p><b>Desired Outcome</b> - That the Core Strategy captures all relevant data</p>
<p><b>Recommendation 1</b> – That the Director of City Development maintains the commitment to a selective review of the Core Strategy, which should commence following the release of the 2014, based household projections.</p> <p><b>Formal response:</b>                  The directorate can confirm that there is commitment to a selective review of the Core Strategy. The technical elements of this process will be managed by the Head of Strategic Planning in liaison with wider key services from across the Council so as to ensure a consistent approach to demographic forecasts and analysis.</p> <p>The details of this process and timetable require further scoping via Development Plan Panel (DPP). Officers advise that the release of the 2014-based sub-national household projections will be an important part of the evidence base for this. These are normally released in October 2016. The process of carrying out a Strategic Housing Market Assessment (SHMA) to support an amendment to the Core Strategy housing requirement will take at least 16 months and will need to be submitted to the Planning Inspectorate for consideration at an Examination in Public.</p> <p>Key issues to consider, include:</p> <ul style="list-style-type: none"> <li>• the methodology for carrying out an assessment of objectively assessed housing need (OAN) is set in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG). This is the same methodology as was used for the Core Strategy.</li> <li>• a Local Plan Expert Group reported to DCLG in March 2016 on recommendations for a substantially revised OAN methodology. The key elements of this are: the link between homes and jobs can often lead to higher figures than are considered to be realistic; the need to provide affordable housing can lead to higher housing numbers than projected. The Council responded to this group’s recommendations as part of a joint WYCA response. The response is available at Appendix 21. It should be noted that two independent consultants (Peter Brett and GL Hearn) have cast some doubt over the new methodology. Both point out that the new approach could have specific consequences for inflated housing numbers in Leeds e.g. arising from use of 10-year international migration trends.</li> <li>• any process of reviewing the Council’s housing numbers should be objective and ensure as far as possible that methodological changes to national guidance do not de-rail the process once commenced.</li> </ul> <p>Until any revised targets are adopted following an Examination in Public then the Core Strategy targets remain in force.</p> <p><b>Current Position:</b>                  Endorsement for a Selective Review of the Core Strategy was recommended by Development Plan Panel on 22<sup>nd</sup> November 2016) and provided by Executive Board on 8<sup>th</sup> February 2017. Executive Board recommended that the initial scope of the core strategy review be as follows:                  (i) update the housing requirement in Policy SP6, considering and making any necessary</p>



consequent revisions to other parts of the Plan considering any implications for the spatial strategy. This will be supported by evidence gathered by the Strategic Housing Market Assessment (SHMA). A SHMA was commissioned from ARC4 and Edge Analytics consultants in February 2017 and work is progressing on a new objectively assessed need (OAN) figure in line with the methodology currently set out in national guidance. The Housing White Paper suggests that Government wants a standardised approach to OAN (taking on board the LPEG recommendations) and the consultants are preparing a variant analysis against such a methodology to ensure flexibility. The work is being supported by a Reference Group, comprising Members, developers, neighbourhood planning representatives and other interested parties. Work is currently underway examining the up to date links between employment and housing growth with the Combined Authority and taking account of Brexit implications. An initial report on household projections was attached to the Executive Board Report and helps evidence the need for a Selective Review. This is attached as a Background Document.

(ii) updating the Affordable Housing Policy H5 in response to anticipated proposals in the Housing White Paper and amending the policy as necessary in response to findings of the SHMA and viability assessment of policy. The SHMA involves primary research on housing needs and preferences from a postal survey to over 25k households across Leeds. The Council's response to the HWP expresses concern that the Government's approach to Starter Homes remains unclear and awaits further clarification.

(iii) incorporating the Housing Standards policy work into the Core Strategy Review instead of undertaking it in a separate development plan document. Executive Board have previously agreed that the City Council should adopt nationally described space standards which set minimum sizes for new dwellings, and access standards setting minimum percentages of accessible dwellings on new developments. Given the close relationship with other policy areas it is considered judicious to address housing standards through the Core Strategy Review. As the standards progress through the Core Strategy making process, subject to the level of objection, they can gain weight and be used in Development Management decisions.

The timetable for the selective review is as follows:

- Complete evidence base – Summer 2017
- Executive Board decision on Publication Draft Core Strategy Review – Nov 2017
- Publication Draft Core Strategy Review – Dec 2017
- Submission Plan – Summer 2018
- Adopted Plan – Winter 2018

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

#### **Desired Outcome - The standardisation of methods to assess viability**

**Recommendation 2** – That the Chief Planning Officer writes to the Secretary of State and the department of Communities and Local Government urging the Government to standardise the methodology for assessing viability taking into account the experiences of local planning authorities, and the full range of policy requirements for delivering sustainable development.

#### **Formal response:**

This action is outstanding pending the work with ATLAS (Advisory Team for Large Applications) under recommendation 3 below and detailed consultations arising from the Housing and Planning Act.

#### **Current Position:**

The Chief Planning Office originally intended to write to the Secretary of State as part of a

wider lobbying letter about the need for freedoms for Local Planning Authorities around Housing Revenue Accounts (HRA) and the challenges of Government policy on five year housing land supply. Given the White Paper publication (which was anticipated to tackle the issue of viability) the letter focussed on the HRA issue.

The Chief Planning Officer will write to the Secretary of State and the department of Communities and Local Government as part of a wider response to the Government's Housing White Paper proposals, which have been awaited for some time and were finally published in January 2017. The Council's proposed response to Government on the Housing White Paper (Executive Board 19th April agenda item "Housing White Paper (DCLG) – 'Fixing the Broken Housing Market'") is attached as Appendix 3. Page 46 of **Appendix 3** addresses this recommendation.

Officers will also follow up and address these points with the Chief Planner from DCLG. He was due to visit the City in February but has now re-arranged for May.

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - The continuous improvement of elected members skills and knowledge

**Recommendation 3** – That the Chief Planning officer arranges for Plans Panel Members to receive further information and training on best practice in dealing with scheme viability appraisals, in collaboration with other West Yorkshire authorities and the Planning Advisory Service.

**Formal response:**

A training session on viability for elected members is taking place on 13th July 2016. All members of the Plans Panel have been invited to attend. The session is being led by ATLAS (Advisory Team for Large Applications), with contributions from the District Valuer and representatives from the volume house builders.

**Current Position:**

Following previous training this is to be reviewed and updated as necessary as part of the annual Member training programme for 2017/18

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - Raising the awareness of Housing Assessments and their importance in the planning process

**Recommendation 4** – That the Chief Planning Officer reports back to the relevant Scrutiny Board the implementation and success of the proposed assessment guidance and other proposed actions around Housing Needs Assessments.

**Formal response:**

The development of assessment guidance for carrying out Housing Needs Assessments remains a priority. The commissioning of local Housing Market Assessments on a neighbourhood basis is overseen by the Housing Growth Team and this work will be extended to include the preparation of a template which could provide guidance to assist others, including Neighbourhood Forums and developers, in carrying out local assessments. The current contract for this work is due for renewal in September and it will form part of the work programme of the new contractor once appointed.

A report back to Scrutiny Board will follow at that time. It will be important to reflect this workstream in any revised SHMA and be clear as to the roles of Ward Members and

Community Committees in this area.

**Current Position:**

The HMA & Strategic Housing Research Commission was awarded in March 2017 and the template for the HMAs and methodology is in the process of being agreed by the Housing Growth Team. This commission will work alongside the revision of the SHMA, which will develop the city wide position in relation to the housing market and specific needs.

Since 2011 the council has undertaken 37 Housing Market Assessments across the city (for a variety of purposes including neighbourhood management approaches and new development) and these have been used as a basis for discussions with developers and Registered Providers to inform the development of schemes or respond to proposals.

The Council has utilised the HMAs when identifying the need and type of Affordable Housing required as part of s106 Affordable Housing obligations. This has enabled the council and developers to directly address local housing need and demand in different areas. Developers are also required to submit their own HMA on larger developments which are scrutinised by officers and compared again the council's own data.

For example, the HMA for Thorp Arch and Walton in January 2016 set out that new developments should encompass a wide mix of housing types and sizes, and offer a range of prices and rents.

The most recent commissioned HMAs have been for strategically important sites, such as the East Leeds Extension, and niche markets such as the Inner West Student Market & to support Local Neighbourhood Forums. The HMA work programme includes the South Bank and City Centre markets.

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - Improvement in the quality of Neighbourhood Plans

**Recommendation 5** – That the Chief Planning Officer ensures that appropriate assistance is offered to Neighbourhood Forums to assist in the drawing up of Neighbourhood Plans.

**Formal response:**

The Council currently supports 35 neighbourhood groups. 1 plan has got to referendum and about 8 plans have either reached pre-submission stage or are about to. Therefore the collaborative arrangements put in place by the Council; working alongside neighbourhood groups is now bearing fruit. The recent restructure of the planning service has allowed for greater flexibility in the deployment of staff within Policy and Plans to advise forums. However, at present the overwhelming priority for staff is the progression of the site allocations plan and Aire Valley Area Action Plan.

However, there are parts of the District where there are particular challenges. Officers are aware of specific issues in particular parts of the District and the Directorate has put arrangements in place to address those issues e.g. through regular ward member contact and attendance at Neighbourhood Forum meetings.

**Current Position:**

The Council has now supported 3 neighbourhood plans to a successful independent examination, with a further 8 to 10 examinations expected during 2017/18. Clifford is the first plan to be 'made' by the Council and is considered to be an 'exemplar', achieved through close collaboration between the Council and Clifford Parish Council. The Plan and the collaboration represents best practice and is being used as a model for other areas in Leeds and nationally. The support arrangements put in place by the Council and working alongside neighbourhood groups are working well.

The level of support provided has been increased with the help of the Council's 'graduate training programme' and the involvement of students from Leeds Beckett University and others. The Council is also working with Planning Aid England and Leeds Beckett University to provide extra assistance to groups that have been struggling. This will be piloted with Beeston Neighbourhood Forum and extended where appropriate to other areas.

Officers have also provided specific expertise on a commission basis to Neighbourhood groups with access to Government funding e.g. on design issues.

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - That the Strategic Market Assessment Practice Guidance is brought up to date

**Recommendation 6** – That the Chief Planning Officer writes to the Secretary of State and the Department of Communities and Local Government making the following points;

- That as the current Strategic Market Assessment Practice Guidance 2007 was out of date that government revises Strategic Market Housing Assessments Practice Guidance (including approaches on how to calculate and monitor an Objectively Assessed Need) as a matter of urgency.
- The Council would expect that revised Practice Guidance takes full account of the desirability of engaging Neighbourhood Planning forums in the preparation of the evidence base underpinning SHMAs and thus the objectively assessed housing need for the City, and requests clarification on how this might best be achieved.

**Formal response:**

This has been actioned through the Council's joint response with WYCA under Recommendation 1 above. It is also worth noting that the Planning Practice Guidance contains some 30 pages of guidance published in 2013 on carrying out a SHMA and this includes reference to engaging Neighbourhood Planning forums.

**Current Position:**

Actioned as above.

Note the current position in Recommendation 1, which further advises that representatives from two neighbourhood groups are on the SHMA Reference Group to help ensure links between strategic and local evidence. The Housing White Paper also makes a number of recommendations on this issue. The City Council's response in the Executive Board 19<sup>th</sup> April agenda item "Housing White Paper (DCLG) – 'Fixing the Broken Housing Market'" is included as **Appendix 3** with question Q12a on page 17 relevant to this recommendation.

**Position Status - 2** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - Ensuring that Housing Mix is routinely considered in Plans Panel meetings.

**Recommendation 7** – That the Chief Planning Officer implements proposals to include a heading on Housing Mix on each panel report and to report back to the appropriate Scrutiny Board the subsequent outcomes of the initiative.

**Formal response:**

Information on housing mix is already included as part of the officer report, however following the recommendation of Scrutiny Board this will be made clearer through the introduction of a

new heading in the officer report. This will be implemented from 1st August 2016. The provision of affordable housing is also specifically referenced in each report and implemented via S106 agreements. In recent years delivery via market housing has been lessened partly because of negotiations on viability.

**Current Position:**

Since the meeting, panel reports have routinely included headings on housing mix, where the issue is pertinent to the specific application, an example is provided below:

**15/00415/FU - Low Fold, South Accommodation Road**

The application proposal is for 312 dwellings set within new landscaped open space and associated works. In terms of dwelling size the mix is: 1 bed (15%); 2 bed (37%); 3 bed (33%); 4+ bed (15%). These proportions all fall within the minimum and maximum proportions of each dwelling size specified in Table H4.

In relation to the specific issues raised in the officer report, the following responses were provided by Members:

- that Members agreed that the proposed use of the site for a residential scheme and the mix of dwellings proposed would be appropriate
- that the balance of private amenity space, communal residents' amenity space and public realm provision was appropriate for the mix of dwellings proposed

**Position Status – 2** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - That Housing Mix is discussed with developers at the earliest opportunity.

**Recommendation 8** – That the Chief Planning Officer reports back to the appropriate Scrutiny Board the improvements to housing mix achieved through the practice of discussing mix at pre application stage.

**Formal response:**

A further report will be taken to Scrutiny Board alongside the updates set out under recommendation 4. However, in the meantime, officers have explored the up to date picture covering 1st April to 31st March 2016. This reveals, as set out in Tables 1 and 2 below, that there has been an improvement to the housing mix. Further updates will be provided on an annual basis.

**Table 1: Monitoring of 2015/16 – proportion of all new housing per room**

Year	Number of bedrooms			
	1	2	3	4+
2012-13	22%	27%	25%	27%
2013-14	21%	22%	28%	29%
2014-15	21%	15%	37%	28%
2015-16	26%	29%	28%	17%
<b>Policy H4 target</b>	<b>10%</b>	<b>50%</b>	<b>30%</b>	<b>10%</b>

**Table 2: Number of housing completions per room**

Table 1 shows that proportionately, for the first time since the Core Strategy period, 1 and 2-bed properties form the largest proportion of new housing. Table 2 shows that in absolute terms 2015/16 showed significant increases in the numbers of new 1- and 2-bed properties and a

substantial fall in the number of 4-bed properties.

It is important to chart whether such a trend is due to continue. To that end, monitoring of the past 6 months' worth of detailed planning approvals has been assessed. Table 3 shows that for over 1,200 approved properties the policy is being more closely supported than previously. Bi-annual progress will be reported to Scrutiny.

**Table 3: Number of housing completions per room**

Period	Number of bedrooms approved			
	1	2	3	4+
Sept '15 to Mar'16	26%	38%	19%	18%
<b>Policy H4 target</b>	<b>10%</b>	<b>50%</b>	<b>30%</b>	<b>10%</b>
Range	0% - 50%	30% - 80%	20% - 70%	0% - 50%

**Table 4: Affordable Housing completions**

Period	Section 106	Grant assisted	Government initiative	Non assisted	Total
2012/13	72	119	155	14	360
2013/14	109	175	361	45	690
2014/15	79	262	427	114	882
2015/16	107	58	474	255	894

Table 4 details completions of affordable housing. The private element of affordable housing delivery through Section 106 agreements is the smallest component of affordable housing delivery. As the Scrutiny Report notes this is often due to the impact that developers claim affordable housing has on the viability schemes. Government has encouraged local authorities to negotiate with developers to ensure that schemes are viable. The low number is a reflection of overall delivery of housing in the district, which in recent years has largely been supported by delivery in the non-volume house building market. The Council would expect the contribution of affordable housing from private delivery to step-up alongside overall completions to meet the annual Core Strategy targets as a reflection of the current housing land supply translating to completed housing units on the ground.

**Current Position:**

Monitoring information for the year 16/17 is not yet available. It will be made available for future tracking reports.

Data on the size and type of housing approvals since 2012/13 suggests that unimplemented planning approvals in the pipeline are more aligned with planned targets. This reflects the stock of housing approvals for apartments in the City Centre.

Type	Number of bedrooms (unimplemented approvals)				Total
	1	2	3	4+	
Total	31%	32%	23%	14%	100%
Policy H4 target	10%	50%	30%	10%	

The Council will need to continue to encourage developers to meet the requirements of Policy H4 through the pre-application advice and the formal planning application stage.

For example, 16/02420/FU for a multi-level development comprising 204 dwellings and two commercial units, car parking, landscaping and public realm at Clarence Road, Hunslet. The development proposes a mix of 33 x 1-bed, 91 x 2-bed, 58 x 3-bed and 22 x 4-bed dwellings.

Policy H4 says that developments should include an appropriate mix of dwelling types and sizes to address needs measured over the long-term taking into account the nature of the development and character of the location.

The Council worked with the Applicant to finalise a proposal with a mix of 1, 2, 3, and 4 bedroom dwellings, to meet the objectives of Policy H4 for a balanced provision of house types. The proposal meets the percentage ranges set out in the policy:

Unit Size	1 bed	2 bed	3 bed	4 bed
<b>Proposed No.</b>	33	91	58	22
<b>%</b>	16	45	28	11
<b>H4 Min-Max %</b>	0-50	30-80	20-70	0-50

Leeds Civic Trust supported the application noting that the proposal is innovative in many ways including housing mix.

Scrutiny Board should also note a report agreed by Development Plans Panel on 22<sup>nd</sup> November 2016 "Models of Housing Delivery". This report (appendix 4) updated Members on a programme of development briefs for larger sites, which will seek to secure a range of up front policy benefits including affordable housing and housing mix. An emphasis was placed on having such discussions with developers at as early a stage as possible so as to influence scheme viability from the outset.

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - Raising the knowledge of Elected Members on the implementation of Policy H4

**Recommendation 9** – That the Chief Planning Officer advises Joint Plans Panel of actions to be taken regarding the Implementation of Policy H4 and proposed actions to ensure improved delivery.

**Formal response:** This will be reported to the first Joint Plans Panel following the date of this Scrutiny response.

**Current Position:**

This will be reported to the Joint Plans Panel in June 2017.

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - The development of a policy identifying and meeting specialist housing need

**Recommendation 10** – That the Director of Environment and Housing and the Chief Planning Officer explore a more coherent and detailed approach to identifying the need for specialist accommodation and how this can be met, and report back to the relevant Scrutiny Board.

**Formal response:**

Housing Market Assessments for specific schemes as required by Policy H4 and referred to above at Recommendation 4 and can utilise data provided by services including Adult Social Care to inform housing mix requirements within market areas and relevant to schemes. The SHMA commission will seek strategic analysis of the Leeds market to help support local studies. A further report will be provided as part of the update referred to in recommendation 4.

**Current Position:**

The SHMA brief specifically will have three outputs: 1: Objectively Assessed Need to inform Leeds' Housing Requirement; 2: Affordable Housing Need; and 3: Housing needs for different household types at a local level. According to the NPPF paragraph 159 the expectation for a SHMA is to assess the housing needs of different household groups. The SHMA 2011 assessed needs and provided the basis for a number of policies in the Core Strategy including Policy H4 (Housing Mix), Policy H6 (Student Housing and HMOs) and Policy H8 (Independent Living). The City Council expects the new SHMA commission to provide evidence at a lower geographical level (HMCAs) which will provide added value in applying these policies in different parts of Leeds. The household survey will also provide valuable information on the specific housing needs of older groups at different stages within the 60+ demographic.

**Position Status - 4** *This is to be formally agreed by the Scrutiny Board*

**Desired Outcome** - To conclude the monitoring of previous recommendations made by Scrutiny Board (Regeneration)

**Recommendation 11** – That no further monitoring of recommendation 1 & 2 made by Scrutiny Board (Regeneration) following its Inquiry into Housing Growth (2011) takes place.

**Formal response:**

The Directorate support this recommendation.

**Not for monitoring – for information only**



**Report of Director of City Development**

**Report to Executive Board**

**Date: 19<sup>th</sup> April 2017**

**Subject: Housing White Paper – Department of Communities & Local Government (DCLG)**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): ALL	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The Government's Housing White Paper (HWP), entitled - '*Fixing our broken housing market*', together with background papers and technical information, was issued by the Department for Communities and Local Government (DCLG) on 7<sup>th</sup> February. The material is wide ranging in scope and sets out a series of reforms that the Government plans to introduce, to help change the housing market and increase the supply of new homes (1 million new homes by 2020). The overarching emphasis of the Paper is the "*need to build many more houses of the type people want to live in, in the places they want to live*" and in order to achieve this, the White Paper seeks to take a comprehensive approach that "*tackles failure at every point in the system*".
2. The deadline for comment on the HWP proposals is 2<sup>nd</sup> May 2017, with interested parties requested to respond to 38 questions set out as part of the document. The City Council's response to these questions (and additional points the Council wishes to raise) is set out in **Appendix 1** of this report.
3. Alongside the HWP, DCLG has also published a number of related consultation and technical documents. These are: Planning & affordable homes to rent consultation, National Planning Policy: consultation on proposed changes, Response to the starter homes technical consultation, Summary of responses to the technical consultation on implementation of planning changes, Consultation on upward extension (in London) and Rural

Planning Review call for evidence, Report of the Local Plans Expert Group: government response to the CLG Select Committee Inquiry, Community Infrastructure Levy Review and Three Dragons & University of Reading Research Report. Not all of this material is directly applicable to Leeds, but where key issues have been raised (in particular the proposed revisions to the Community Infrastructure Levy) which have implications for the City Council, the response has been included in **Appendix 2** to this report. A covering letter to the Secretary of State, in response to the consultation has also been included in **Appendix 3** of the report.

#### City Council action in tackling Housing Growth and Delivery

4. In supporting the needs of a compassionate City with a strong economy, the adopted Core Strategy, Aire Valley Leeds Area Action Plan, Site Allocations Plan and the Housing Breakthrough Project, provide a framework for Leeds to deliver housing growth. This is necessary to meet the complex housing needs across the District, now and into the future. Within this overall local context, the HWP is to be broadly welcomed in analysing the reasons for poor performance of the housing market and seeking to tackle issues of market failure, affordability and the need to boost housing delivery.
5. In reflecting these concerns and priorities, through Executive Board the City Council over several years, has sought to meet housing priorities through a range of initiatives and interventions, more recently focussed through the Housing Growth Board. These have included the regeneration of brownfield land, efforts to secure a 5 year housing land supply through selective release of greenfield land, building Council Houses, the Private Sector Accelerated Growth Programme, return of Empty Properties to use and bringing forward the East Leeds Extension for circa 5,000 homes. Also, in reflecting the planning priorities specified in the HWP, the City Council is taking a plan-led approach to meeting housing needs, place making and delivery, with development plans either adopted or at a very advanced stage.

#### The Scope of the HWP and City Council concerns

6. The analysis in the HWP is to be welcomed. It shows that the Government recognises the scale of the housing problem and that the reliance on a small number of volume house builders is a problem.
7. However, notwithstanding the positive and strategic intent behind the HWP, the City Council considers that key opportunities have been missed to fundamentally address market failures, boost regeneration (including the reuse of brownfield land through more specific interventions) and to support housing growth in sustainable locations through new delivery models and investment in infrastructure. Whilst the City Council has worked effectively and proactively with a range of partners and investors over several years (including Central Government), to deliver major regeneration and housing growth, these efforts are sometimes frustrated by the delivery models of the house building industry, viability issues, the tools and resources available to local authorities, or prevailing economic circumstances. It is considered therefore that as it currently stands, the White Paper is unlike to achieve the

step changes required unless more focussed requirements are introduced, there is greater clarity and accountability and there is a more effective balance of both 'sticks' and 'carrots' to boost delivery.

#### HWP Implications for Leeds

8. The HWP sets out a series of proposals, set out in response to the themes of: 'Planning for homes in the right places', 'Building homes faster', 'Diversifying the market' and 'Helping people now'. As detailed in the following report, this approach raises a number of issues for Leeds. These include:
- The development plan making process & role of neighbourhood plans,
  - Proposals to 'standardise' the approach' to calculating Objectively Assessed Housing Need,
  - Working with neighbouring authorities,
  - Green Belt release – examining reasonable options,
  - Housing density and space standards,
  - Boosting local authority capacity,
  - Infrastructure & utilities,
  - Holding developers & local authorities to account,
  - Diversifying the market including support for SMEs,
  - Empty Homes,
  - Meeting future housing needs,
  - Review of the Community Infrastructure Levy

#### **Recommendations**

9. Executive Board is recommended to:
- i) Consider and agree, the recommendations in response to the HWP questions, Background papers and Technical information set out in **Appendix 1** and **Appendix 2** of this report;
  - ii) Consider and agree the additional City Council comments in response to the HWP, set out in Appendix 1 of this report;
  - iii) Give delegated authority to the Chief Planning Officer, in consultation with the Executive Member for Regeneration, Transport and Planning, to make any further supplementary or additional comments to the HWP, Background papers and Technical information, in addition to the material considered by the Board; and
  - iv) Agree that for the reasons specified in para. 4.5.2, the report should be exempt from Call In.

## **1 Purpose of this report**

- 1.1 The purpose of this report, is to set out the City Council's response to the HWP and associated background and technical documents, which were issued on the 7<sup>th</sup> February 2017. The format of the HWP consultation is the need to respond to a series of specific questions set out in the Paper. The response to these questions is set out in **Appendix 1** of this report. In responding to these questions, there are a number of related matters the City Council also wishes to raise in relation to the material. These are summarised under Main issues below and also included in **Appendix 1**.
- 1.2 In addition to the main HWP document, DCLG have also issued a series of background and technical documents. These cut across a range of issues, not all of which are directly relevant to Leeds. However, where there are specific implications, the City Council's detailed responses are set out in **Appendix 2** of this report and summarised in the Main issues section below.

## **2 Background information**

- 2.1 The overarching ambition of Central Government as described in the HWP, is to '*fix the broken housing market*'. The Council considers that it is important to emphasise at the outset however, that the housing market is very complex and does not simply operate on a supply and demand basis. For decades also, successive Central Governments have taken different ideological and policy positions on housing provision and delivery. As a result, the approach has oscillated between more 'interventionist' and 'free market' models.
- 2.2 Within this context, Central Government's desire via the HWP is to 'fix' the housing market at a point in time, consistent with National Government manifesto commitments, including the delivery of 1 million new homes by 2020. The focus of the Paper (and supporting housing material), is therefore intended to boost housing supply and provision and to diversify the housing market. In seeking to achieve these ambitions, the Paper proposes a series of initiatives and interventions to facilitate change, including a range of technical changes to the planning process, performance management and monitoring, together with further mechanisms to enable people to gain access to the housing market.
- 2.3 It is accepted that whilst the HWP may be ambitious in its intent and makes a number of positive and necessary proposals to make a difference, the nature and complexity of the issues it is seeking to address are such, that the Paper lacks the sufficient clarity and measures to make the cross-cutting step changes which are necessary. Consequently, the City Council considers that in a number of key areas opportunities have been missed to introduce structural, operational and financial changes, which could make a lasting difference and ensure that those in need are able to access housing at an affordable price.

## City Council Action to Boost Housing Delivery

- 2.4 At a local level, the City Council for many years has afforded a high priority to facilitating housing growth and delivery to meet a range of complex housing needs, now and in the future. The main focus of this work is in the inner area, East Leeds and the City Centre; areas which has been slower to recover from recession and where the adopted Core Strategy, Site Allocations Plan and Aire Valley Leeds Area Action Plan focusses the majority of housing development. This work has been focussed also through the Housing Breakthrough project and the work of the Housing Growth Board. In February Executive Board considered a Breakthrough Project report on “Housing Growth and High Standards in all Sectors”, which detailed the Council’s pro-active and cross tenure approach to stimulating housing growth. The Council established a cross Directorate housing growth team (working across planning, asset management, housing and regeneration) to stimulate delivery (e.g. the Private Sector Acceleration Programme has assisted in unblocking over 1,200 homes since 2014, with a further 7,783 on the programme).
- 2.5 In March, Executive Board also considered a report on developing mixed residential communities in the City Centre, which detailed implementation measures to stimulate the delivery of a specific Private Rented Sector housing model, where there is a potential supply of over 1,000 homes per annum. Moreover, the Council has also been successful in attracting development interest for the delivery of new private housing in the Seacroft, Halton Moor and Osmondthorpe areas of the City, by packaging its own land for sale to the market. A development agreement is now in place with Strata Homes and community regeneration specialist, Keepmoat which will secure the redevelopment of 13 sites delivering almost 1,000 new homes across these neighbourhoods. Executive Board also endorsed the Council House Building Programme (with an initial programme of 1,000 homes).
- 2.6 These actions reflect the local imperative to deliver new homes, particularly on brownfield land for a range of needs and in a variety of tenures. These efforts however need to be enhanced and accelerated by lasting structural changes and interventions focussed through the HWP, to urgently help stimulate the market, boost the supply of housing and to deliver the new homes which are needed in sustainable locations across the District.

### **3 Main issues**

#### Housing White Paper (DCLG)

- 3.1 The main points of the White Paper are summarised below:
- Making sure every part of the country has an up-to-date, sufficiently ambitious plan so that local communities decide where development should go;
  - Simplifying plan-making and making it more transparent, so it’s easier for communities to produce plans and easier for developers to follow them;

- Ensuring that plans start from an honest assessment of the need for new homes, and that local authorities work with their neighbours, so that difficult decisions are not ducked;
- Clarifying what land is available for new housing, through greater transparency over who owns land and the options held on it;
- Making more land available for homes in the right places, by maximising the contribution from brownfield and surplus public land, regenerating estates, releasing more small and medium-sized sites, allowing rural communities to grow and making it easier to build new settlements;
- Maintaining existing strong protections for the Green Belt, and clarifying that Green Belt boundaries should be amended only in exceptional circumstances when local authorities can demonstrate that they have fully examined all other reasonable options for meeting their identified housing requirements;
- Giving communities a stronger voice in the design of new housing to drive up the quality and character of new development, building on the success of neighbourhood planning; and
- Making better use of land for housing by encouraging higher densities, where appropriate, such as in urban locations where there is high housing demand; and by reviewing space standards.

#### Planning for homes in the right places

- Providing greater certainty for authorities that have planned for new homes and reducing the scope for local and neighbourhood plans to be undermined by changing the way that land supply for housing is assessed;
- Boosting local authority capacity and capability to deliver, improving the speed and quality with which planning cases are handled, while deterring unnecessary appeals;
- Ensuring infrastructure is provided in the right place at the right time by coordinating Government investment and through the targeting of the £2.3bn Housing Infrastructure Fund;
- Securing timely connections to utilities so that this does not hold up getting homes built;
- Supporting developers to build out more quickly by tackling unnecessary delays caused by planning conditions, facilitating the strategic licensing of protected species and exploring a new approach to how developers contribute to infrastructure;
- Taking steps to address skills shortages by growing the construction workforce;
- Holding developers to account for the delivery of new homes through better and more transparent data and sharper tools to drive up delivery; and
- Holding local authorities to account through a new housing delivery test.

### Building Homes Faster

- Increase planning fees – LAs can increase fees by 20% from July 2017 if the additional fee income is invested in planning departments.
- Provide £25million of new funding to help ambitious authorities in areas of high housing need to support planning and infrastructure plans.
- Deter unnecessary appeals by consulting on introducing a fee for making a planning appeal.
- Target the £3bn Housing Infrastructure Fund (capital grant) at areas of greatest housing need.
- Introduce a housing delivery test for local authorities to ensure they are delivering the housing needed with monitoring starting from the period April 2014-March 2015 to April 2016-March 2017.
- Address the lack of capacity in planning departments by ensuring councils have sufficient funding to recruit properly trained planners.
- Ensuring the right infrastructure is in place and secure timely connections to utilities to allow building to start promptly.
- Addressing skills shortages in the construction workforce.

### Diversifying the market

- Backing small and medium-sized builders to grow, including through the Home Building Fund;
- Supporting custom-build homes with greater access to land and finance, giving more people more choice over the design of their home;
- Bringing in new contractors through our Accelerated Construction programme that can build homes more quickly than traditional builders;
- Encouraging more institutional investors into housing, including for building more homes for private rent, and encouraging family-friendly tenancies;
- Supporting housing associations and local authorities to build more homes; and
- Boosting productivity and innovation by encouraging modern methods of construction in house building

### Helping People now

- Continuing to support people to buy their own home – through Help to Buy and Starter Homes;
- Helping households who are priced out of the market to afford a decent home that is right for them through our investment in the Affordable Homes Programme;
- Making renting fairer for tenants;
- Taking action to promote transparency and fairness for the growing number of leaseholders;
- Improving neighbourhoods by continuing to crack down on empty homes, and supporting areas most affected by second homes;

- Encouraging the development of housing that meets the needs of our future population;
- Helping the most vulnerable who need support with their housing, developing a sustainable and workable approach to funding supported housing in the future; and
- Doing more to prevent homelessness by supporting households at risk before they reach crisis point as well as reducing rough sleeping.

### Summary of the City Council's Response to the White Paper in **Appendix 1**

- 3.2 Overall, Central Government's ambition to address what is described in the HWP as 'fixing the broken market', is to be broadly welcomed by the City Council. The analysis presented in the HWP, of what is wrong with the market, is considered to be correct and reflects concerns that have been experienced in Leeds around an over-reliance on the volume sector and delivery of owner-occupied housing.
- 3.3 It is especially welcomed that the HWP maintains that local authorities need to identify (via their objectively assessed needs) a range of housing (types and tenures) to meet the aspirations of a wide range of communities. However, the White Paper needs to be more explicit in the delivery of a range of housing solutions and delivery flexibility to plan and deliver the housing that local communities need.
- 3.4 In addition the Council welcomes that resourcing issues of local planning authorities are recognised in the HWP and that an increase of planning fees identified to help remedy this. Similarly, the Council welcomes recognition that local planning authorities with the greatest housing needs require additional resources.
- 3.5 The common criticism that planning slows down delivery remains and many of the proposals are focussed on local planning authorities rather than on the private development industry. As Members will be aware a lack of planning permissions is not the cause of low delivery in Leeds, where private developers often don't build even with a planning permission and for every house constructed there are seven with permission.
- 3.6 As previously reported to Executive Board, there are currently c19,000 new homes with planning permission in Leeds which are unimplemented. Housing completions, not just permissions are therefore an imperative in providing new homes. Consequently, the City Council considers therefore that the HWP should have gone further to ensure that there is an optimum balance between both 'sticks' and 'carrots' and that these are directed across the housing sector to the most responsible agency, body or provider. The HWP contains proposals on design which it is feared will weaken good design so as to achieve delivery of housing. As well as design policies as part of the Core Strategy, Leeds has established supplementary planning guidance called "Neighbourhoods for Living" which underpins good quality design in Leeds



- 3.7 The Government rightly accepts that a reliance on the volume house building industry to deliver the right level of homes needed of the right type and in the right locations cannot be sustained. However, the Government remains pre-occupied with amendments to the planning system as a means of remedying delivery rather than fundamentally changing the structure and balance of the market or more directly challenging the responsibility and methods of the house building industry to make up for current shortfalls in housing.
- 3.8 The policy solutions advocated in the HWP appear to reflect a ‘one-size fits all’ approach or at best are focussed on tackling an overheated housing market in the south-east of England. Consequently the City Council considers that greater recognition and differentiation needs to be made where local authorities such as Leeds are seeking to plan proactively for housing growth to suit local circumstances.
- 3.9 Within this context the City Council considers therefore that a whole Government approach is necessary to deliver and unlock housing growth, concurrent with necessary infrastructure in sustainable locations.
- 3.10 The HWP does not go far enough to enable local authorities to determine local solutions to meeting housing need and delivery. For example, more enabling freedoms for local authorities to access the Housing Revenue Account, so that the City Council itself can build at scale equivalent to its underlying HRA strength. Without this the Council’s endeavours to tackle housing issues more fully will continue to be inhibited.

#### Background Papers & Technical consultations

- 3.11 The White Paper retains the Government’s broad ambitions for “Starter Homes” but does not make the operation in practice, or whether Starter Homes are mandatory, particularly clear. The City Council would argue that there are a range of affordable products which would better suit the local Leeds housing market.
- 3.12 The HWP contains a background paper on a response to Starter Homes to which the City Council submitted a consultation response.
- The supporting document to the HWP ‘Government response to the technical consultation on starter homes regulations’, sets out the Government’s response to the technical consultation which ended in June 2016. Following this response as part of the HWP consultation the Government is proposing to amend the NPPF to introduce a clear policy expectation that suitable housing sites deliver a minimum of 10% affordable starter homes. As part of the HWP consultation starter homes are defined as homes which are targeted at first time buyers with a joint income of less than £80,000 under the age of 40. It will be for local areas to work with developers to agree an appropriate level of delivery of starter homes, alongside other affordable home ownership and rented tenures.

- The Annex to the HWP seeks views on an updated definition of affordable housing, which includes a revised definition of starter homes. In addition it is proposed to allow more brownfield land to be released for development with a higher proportion of starter homes. Whilst starter homes are welcomed as a low cost housing product to assist first time buyers there is concern in relation to the impact of the proposals on affordable housing. Definitions of affordable housing should always relate to products that are affordable in perpetuity, which benefit future users, unless subject to other legislative requirements such as right to buy. The HWP proposes a 15 year repayment period for starter homes which does not provide perpetuity. Therefore, in its overall role as a separate component to affordable housing, starter homes require further and detailed clarification on their role, not simply further detail on repayment options / target setting by local authorities.
  - The proposed changing of the definition of affordable housing to include starter homes, will inevitably change the provision of affordable housing for those on the lowest incomes and in greatest need. In particular there will be an impact on affordable housing targets set out in policy H5 of the Core Strategy as developers will prefer to provide starter homes over affordable housing. Executive Board agreed that the scope of a Selective Review of the Core Strategy (in February 2017) should include affordable housing, and the provisions of the HWP as they lead to changes to national policy and guidance will be reflected.
- 3.13 The HWP background material also makes recommendations to replace the Community Infrastructure Levy with a hybrid system of a broad and low level Local Infrastructure Tariff (LIT) and Section 106 for larger developments. A summary of these is set out in **Appendix 2**. However, at this stage these remain draft proposals, yet to be formally translated into Regulations and consequently will need to be kept under review.

### **3.11 Next Steps**

- 3.11.1 As noted in paragraph 2 above (summary of main issues), the deadline for responses to the HWP is 2<sup>nd</sup> May 2017. Subject to Executive Board's consideration of this report, given timescales there is a further opportunity to add and consolidate this response in order to ensure that the City Council submits a comprehensive response to the important matters raised.

## **4 Corporate Considerations**

Housing supply and completion is a key and fundamental issue for a District the size and complexity of Leeds. Consequently, it is an integral priority as part of the Best Council Plan (and Breakthrough Projects) and day to day service delivery. In meeting the City Council's planning obligations for housing as part of the development plan, the Adopted Core Strategy (and Core Strategy Review) and Allocation Plans (the Aire Valley Leeds Area Action Plan and Site Allocations Plan), there is a comprehensive framework

in place (and progressing via Plan submission and independent examination), to meet overall housing needs across Leeds in sustainable locations.

#### **4.1 Consultation and Engagement**

4.1.1 Given the cross cutting nature of the HWP (and supporting Background documents and Technical Papers) proposals, there has been extensive engagement across Council services, with responsibility of housing regeneration, growth and delivery. Engagement has also taken places with the Development Lead Members.

#### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 The HWP, aims to help tackle a national issue described by DCLG as ‘fixing the broken housing market’ and recognises the importance of meeting a variety of complex housing needs in the provision of housing. In Leeds, given the scale of the District and diversity of community areas, these issues are especially acute in meeting housing needs, now and in the future. In reflecting such issues, the Adopted Core Strategy (and selective Review) is focussed upon setting overall housing requirements, as well as incorporating Policies on Housing mix. Evidence base work currently underway as part of the Core Strategy Review (Strategic Housing Market Assessment), gives particular emphasis to helping to understanding the dynamics and nature of housing need and the housing market in Leeds, as a basis to influence subsequent planning Policy and implementation issues.

4.2.2 In addition to the planning context, in reflecting the priorities set as part of the Best Council Plan, the work of the Housing Growth Board is focussing on a comprehensive programme of work, in the delivery of projects and initiatives intended to boost housing delivery – including the needs of vulnerable people across the District.

4.2.3 An Equality, Diversity, Cohesion and Integration Screening has been completed and is attached as an appendix.

#### **4.3 Council policies and Best Council Plan**

4.3.1 As noted above, Housing Growth and delivery are key priorities as part of the preparation of the Development Plan, Best Council Plan and Breakthrough projects.

#### **4.4 Resources and value for money**

4.4.1 Housing is a key cross cutting issue for the Council, which has a direct impact on the Council’s budget, policy and operational service issues. This is reflected in the expenditure required to maintain key services (including Social Care), income generated to the Council (including via Council Tax, Section 106 and CIL income), the management of the Council’s housing stock and related asset management issues and also the strategic links to the provision of infrastructure and utilities.

## **4.5 Legal Implications, Access to Information and Call In**

4.5.1 The HWP sets out a number of Central Government proposals, much of which continue to be subject to statutory consultation which will necessarily require the final proposals to be formally transposed into Primary and Secondary Legislation and amended National Planning Policy. The range of measures outlined in the HWP, are significant and include revisions to the plan-making process, the role of neighbourhood planning and Community Infrastructure Levy.

4.5.2 Whilst all decisions of the Executive Board are eligible for Call In, it is recommended that the Board resolve to exempt from the Call In process the decisions arising from this report. This is due to the short timescale to comment on the HWP proposals (set by DCLG) and the timing of Scrutiny and Executive Board meetings. As noted above the HWP (Background papers and technical material) was issued on the 7<sup>th</sup> February. Due to the wide ranging nature of the material and the need to complete internal consultation across Council services in preparing the draft response, it has not been possible to report to Executive Board until the April cycle. The deadline set by DCLG for final responses is the 2<sup>nd</sup> May. Consequently, if this report were to be Called In, it is likely that this further consideration and any additional recommendations to Executive Board would not be concluded until after the deadline. It is considered therefore that under these circumstances and given the significant nature of the HWP and its implications for the Council, it is considered important to meet the DCLG and therefore for the report to be exempted.

## **4.6 Risk Management**

4.6.1 The need to deliver housing growth is a key priority as part of the Best Council Plan and related breakthrough project. Any subsequent related amendment to how housing growth is delivered needs to be kept under review given these Council responsibilities, the threat of special measures from DCLG and the operation of the Presumption in Favour of Sustainable Development in the absence of a 5 year land supply, which removes local choice.

## **5 Conclusions**

5.1 The HWP has been an eagerly awaited document, to help address and where possible remedy the operation of the housing market. This is an imperative, given what many commentators (including the organisation Shelter) have described as a 'national housing crisis'. In a District the size and complexity of Leeds these issues are especially acute and the City Council has been proactive for many years to ensure that integrated strategies, programmes, initiatives, interventions and actions are all in place, to help moderate the excesses and where possible direct the operation housing market.

5.2 The stated ambition of Central Government reflected in the HWP is to address what is described as 'fixing the broken housing market'. Whilst the

Paper provides a succinct and informed analysis of the current inadequacies of the market, the proposals which flow out of the analysis, appear to do little in practice to fundamentally remedy the structural issues and problems set out. Should the proposals of the White Paper be implemented as they stand, time would only tell if they would be sufficient to fix the problems identified. It is the Council's view however, that whilst a number of proposals could have a positive impact (subject to further qualification and clarification), in key areas the intended 'fixes', fall considerable short of the structure and lasting interventions which are necessary to affect a step change.

- 5.3 As set out in **Appendix 1**, the City Council acknowledges that there are a number of components of the proposals which are to be welcomed, many lack sufficient clarity or could more effectively targeted. Consequently, a series of recommendations are made (both in response to the HWP questions and additional points), which are seeking to strengthen and articulate necessary actions to take this key agenda forward. These comments are intended to be constructive and recognise the complexity of the issues the Paper is aiming to address. The purpose of these responses also, is to help provide a continuing context, to continue to work with a range of partners (including Central Government) to tackle housing priorities in Leeds, now and in the future.

## **6 Recommendations**

6.1 Executive Board is recommended to:

- i) Consider and agree, the recommendations in response to the HWP questions, Background papers and Technical information set out in **Appendix 1** and **Appendix 2** of this report;
- ii) Consider and agree the additional City Council comments in response to the HWP, set out in Appendix 1 of this report;
- iii) Give delegated authority to the Chief Planning Officer, in consultation with the Executive Member for Regeneration, Transport and Planning, to make any further supplementary or additional comments to the HWP, Background papers and Technical information, in addition to the material considered by the Board; and
- iv) Agree that for the reasons specified in para. 4.5.2, the report should be exempt from Call In.

## **7 Background Documents<sup>1</sup>**

7.1 None.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

## Appendix 1: Housing White Paper (DCLG) – Leeds City Council Response

No.	DCLG Question	LCC Response and Proposed Recommendations
1a	Do you agree with the proposals to make clear in the National Planning Policy Framework that the key strategic policies that each local planning authority should maintain are those set out currently at paragraph 156, of the Framework, with an additional requirement to plan for the allocations needed to deliver the area's housing requirement?	<p><b>Yes.</b> LCC broadly agrees with the addition of a requirement to plan for the allocations needed to deliver the area's housing requirement.</p> <p><b><u>LCC Recommendation</u></b> DCLG need to ensure that evidence on the contribution from historic windfall and empty homes are also considered alongside the level of allocated land required. Such an approach is especially important in large metropolitan authorities such as Leeds. This is central to the Adopted Leeds Core Strategy (2014) where just over 10% of housing need is being met on un-allocated windfall sites.</p>
1b	Do you agree with the proposals to use regulations to allow Spatial Development Strategies to allocate strategic sites, where these strategies require unanimous agreement of the members of the combined authority?	<p><b>No.</b> The Government's rationale for allowing the allocation of strategic sites via Spatial Development Strategies is currently unclear. Most Combined Authorities do not have such strategies in place and they will take time and resources to produce – which would seem contrary to the Government's intention to urgently boost housing supply and delivery and include a time delay in delivering policy solutions quickly and effectively. In West Yorkshire the majority of local authorities have an up to date Local Plan; either Adopted or at a very advanced stage. The City Council are concerned that such allocations could serve to remove the link between local people and plan-making, which was an issue in relation to the preparation of the former Regional Spatial Strategies. The first Core Principle of the NPPF sets out that planning should be <i>“genuinely plan-led, empowering local people to shape their surroundings, with succinct local and neighbourhood plans setting out a positive vision for the future of the area”</i>. The measures would also potentially cast doubt on the established Duty to Cooperate arrangements, as it is not clear how such proposals would operate in practice.</p> <p><b><u>LCC Recommendation</u></b></p>

		<p>The White Paper should take steps to strengthen the Local Plan as the keystone of the planning system. It is suggested that where Combined Authorities consider that genuinely sub-regional scale strategic sites are justified, these are supported by the Combined Authority via the Local Plan making process. In Leeds this has been the case with the progression to Examination in Jan 2017 of the Aire Valley Leeds Area Action Plan which provides for an Enterprise Zone and is a key allocation in the West Yorkshire Strategic Economic Plan and the Enterprise Zone for the City Region.</p>
<b>1c</b>	Do you agree with the proposals to revise the National Planning Policy Framework to tighten the definition of what evidence is required to support a 'sound' plan?	<p><b>Yes.</b> This is a helpful clarification which establishes that the LPA should set out, "an" appropriate strategy and allows a more proportionate approach to evidence. Both these elements are key means by which plans are slowed during preparation and the changes would help speed up their production and enable more responsive and targeted "selective" review.</p>
<b>2</b>	What changes do you think would support more proportionate consultation and examination procedures for different types of plan and to ensure that different levels of plans work together?	<p><b><u>LCC Recommendation</u></b></p> <p>The City Council supports the re-emphasis on the Local Plan as an integrated family of documents. There is a need to update the "Plain English guide to the Planning System" so as to specify the type and nature of individual Local Plan Documents. There is also a need to stress that Local Plans are geared to individual LPA circumstances via a proportionate evidence base and local consultation. This reflects the principles of 'localism', as established in the 2011 Act.</p> <p>Simplifying the "tests of soundness" or removing the need for LPAs to consult on the strict basis of soundness would provide a more 'user-friendly' experience, as this is an area of consistent criticism and confusion from those involved in consultation process.</p> <p>Greater use of on-line consultation will help speed up the process. Leeds' recent experience from use of on-line interactive mapping was positive with over 40,000 individual representations: 1/3 on paper; 1/3 by e-mail and 1/3 via on-line map.</p>

		<p>Provided that LPAs consider that they have prepared a sound plan which addresses key strategic policies, there should be a greater targeting of matters for development plan examination so as to avoid protracted debates / alternative strategies at a late stage and reduce costs.</p> <p>Government should also revisit support for LPAs mid-way through Local Plan making processes so as to ensure that fewer plans are withdrawn at Examination stage. Use of PINS frontloading or independent views via Planning Aid would be helpful. It is considered that generic good practice guidance on this matter is less helpful in addressing specific local issues that arise. Leeds has previously benefitted from a PINS frontloading visit and would therefore advocate its re-introduction.</p>
<b>3a</b>	Do you agree with the proposals to amend national policy so that local planning authorities are expected to have clear policies for addressing the housing requirements of groups with particular needs, such as older and disabled people?	<p><b>Yes.</b> These needs are already picked up through Strategic Housing Market Assessments (SHMAs) and reflected in the Adopted Core Strategy. It is the implementation of such needs that causes difficulty when house builders are averse to constructing homes outside of their models.</p> <p><b><u>LCC Recommendation</u></b> The City Council finds it difficult to include ‘non-standard’ homes as part of a wider mix where any impacts on overall viability are apparent. LPAs are currently in a weak position to refuse applications on basis of lack of mix, given wider Framework policies on viability and the presumption in favour of sustainable development. To that end, given that groups with particular needs form a part of the national demographic a stronger policy framework within the NPPF on a mix of housing is needed so as to encourage national housebuilders to change their models of delivery. If the Government’s intention is to ‘fix the broken housing market’, greater emphasis needs to be placed on being able to effectively meet specific and complex needs, rather than just delivering what the market is prepared to provide.</p>
<b>3b</b>	Do you agree with the proposals from early 2018 to use a standardised approach to	<b>Broadly Yes.</b> The White Paper confirms that the Government will consult on options for introducing a more standardised approach to assessing



	<p>assessing housing requirements as the baseline for five year housing supply calculations and monitoring housing delivery, in the absence of an up-to-date plan?</p>	<p>housing requirements. Until the detail of such a methodology is known it is difficult to accept it in principle but efforts to simplify what has become a very elaborate technical exercise would be welcomed. It would be useful if such an approach could be ‘pilot tested’ prior to any formal introduction, in order to test how it might apply in different circumstances, as a basis to test and anticipate any unforeseen or unintended consequences.</p> <p><b><u>LCC Recommendation</u></b></p> <p>Some of the LPEG suggestions were strenuously challenged by demographic experts and the Government needs to specifically consider the following elements of such a standard approach:</p> <ul style="list-style-type: none"> <li>• <i>relationship between job growth and housing growth</i> and how this is reflected – the Council considers that the LPEG method would be subject to challenge for those authorities with economic / transformational growth ambitions</li> <li>• <i>need to plan a middle road through boom and bust</i> rather than for extremes of market performance – the Council (under the current methodology) has a housing requirement towards the upper limits of likely scenarios, which is not being delivered</li> <li>• <i>need for clarity on affordable housing need</i> as a driver of higher housing numbers – some LPAs may require higher overall numbers to deliver more affordable housing via planning gain, others like Leeds will deliver affordable housing need within housing requirements. A standard approach should not threaten this bespoke approach.</li> </ul>
4a	<p>Do you agree with the proposals to amend the presumption in favour of sustainable development so that authorities are expected to have a clear strategy for maximising the use of suitable land in their areas?</p>	<p><b>Yes.</b> Local Plan policies should reflect the desirability of re-using brownfield land. However, LPAs and housing providers also have to deal with the fact that brownfield land can be more expensive to develop, which can impact on the viability of proposals.</p> <p>This is the approach of the Adopted Leeds Core Strategy which identifies over 60% of its housing needs on suitable previously developed land, with</p>

a spatial strategy prioritising regeneration, city centre living and brownfield land. Definitions of “suitable land” are used for plan-making as set out in Footnote 11 of Framework.

The City Council considers that the challenges of delivery arise at the decision taking stage where in our experience housebuilders argue that suitable land is not deliverable either because it is not available (e.g. Leeds has over 7,000 homes on suitable allocated land for housing within the City Centre much of which has more than one permission for housing and is in use for car parking) or is considered to not be achievable (e.g. house builders using standard models are unable to meet their profit expectations, despite flexibilities offered through the planning process). Developers argue via the decision taking process that other land (not identified as suitable for housing at the current time e.g. safeguarded land) should be developed instead. This argument – chiefly made via the five year housing land supply – erodes confidence in the plan-making process and replaces suitable previously developed land sites with greenfield releases.

**LCC Recommendation**

The fact that land is “suitable” should have greater weight than whether it is “available” (this can be artificially constrained) or “achievable” (this can be governed by developer attitude, profit expectation and often inflexible models). Placing each definition on an equal footing so as to expect all land to be deliverable has, since the NPPF was first published, helped slow down the delivery of housing and lead to more “planning by appeal”. Footnote 11 of the NPPF and accompanying guidance should clarify this.

In addition, and in light of experiences in Leeds, in its proposed form the PiFSD should promote the use of suitable land for decision taking in the same manner as the plan-making criteria.

In seeking to address viability issues, the Government needs to introduce greater challenge, where developers consider that proposals are not viable.

		What are the determinants of this? Is it market choice, profit margins or business models, rather than physical site constraints? Given that such sites are often located in sustainable locations within urban areas, greater incentives and interventions are therefore needed in the market to bring such sites forward.
<b>4b</b>	Do you agree with the proposals to amend the presumption in favour of sustainable development so that it makes clear that identified development needs should be accommodated unless there are strong reasons for not doing so set out in the NPPF?	<p><b>Yes.</b> Provided that greater powers are provided to LPAs to establish and deliver development needs on suitable land (as set out in our answer to question 4a).</p> <p><b><u>LCC Recommendation</u></b></p> <p>The City Council agrees that development needs must be met but achievement of their wider impact and achievement of concurrent environmental / economic / social objectives are also of key importance. Currently, the balance between the three components of sustainable development favours the economic objective of market housing delivery, particularly at the expense of the social imperatives of local infrastructure, affordable housing, delivery of schools and health services which in our experience are the issues of most concern to local people. The PiFSD sets a requirement for LPA to approve development unless the adverse impacts significantly and demonstrably outweigh the benefits. This is a high bar test.</p>
<b>4c</b>	Do you agree with the proposals to amend the presumption in favour of sustainable development so that the list of policies which the Government regards as providing reasons to restrict development is limited to those set out currently in footnote 9 of the National Planning Policy Framework (so these are no longer presented as examples), with the addition of Ancient Woodland and aged or veteran trees?	<p><b>Yes.</b> This is clearer. However, it is important that central Government takes a whole Government and 'joined up' approach to delivering the principles of sustainable development. At a local level Leeds City Council has adopted a "Compassionate City" model, where by 'good growth', environmental protection and enhancement and supporting vulnerable communities are concurrent priorities.</p>
<b>4b</b>	Do you agree with the proposals to amend the presumption in favour of sustainable	<b>Yes.</b> Subject to comments above.

	development so that its considerations are re-ordered and numbered, the opening text is simplified and specific references to local plans are removed?	
5	Do you agree that regulations should be amended so that all local planning authorities are able to dispose of land with the benefit of planning consent which they have granted to themselves?	<p><b>Yes.</b> Leeds as a unitary authority already has the power to do this.</p> <p><b><u>LCC Recommendation</u></b> In already having the power to do this the City Council takes a proactive approach to de-risking the planning status of the sites it owns e.g. through a Housing Investment Land Strategy and would recommend this as an approach across two-tier authorities.</p>
6	How could land pooling make a more effective contribution to assembling land, and what additional powers or capacity would allow local authorities to play a more active role in land assembly (such as where 'ransom strips' delay or prevent development)?	<p>It is considered that this would be useful. The City Council has already encouraged pooling of land and use of the equalisation of land value in a major urban expansion to the East of Leeds. This is requiring use of Supplementary Planning Documents.</p> <p><b><u>LCC Recommendation</u></b> The Government could make it easier to achieve positive planning outcomes in this area as follows:</p> <ul style="list-style-type: none"> <li>• national guidance should ensure that local planning authorities can – via plan-making and allocation of sites – set the geographies at which place-making should occur i.e. the red-line boundaries within which comprehensive planning applications should come forward. This should help LPAs resist applications for piecemeal parcels of land.</li> <li>• where within specific boundaries, landowners are preventing development coming forward and are constraining better place-making, LPAs need robust CPO powers to ensure that large scale allocations can be delivered swiftly and comprehensively.</li> </ul>

		<ul style="list-style-type: none"> <li>• the Government should reflect that ransom strips often exist outside of the main developable part of sites e.g. for access to main highways network.</li> <li>• the City Council recommends that Government re-defines a more reasonable and narrower level of uplift in land values for ransom strips at which owners must be compelled to bring forward land as part of wider comprehensive development proposals.</li> </ul>
7	<p>Do you agree that national policy should be amended to encourage local planning authorities to consider the social and economic benefits of estate regeneration when preparing their plans and in decisions on applications, and use their planning powers to help deliver estate regeneration to a high standard?</p>	<p><b>Yes.</b> It should be a priority ambition of Local Plans with areas in need of regeneration. In Leeds our planning policies already prioritise the physical, economic and social regeneration of our housing estates, which contain some of the country's most deprived areas as measured on the index of Multiple Deprivation. Planning policy is not a barrier to our regeneration interventions in these neighbourhoods, it is the marginal market locations of our estates and the viability challenges to attracting commercial investment that prevent the renewal that is required through new development, new housing choices and refresh of social and physical infrastructure. Many estates are in low land value areas where the availability of land and de-risking of its development potential is simply not enough to encourage private sector interest.</p> <p><b><u>LCC Recommendation</u></b> Estate regeneration should be more clearly defined in planning terms to avoid conflation with 'comprehensive redevelopment', which can have the effect of fracturing and dispersing long standing resident communities, breaking social ties and does not deal with many of the underlying issues which have led to the experience of social and economic isolation that regeneration should seek to address.</p> <p>Central government funding should recognise this distinction and the need for interventions that retain and improve the best aspects of our estates alongside sensitive targeted capital and revenue programmes that support</p>

		<p>existing communities.</p> <p>Greater support could be made available to help in building capacity around the Neighbourhood Planning activities that would establish community-led ambitions for change, which if supported by programmes to address health, skills, connectivity and employment will directly address the causes and consequences of deprivation, as a more sustainable approach to estate regeneration.</p>
<b>8a</b>	Do you agree with the proposals to amend the National Planning Policy Framework to highlight the opportunities that neighbourhood plans present for identifying and allocating small sites that are suitable for housing?	<p><b>Yes.</b> This is already embedded in neighbourhood planning provisions and proposals are coming forward on at least one NP.</p> <p><b><u>LCC Recommendation</u></b> The key issue is where NPs are resistant to development and wish to limit change. It is difficult for LPAs to dictate the pace and scope of NP preparation – as they are necessarily community led.</p>
<b>8b</b>	Do you agree with the proposals to amend the National Planning Policy Framework to encourage local planning authorities to identify opportunities for villages to thrive, especially where this would support services and help meet the authority's housing needs?	<p><b>Yes</b> in principle.</p> <p><b><u>LCC Recommendation</u></b> It is unclear what additional provisions the HWP is suggesting. Such development needs to be set within the wider spatial strategy - and existing NPPF core principles - of a LPA which should still direct housing development to those areas with greatest land supply (especially on previously developed land) and access to services.</p>
<b>8c</b>	Do you agree with the proposals to amend the National Planning Policy Framework to give stronger support for 'rural exception' sites – to make clear that these should be considered positively where they can contribute to local housing needs, even if it relies on an element of general market housing to ensure that homes are genuinely affordable for local people?	<p><b>Yes</b> in principle. This would allow for a more flexible and pragmatic approach to those NPs who wish to allocate sites but are not in a position to align their plan-making timetable with that of upper-tier plans.</p> <p>It is unclear where the evidence for general market housing as a stimulus to deliver local housing needs comes from. This is considered to be too specific a situation to write into national policy and should be left to individual LPAs and NPs to determine subject to a local evidence base – otherwise pressure on rural land around smaller settlements would be</p>

		intense.  <b><u>LCC Recommendation</u></b> Suggest that policy includes reference to “small-scale” rural exception sites.
<b>8d</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make clear that on top of the allowance made for windfall sites, at least 10% of sites allocated for residential development in local plans should be sites of half a hectare or less?	<b>Yes.</b> 25% of allocated sites in the Leeds Site Allocations Plan are <0.4ha – the majority of these are on previously developed land. The City Council acknowledges the intent to have a mix of sites available so as to boost housing delivery but advises that this in itself will not always be a stimulus for delivery especially where they are in areas in need of regeneration.
<b>8e</b>	Do you agree with the proposals to amend the National Planning Policy Framework to expect local planning authorities to work with developers to encourage the sub-division of large sites?	<b>Yes.</b> It is currently very difficult to affect change in the number of outlets housebuilders will develop on a site at a given time. In this way the supply of houses can sometimes be “drip fed” onto the housing market, which keeps prices high but delivery rates low. It also has the dis-benefit of local construction activity for far longer periods than is necessary.  To truly affect change there is a need to encourage sub-division with landowners at an early stage before a developer is identified so that landowners are clear that the expectation is that they will work with a variety of developers to achieve swift build out i.e. volume, small and medium enterprise, specialist e.g. pre-fabricated development or meeting specific needs.  <b><u>LCC Recommendation</u></b> National policy should establish clear guidelines on minimum number of outlets and phasing for large sites (in liaison with the Homes and Communities Agency) so that Local Plans can be far more certain as to housing trajectories where a number of large sites are included in Plans.  Sub-division between types of housing developer and product is also important, including provision for custom and self-build and consideration of other local specialist housing requirements. It is difficult for smaller or

		<p>specialist housebuilders to access land in high and medium market areas as these sites are often in the hands of the volume sector via strategic land holdings and options purchased from landowners.</p> <p>The remaining land, often previously developed land, can be achieved because of the flexible models of the SME sector, but requires borrowing at flexible rates. Potential for additional cross-subsidy from higher value housing delivery i.e. parcels of land within larger sites would assist the business models of the small builder.</p> <p>In the same way as planning policy is used to encourage delivery affordable housing the Government should consider planning guidance to provide LPAs with stronger tools to deliver different products and types of housing especially on large sites. These could be via planning obligations, CPO or voluntary sale of land at pre-defined rates relevant to the local market and housing needs.</p>
<b>8f</b>	Do you agree with the proposals to amend the National Planning Policy Framework to encourage greater use of Local Development Orders and area-wide design codes so that small sites may be brought forward for development more quickly?	<b>Yes</b> , but in principle the experiences in Leeds are that planning is not the impediment to bringing smaller sites forward, rather access to finance. However, the City Council recognises that planning delay / costs impacts smaller builders disproportionately and these proposals would help to reduce uncertainty.
<b>9</b>	How could streamlined planning procedures support innovation and high quality development in new garden towns and villages?	<p>As part of a plan-led approach, the City Council are supportive of new garden towns and villages and have identified a new settlement in its Site Allocations Plan. There is a need to recognise that new settlements are a valid option for authorities in the North of England; and it was disappointing not to see any such sites in the first phase of the Government's recent Garden Village and Towns prospectus.</p> <p>Such sites should also not be seen as 'additional' to identified housing needs but a chief means of delivering them amongst other mechanisms Streamlined planning at the plan-making stage should not remove the need</p>



		<p>for sites to be assessed alongside reasonable alternatives. Streamlined planning may assist in the speed of delivery of such sites, but it needs to be recognised that such sites are rarely stand-alone and without local impact. To that end, the current system enables existing local communities to engage with proposals e.g. to seek shared infrastructure benefits. Moreover, the speed of delivery is more likely going to be related to the number and type of house builders (including self-build / custom-build; modern methods of construction opportunities) which the developers support at any one time and up front delivery of key infrastructure to help build at place.</p>
10a	<p>Do you agree with the proposals to amend the National Planning Policy Framework to make clear that authorities should amend Green Belt boundaries only when they can demonstrate that they have examined fully all other reasonable options for meeting their identified development requirements?</p>	<p><b>Yes.</b> But more clarity is needed on definition of ‘reasonable options’. There is a danger that too many tests are being applied to proposals which can lead to challenge and confusion e.g. footnote 11 of the NPPF requires variously that sites are “suitable”, “deliverable” and “developable” for different purposes. The test of “reasonable” should clearly relate to existing Framework tests otherwise this will be the focus of continued legal challenge which will slow the system down. Government should also re-emphasise what the purpose of Green Belt is.</p> <p><b><u>LCC Recommendation</u></b> To align with footnote 11 of the Framework authorities should amend Green Belt boundaries only when they can demonstrate that they have examined fully all other <u>developable</u> options for meeting their identified development requirements.</p> <p>The Government should amend the NPPF to include previous wording in PPS2 that <i>“Their protection must be maintained as far as can be seen ahead”</i> and <i>“Green Belts can shape patterns of urban development at sub-regional and regional scale, and help to ensure that development occurs in locations allocated in development plans”</i>. This will assist in providing clarity to plan users that Green Belts although permanent may change over longer time periods.</p>

<b>10b</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make clear that where land is removed from the Green Belt, local policies should require compensatory improvements to the environmental quality or accessibility of remaining Green Belt land?	<b>No.</b> Green Belt is not solely about landscape and countryside quality but about openness and amenity. Such measures would have to be justified but not seen as instead of other requirements, to make development acceptable. Such an approach could help with Green Infrastructure/improve access for recreation, infrastructure provision etc.
<b>10c</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make clear that appropriate facilities for existing cemeteries should not to be regarded as 'inappropriate development' in the Green Belt?	<b>Yes.</b> But would depend on particular circumstances.
<b>10d</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make clear that development brought forward under a Neighbourhood Development Order should not be regarded as inappropriate in the Green Belt, provided it preserves openness and does not conflict with the purposes of the Green Belt?	<b>Yes.</b> But depends on nature of development & impacts. It will also need to be driven through a Neighbourhood Plan with community buy in.
<b>10e</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make clear that where a local or strategic plan has demonstrated the need for Green Belt boundaries to be amended, the detailed boundary may be determined through a neighbourhood plan (or plans) for the area in question?	<p><b>Yes.</b> However, more consideration is required as to how this will operate in practice and where identified needs can be met for local areas in NPs. The Council understands the Government's intention to remove the difficulties of timing and alignment of NPs with Local Plan process allowing NPs – these are being experienced in Leeds as it progresses 35 NPs at the same time as a Site Allocations Plan.</p> <p><b><u>LCC Recommendation</u></b> Policy change needs to reflect that a Green Belt has been established.</p>
<b>10f</b>	Do you agree with the proposals to amend the	<b>No.</b> The scope to use previously developed land in the Green Belt is

	National Planning Policy Framework to make clear that when carrying out a Green Belt review, local planning authorities should look first at using any Green Belt land which has been previously developed and/or which surrounds transport hubs?	already established in national guidance. The scale and development potential arising from such locations would be considered through the plan-making stage (or a selective review), which enables issues such as the effective use of land and active management of patterns of growth which make the fullest possible use of public transport, walking and cycling to be considered. There is already through this route an option to focus significant development in locations which are <u>or can be made sustainable</u> . It is suggested that the practical implications of this approach also need to be worked through. A standard national approach may result in small scale and isolated locations coming forward.
11	Are there particular options for accommodating development that national policy should expect authorities to have explored fully before Green Belt boundaries are amended, in addition to the ones set out above?	<b>Yes</b> , greater incentives or penalties for not developing brownfield sites in urban areas (within adjacent to communities/identified housing need/transport hubs etc). Delivery is often precluded by anticipated hope values and business models/viability arguments – in the Leeds experience, strong public/political perception that such brownfield opportunities have not been fully exhausted.
12a	Do you agree with the proposals to amend the National Planning Policy Framework to indicate that local planning authorities should provide neighbourhood planning groups with a housing requirement figure, where this is sought?	<b>Yes</b> . In principle NP groups should be able to have a housing requirement figure but the Council has concerns with the methodological approach to this.  <b><u>LCC Recommendation</u></b> If the Government suggests that there should be a purely “bottom-up” approach to the setting of housing requirements this has many difficulties and may ultimately be impossible with the data sets available. First, true local need cannot be captured at the neighbourhood level since those who cannot afford to live in a neighbourhood area will not be reflected and where neighbourhood areas have skewed demographic make-up it will be unclear as to how this may be remedied – local choice or standardised make-up of neighbourhoods. Second, neighbourhood plan areas are too small to get meaningful data and do not align with the Office of National Statistics data on household and population growth – it will therefore be difficult for neighbourhood areas to ensure that they are meeting their entire

		<p>future needs. Third, as a consequence local based methods e.g. surveys, aggregated data down to local area will not reflect true needs and will be statistically flawed.</p> <p>If the Government is suggesting that once set, a LPA OAN can be subdivided to the level of the individual neighbourhood plan area; again this is very difficult. Distributing need per neighbourhood area would mean that (whether a Neighbourhood Plan was active in an area or not) LPAs would need to break up its authority into small scale constituent parts. Each part would vary in terms of its constraints and opportunities (suitable land supply, access to services and infrastructure etc). Such an approach would be in danger of setting too much housing in the least sustainable and most constrained parts of an authority and not enough where the land supply and access to jobs was located. Therefore such an approach would need to be subject to planning checks and balances over a considerable number of neighbourhood areas. Only in this manner could a fair and comparative assessment of needs across an authority be undertaken. This would be unduly convoluted and it is for this reason that most LPAs chose to carry out housing market <u>sub-area</u> analysis of need which is more straightforward to correlate with land supply than neighbourhood area analysis.</p> <p>Only once an OAN has been assessed, sub-area housing market work undertaken and policies in place to allocate land for housing development would a true and fair reflection of a neighbourhood plan area housing requirement be made available.</p> <p>In the City Council's opinion this is why the current system which advises that NP can provide for more housing than set out in the Local Plan, is the best way of managing neighbourhood plan aspirations and providing clarity.</p>
<b>12b</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make	<b>Yes.</b> Although the importance of local character is already embedded strongly within Leeds supplementary guidance Neighbourhoods for Living.

	clear that local and neighbourhood plans (at the most appropriate level) and more detailed development plan documents (such as action area plans) are expected to set out clear design expectations; and that visual tools such as design codes can help provide a clear basis for making decisions on development proposals?	Encouraging local communities engaged in plan making to consider detailed design would assist the development control process; communities able to better understand the positive attributes of their physical environment and make better informed inputs into development processes, more clarity over expectations on developers than can be provided at National or Local policy level. Neighbourhood/community planning groups would need expert help in developing this type of policy accurately.
<b>12c</b>	Do you agree with the proposals to amend the National Planning Policy Framework to emphasise the importance of early pre-application discussions between applicants, authorities and the local community about design and the types of homes to be provided?	<b>Yes.</b> Although this is established practice in Leeds, where the need for pre-application discussion is integral to the delivery of planning schemes. However, protracted discussions will need to be avoided, with clear and realistic expectations about design requirements and housing mix. Affordable Housing and viability are however likely to be potential issues, together with local community concerns about the need for further infrastructure to support growth, including school places and transport infrastructure.
<b>12d</b>	Do you agree with the proposals to amend the National Planning Policy Framework to make clear that design should not be used as a valid reason to object to development where it accords with clear design expectations set out in statutory plans?	<b>No.</b> A national policy on design is likely to be overly generic, and potentially become too difficult to enforce – potentially erode the strength of design arguments rather than assist. It would not be possible to accurately devise a national policy which definitively covers the complex matters of site specific design. A site by site, and proposal by proposal assessment is required guided by specific policies within Local Plans which have been influenced and examined publically and by a range of interests.
<b>12e</b>	Do you agree with the proposals to amend the National Planning Policy Framework to recognise the value of using a widely accepted design standard, such as Building for Life, in shaping and assessing basis design principles – and make clear that this should be reflected in plans and given weight in the planning process?	<b>Yes.</b> A reference to a nationally accepted guide to good practice in residential development would be supported, however, in Leeds a well-established, respected, and heavily used supplementary guidance exists and any erosion in its status would be considered a backward step. Neighbourhoods for Living offers stronger position in terms of justifying design decisions through its more detailed approach in comparison to national standards such as BFL which is generic to allow flexibility between regions and localities.
<b>13a</b>	Do you agree with the proposals to amend	<b>Yes.</b> There is an argument to address this but it needs to be supported by

	national policy to make clear that plans and individual development proposals should make efficient use of land and avoid building homes at low densities where there is a shortage of land for meeting identified housing needs?	<p>a proper design analysis on a case by case basis which has regard to character and amenity. We should not be afraid to approach design and density differently so as to achieve high density development throughout cities and in rural areas. Design should not be given as a reason to avoid exploration of housing typologies which assist in delivering higher densities. However, higher densities must still deliver good design. Experience in Leeds, (and seeing developments in neighbouring authorities) is that high densities, combined with house builder standard approaches leads to standard house types with poor environments surrounding them.</p> <p><b><u>LCC Recommendations</u></b> New approaches to house typologies may assist, but care must be taken in the wording of any text which alludes to changes in approach - 'innovation' and similar terms leads to often poor approaches justified solely by the need for density.</p>
<b>13b</b>	Do you agree with the proposals to amend national policy to make clear that plans and individual development proposals should address the particular scope for higher-density housing in urban locations that are well served by public transport, that provide opportunities to replace low-density uses in areas of high housing demand, or which offer scope to extend buildings upwards in urban areas	<b>Yes.</b> The NPPF and planning process in general should be strengthened to encourage development near public transport connections, or require connections to be made if no suitable connection exists. This is even more important for a city such as Leeds without a low carbon mass transit system. Development higher densities and taller buildings should be on a place by place basis as there is no generic justification for either in design terms which can be applied nationally, or even across a district. Developers of sub-urban commercial schemes should be encouraged to develop mixed use schemes – residential above commercial etc.
<b>13c</b>	Do you agree with the proposals to amend national policy to ensure that in doing so the density and form of development reflect the character, accessibility and infrastructure capacity of an area, and the nature of local housing needs?	<b>Yes.</b> Developments must be consistent in all ways with their surroundings.
<b>13d</b>	Do you agree with the proposals to amend national policy to take a flexible approach in	<b>Yes.</b> Higher densities will place higher demands on open space and therefore the requirement for provision should not be undermined. Green

	adopting and applying policy and guidance that could inhibit these objectives in particular circumstances, such as open space provision in areas with good access to facilities nearby?	space is an intrinsic part of the built environment and has been proven to have not only physical but psychological health benefits. Likely that green space quality & improved accessibility is needed to withstand higher densities. Need to promote creative solutions/roof top gardens, use of green infrastructure etc. Also, need also to have regard to air quality/public health issues – currently high on agenda.
<b>14</b>	In what types of location would indicative minimum density standards be helpful, and what should those standards be?	<b><u>LCC Recommendation</u></b> It is difficult to generalise and to be nationally prescriptive on this issue. New development needs to be assimilated into an existing context, which is derived from its established character, identity and density. These can be complex and vary across a local authority area and it would make sense therefore that the approach to this matter be determined locally rather than via a national ‘standard’ or criteria. However, opportunities do need to be taken however to making the best use of urban land in sustainable and accessible locations, especially in relation to transport hubs and infrastructure.
<b>15</b>	What are your views on the potential for delivering additional homes through more intensive use of existing public sector sites, or in urban locations more generally, and how this can best be supported through planning (using tools such as policy, local development orders, and permitted development rights)?	<b>No.</b> The City Council would consider existing arrangements which encourage consideration of sites on their individual merits lead to better development outcomes rather than standardised approaches to intensive / high density development for public sector sites.  The inference here is that simply because sites are in public ownership there could be a lessening of achievement of planning policy requirements.  There is a need for a joined up local authority approach regeneration/planning/asset management/legal/children’s services etc – but will still need private sector input (as a strategic partner and service provision).  Permitted development rights coupled with weaken design will lead to a legacy of poor quality development.
<b>16a</b>	Do you agree that where local planning	<b>No.</b> A 10% buffer would be a possible third buffer to be applied to an

	<p>authorities wish to agree their housing land supply for a one-year period, national policy should require those authorities to maintain a 10% buffer on their 5 year housing land supply?</p>	<p>authorities housing supply and it is unclear what the rationale for such a buffer would be. It would result in a more (not less) complex assessment – why would an authority with a 5% buffer see any value in fixing its supply for a year? How could an authority with a marginal 5YS (plus 5%) fix for a year if additional land (for 10%) was required from sites subject to plan-making review? Given the complexities for many authorities in deriving an annual 5YS it is considered that a one-year period should be the standard time period for a 5YS in any event. Consequently, it is considered that opportunities should be taken to clarify and streamline the current approach – to allow for local flexibility, rather than introducing additional technical and time limited requirements.</p>
<b>16b</b>	<p>Do you agree that The Planning Inspectorate should consider and agree an authority's assessment of its housing supply for the purpose of this policy?</p>	<p><b>No.</b> This would be an additionally onerous layer to an already complex procedure.</p> <p><b><u>LCC Recommendation</u></b> The Planning Inspectorate could usefully agree an authority's methodology and approach to housing supply at a convenient Development Plan opportunity e.g. Core Strategy or Allocations. For those authorities not covered by this and in tandem, more detailed technical guidance on land supply is needed which captures lessons learnt from the implementation of the NPPF and a significant amount of case law. This clarity would assist authorities deal with those who have an interest in de-railing a local authority's supply position for their own site preferences.</p> <p>This guidance should apply to a range of local authorities (especially larger Metropolitan authorities). For an authority like Leeds with over 1,000 sites in its SHLAA and around 500 in its 5 year supply the task of monitoring delivery of individual sites is already challenging and attempts to generalise have not found favour with PINS.</p>
<b>16c</b>	<p>If so, should the Inspectorate's consideration focus on whether the approach pursued by the authority in establishing the land supply</p>	<p><b><u>LCC Recommendation</u></b> The City Council consider that the Inspectorate is well placed to provide more guidance on how a five year land supply should be calculated. Until</p>



	<p>position is robust, or should the Inspectorate make an assessment of the supply figure?</p>	<p>then, there will be continued time consuming delay, largely at appeal, on assessing a five year supply. Additional technical guidance (possibly via the PPG but with more detail on good practice and more readily updateable) should include:</p> <ul style="list-style-type: none"> <li>• a reflection of case law since the NPPF</li> <li>• alternatives to testing every site within a 5YS, especially for larger authorities</li> <li>• approaches to take where sites are suitable and achievable in theory but are not being brought forward by willing landowners</li> <li>• greater direction on the appropriate buffer to be applied and how persistent under-delivery might be calculated</li> <li>• a greater steer on the application of the Liverpool or Sedgefield approaches to dealing with past under-supply, especially where increased supply threatens to undermine spatial strategies</li> <li>• expectations of local authorities that Government ambitions for faster build out rates, use of permissions, role of SMEs and self-build are all factors which should influence a 5YS</li> <li>• a reflection that factors which have influenced an OAN should be the same factors which influence likelihood of delivery – otherwise a disconnect between ambitious targets and pessimistic delivery will harm the Development Plan</li> </ul>
17a	<p>In taking forward the protection for neighbourhood plans as set out in the Written Ministerial Statement of 12 December 2016 into the revised NPPF, do you agree that it should include a requirement for the neighbourhood plan to meet its share of local housing need?</p>	<p><b>Broadly Yes.</b> It is recognised that Neighbourhood Plans have the ability to do this now but out of choice, the experience in Leeds is that the majority of Plans do not address this issue. In Leeds many NPs are smaller settlements and villages where the spatial strategy does not seek to direct significant numbers of new homes. NPs can elect to deliver more housing to meet specific identified local needs e.g. for older persons housing or affordable housing. In circumstances where a NP area is within a wider local area of growth, current legislation on conformity between NPs and the Local Plan would ensure that NPs meet their share of growth. Given these uncertainties, it is likely to be unrealistic for the housing requirement of an entire Local Planning Authority area, to be met from a patchwork of</p>

		Neighbourhood Plans (see 12a above). This is especially challenging also, when there is not full Neighbourhood Plan coverage or 'adoption' within such areas.
<b>17b</b>	In taking forward the protection for neighbourhood plans as set out in the Written Ministerial Statement of 12 December 2016 into the revised NPPF, do you agree that it is subject to the local planning authority being able to demonstrate through the housing delivery test that, from 2020, delivery has been over 65% (25% in 2018; 45% in 2019) for the wider authority area?	See response to question 17a above.
<b>17c</b>	In taking forward the protection for neighbourhood plans as set out in the Written Ministerial Statement of 12 December 2016 into the revised NPPF, should it remain a requirement to have site allocations in the plan or should the protection apply as long as housing supply policies will meet their share of local housing need?	<b>Yes.</b> It is the City Council's view that, overall it is preferable to retain allocations. The allocation of sites is a challenging process, through a Plan-led system and as a consequence, in broad terms, the retention of sites allow for greater flexibility and as part of a Plan-led process, it is difficult to react quickly if insufficient allocations are in place. It should be emphasised however, that if allocations are retained, they should also be retained with their site phasing and planning requirements in place (especially where these have been determined via an adopted plan), unless circumstances have materially changed.
<b>18a</b>	What are your views on the merits of introducing a fee for making a planning appeal? We would welcome views on: how the fee could be designed in such a way that it did not discourage developers, particularly smaller and medium sized firms, from bringing forward legitimate appeals	It is recognised that this is a difficult area. As part of the HWP's commitment to a Plan-led approach, interventions are necessary to avoid 'planning by appeal', which can undermine the resource intensive nature of development plan preparation. However, there is also a need for fairness and transparency and not to penalise smaller developers and SMEs. The recommendations of the HWP do however need to urgently address the systematic, sustained and confrontational use of the appeal process (by some agents and housebuilders) to progress commercial interests, to the detriment of providing new homes in preferred locations via the plan-making process.

<b>18b</b>	The level of the fee and whether it could be refunded in certain circumstances, such as when an appeal is successful	See response to question 18a above. The focus of the HWP, needs to be about facilitating and streamlining the process. There is therefore a danger that introducing further complexity, will be a break to progress and open up additional areas of dispute and contention. How would such fees be set, should this initiative be introduced.
<b>18c</b>	Whether there could be lower fees for less complex cases	See response to 18b above.
<b>19</b>	Do you agree with the proposal to amend national policy so that local planning authorities are expected to have planning policies setting out how high quality digital infrastructure will be delivered in their area, and accessible from a range of providers?	<b>Broadly Yes.</b> However, Government need to be very clear if this is intended to be an 'ask' of development proposals or an integral requirement such as drainage, electricity supply etc. It is the Council's view that this should be required as 'basic' infrastructure in the modern era – otherwise this is likely to be challenge in terms of viability or not providing other key requirements such as affordable homes or green space etc. Need to be clear what is meant by 'digital' infrastructure, given speed of technology? Is this intended to fix exiting problems or to support new growth? Need to have regard to market context and different providers.
<b>20</b>	Do you agree with the proposals to amend national policy so that: <ul style="list-style-type: none"> <li>• The status of endorsed recommendations of the National Infrastructure Commission is made clear?; and</li> <li>• Authorities are expected to identify the additional development opportunities which strategic infrastructure improvements offer for making additional land available for housing?</li> </ul>	<b>Yes.</b> Needs to be made clear. Would be helpful if there could be improved monitoring of national infrastructure delivery, as this will have implications for the scale and phasing of development.  <b><u>LCC Recommendation</u></b> As part of a whole Government approach to supporting housing growth there is need for clarity on what national infrastructure – is it to fix existing capacity or to plan for future growth – for what period.
<b>21a</b>	Do you agree that the planning application form should be amended to include a request for the estimated start date and build out rate for proposals for housing?	<b>Yes.</b>  <b><u>LCC Recommendation</u></b> The form should also ask for reasons if the start date is deferred.
<b>21b</b>	Do you agree that developers should be	<b>Yes, agreed.</b> What about penalties if delays ?

	required to provide local authorities with basic information (in terms of actual and projected build out) on progress in delivering the permitted number of homes, after planning permission has been granted?	
<b>21c</b>	Do you agree that the basic information (above) should be published as part of Authority Monitoring Reports?	<b>Yes</b> , a national position needs to be understood but also the information needs to be presented via the house building industry – what about a league table of performance of house builders published nationally – need for wider ownership and accountability – this is not just a local planning authority issue.
<b>21d</b>	Do you agree that large housebuilders should be required to provide aggregate information on build out rates?	<b>Yes</b> . Agreed, but needs to explain reasons for any deviation from rates previously as part of a planning consent.  <b><u>LCC Recommendation</u></b> In bolstering the desire of the HWP to speed up delivery, increase accountability and improve performance, it would be useful if DCLG could provide an overall monitoring framework to track this and to introduce 'league tables', to stimulate performance improvements.
<b>22</b>	Do you agree that the realistic prospect that housing will be built on a site should be taken into account in the determination of planning applications for housing on sites where there is evidence of non-implementation of earlier permissions for housing development?	<b>Broadly Yes</b> . But need to be able to understand the underlying reasons, is it because it's a 'bad' site? If so, why has permission been granted? Is it because of investor confidence, funding, infrastructure, unforeseen problems etc? If the site is brownfield and in a sustainable location, every effort should be made to bring forward, otherwise there is likely to be more pressure on greenfield and Green Belt sites – with other options exhausted or ruled out.
<b>23</b>	We would welcome views on whether an applicant's track record of delivering previous, similar housing schemes should be taken into account by local authorities when determining planning applications for housing development.	<b>Yes</b> . An applicant's track record should be taken into account, but see Q. 22 above and 24 below. The reasons for any delay will be pertinent to future decision making.
<b>24</b>	If this proposal were taken forward, do you agree that the track record of an applicant	<b>Yes</b> . This is an important issue but national planning guidance will need to be clear on how 'track record' is defined and the evidential basis upon

	<p>should only be taken into account when considering proposals for large scale sites, so as not to deter new entrants to the market?</p>	<p>which this might be assessed. A key issue in Leeds, is that whilst the City Council is committed to housing growth and delivery, the level of completions falls short of expectations and that build out rates are often determined by marketing, sales strategies, business models and industry capacity, rather than planning policies or conditions. Whilst 'track record' might be an issue, greater clarity is needed for what this means in practice when a housing provider has not adequately performed. A fundamental objective of the White Paper is to deliver the homes that are needed, rather than local authorities being put in the position of putting perceived barriers in the way. Any penalties and interventions therefore need to be set nationally, as a basis to improve delivery and the performance of all providers.</p> <p>In terms of new entrants to the market, these need to be encouraged but the recommendations arising from the HWP need to be more explicit about the expectations, roles, responsibility and accountability for the volume housebuilders which currently dominate the market.</p>
25	<p>What are your views on whether local authorities should be encouraged to shorten the timescales for developers to implement a permission for housing development from three years to two years, except where a shorter timescale could hinder the viability or deliverability of a scheme? We would particularly welcome views on what such a change would mean for SME developers.</p>	<p><b><u>LCC Recommendation</u></b> The City Council would like evidence to understand the impact of this and suggest that this approach is piloted. Whilst a shorter timescale may be promoted as a stimulus to development, some agents, investors and developers may argue that this is problematic if in at a low point in the economic cycle and more recovery time is needed.</p>
26	<p>Do you agree with the proposals to amend legislation to simplify and speed up the process of serving a completion notice by removing the requirement for the Secretary of State to confirm a completion notice before it can take effect?</p>	<p><b>Broadly Yes.</b> Initiatives to encourage greater efficiency and streamlining are to be broadly welcomed. However, a simple transfer of responsibility away from the SOS to Local Planning Authorities will be problematic, unless new and funded local authority resources are put in place.</p>

27	What are your views on whether we should allow local authorities to serve a completion notice on a site before the commencement deadline has elapsed, but only where works have begun? What impact do you think this will have on lenders' willingness to lend to developers?	<p>"Completion" for the purposes of calculating housing delivery, needs to mean completion of the new homes built on the ground. It is not clear what this would mean for lenders in stimulating development.</p> <p><b><u>LCC Recommendation</u></b> Suggest this initiative be piloted to assess its impact and also the views of lenders assessed, in order to consider the implications for investment decisions.</p>
28a	Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that the baseline for assessing housing delivery should be a local planning authority's annual housing requirement where this is set out in an up-to-date plan?	<p><b>Yes.</b> But the test should also reflect the reasons for the lack of delivery. As the PPG currently sets out these may not be exclusively around land supply and may involve wider market issues. For example, in Leeds despite having a large stock of land with permission completions were hampered by the mortgage market review in 2015.</p> <p><b><u>LCC Recommendation</u></b> Reflect that factors other than land supply can influence a LPAs performance on delivery.</p>
28b	Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that the baseline where no local plan is in place should be the published household projections until 2018/19, with the new standard methodology for assessing housing requirements providing the baseline thereafter?	<p><b>No.</b> However, this might have some merit if targeted. It needs to be understood however, why a local plan is not in place. This could be due to a wide range of factors including a holding direction (beyond the scope of a local authority) or because of the need to await the conclusion of major infrastructure decisions. Local authorities should not be unduly penalised through a further performance regime (on top of an already complex system), where they are seeking to work through a challenging Plan-led process and where there are legitimate reasons in place for any delay.</p> <p>Government should ensure that the methodology is reasonable and realistic and take account of changes to the market. The onus should not just be on the local authority to monitor performance – structural changes</p>

		are needed in the house building industry, to improve the performance of home builders e.g. policies for minimum proportions of different types of dwelling and different models of construction, modern methods of construction (modular build), opportunities for self- and custom-build within volume house builder schemes and monitoring of these.
<b>28c</b>	Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that net annual housing additions should be used to measure housing delivery?	<b>Yes.</b> Provided that reasons for any under delivery are fully understood. Increasing the supply of housing will not necessarily lead to more delivery, only delivery on the sites the volume sector have an interest in; which are not necessarily those which are compliant with local strategy, need and aspirations.
<b>28d</b>	Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that delivery will be assessed over a rolling three year period, starting with 2014/15 – 2016/17?	<b>Yes.</b> Attempts to average out performance are welcomed.
<b>29</b>	Do you agree that the consequences for under-delivery should be: <ul style="list-style-type: none"> <li>a) From November 2017, an expectation that local planning authorities prepare an action plan where delivery falls below 95% of the authorities annual housing requirement?</li> <li>b) From November 2017, a 20% buffer on top of the requirement to maintain a five year housing land supply where delivery falls below 85%?</li> <li>c) From November 2018, application of the presumption in favour of sustainable development where delivery falls below 25%?</li> </ul>	<b>No.</b> Despite the stated complexities of the housing market and the roles and responsibilities of housing providers (SMEs, volume house builders, LPAs etc) the onus of this approach, penalties and accountability is squarely with the LPA. This is not reasonable.  The ramping up of progressive LPA penalties does not fundamentally address the structural failure of the industry (the broken market the HWP is seeking to fix). Local authorities do need to be brought to task if the development plan is not in place but this is one component of the overall position.

	<p>d) From November 2019, application of the presumption in favour of sustainable development where delivery falls below 45%?; and</p> <p>e) From November 2020, application of the presumption in favour of sustainable development where delivery falls below 65%?</p>	
30	<p>What support would be most helpful to local planning authorities in increasing housing delivery in their areas?</p>	<p>Leeds has the largest annual housing delivery target of any local authority and last year delivered 3,296 new homes, the highest delivery rate of any core city. However recent planning application appeal decisions against the Council on several greenfield sites have resulted in the Council's position on 5 year land supply being rejected, partly on the basis of past under delivery against annual targets and concerns that many of our brownfield City Centre/Inner sites wouldn't deliver as quickly as projected in our SHLAA.</p> <p>However, one of the issues facing Leeds is the marked difference between the number of sites with planning approval and the number of starts – around 1 in 7 planning approvals for new residential development are converted into delivery. Achieving planning approval is not a barrier to housing growth. Market confidence and viability are the key issues.</p> <p>It is clear to us that the acceleration of housing development of the right quantity, in the right places, to the right quality and offering the right choice of size, form and tenure will be central to the properly planned, sustainable growth of our city. To drive the necessary growth we need to unlock and regenerate central and inner parts of our city, where despite success in realising commercial, retail and leisure development, residential schemes have not been implemented with the same pace as the first phase of city living in the early-mid 2000's and there is a need to drive forward a new wave of residential development, including the new models of PRS.</p>



		<p>Traction here will deliver schemes with high densities that will contribute to a step change in our growth trajectory. New approaches and sources of funding or investment are required that will bring forward the key interventions to stimulate accelerated residential development by removing barriers to growth in these areas and allow a return to pre-recession rates of delivery.</p> <p>We have identified 5 ways in which Government support and flexibility would help us do this:</p> <ol style="list-style-type: none"><li>1. Patient public investment and grant funding to make a positive impact on market confidence, viability and deliverability. Government should recognise the need to target the right form of support to privately-led residential sites and schemes with a move away from 'impatient' fully recoverable investments towards more flexible funding that plays a longer game on returns.</li><li>2. Investment in infrastructure and public realm. This has a significant part to play in creating underlying market confidence and the acceleration of wider investment. Creating a funding offer to enable a co-ordinated approach between the public and private sector players that have a genuine interest in place making to support existing and new investments can unlock opportunities and create the investment landscape for new homes and related amenities.</li><li>3. Site acquisitions and land assembly. Across Leeds there are many sites in the ownership of companies or individuals who do not have the capacity, resources or willingness to bring these forward for development. Equally, there are many sites with extant planning permissions but often these serve only to maintain a book value for owners rather than providing a route towards meaningful implementation and delivery. Leeds City Council is undertaking its own programme of engagement and support with these owners to accelerate delivery but government funding or underwriting of</li></ol>
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		<p>acquisition and CPO costs would enable the Council to be more proactive in assembling land and bringing sites to more willing development partners</p> <p>4. De-risking and site preparation. Brownfield sites with a legacy of contamination or relic structures from past industrial uses pose technical and viability challenges require de-risking interventions to enable future development, which may range from simple assistance such as desk top and intrusive surveys to more intensive work to remediate and prepare sites for investment. Availability of flexible 'no strings' funding to assist this would be beneficial to help bring a greater number of sites to a point at which development viability can be confirmed or investment secured.</p> <p>5. Unlocking the delivery of affordable and social housing. Leeds is mid-way through a programme of delivering its own programme of 1,000 new affordable homes by 2020 but more could be done to stimulate further local authority investment and through changes to government policy to enable home ownership for those on lower incomes. Support could include: removal of restrictions on borrowing through the Housing Revenue Account so that the Council itself can build at scale equivalent to its underlying HRA strength; enabling full retention of Right to Buy receipts by local authorities to be dedicated to new build replacement stock; support and policy flexibilities to enable the development of models enabling tenants to 'rent to buy'; maximising local flexibility in defining and delivering a mixed package of affordable housing, including Starter Homes, with reference to local market conditions and affordability criteria</p>
31	<p>Do you agree with our proposals to:</p> <p>a) Amend national policy to revise the definition of affordable housing as set out in Box 4?</p> <p>b) Introduce an income cap for starter</p>	<p><b>No.</b> Whilst starter homes are welcomed as a low cost housing product to assist first time buyers there is concern in relation to the impact of the proposals on affordable housing. Definitions of affordable housing should always relate to products that are affordable in perpetuity, which benefit future users, unless subject to other legislative requirements such as right to buy. The HWP proposes a 15 year repayment period for starter homes</p>

	<p>homes?</p> <p>c) Incorporate a definition of affordable private rent housing?</p> <p>d) Allow for a transitional period that aligns with other proposals in the White Paper (April 2018)?</p>	<p>which does not provide perpetuity. In particular there will be an impact on affordable housing targets set out in Policy H5 of the Core Strategy as developers will prefer to provide starter homes over affordable housing. An income cap for starter homes is supported, as is a transitional period.</p> <p>It is our understanding that the build to rent model is a different financial model and is broadly welcomed by the Council as an additional source of supply. The HWP reference to affordable housing is broadly in the grain of current definitions and subject to fulfilling in-perpetuity requirements the City Council would be willing to discuss this model with institutions and developers.</p> <p>This flexible approach of the City Council is one which is being adopted in the City Centre to deliver mixed communities.</p> <p>There is a danger that this would lead to an even more complicated approach, bogged down by semantics, what we need is solutions and higher housing outputs. All the homes described are wider aspects of Affordable Housing. Would it be easier to describe the typology and an affordable housing ladder – which is focused on delivery and output – whatever rung of the ladder?</p>
32a	<p>Do you agree that national planning policy should expect local planning authorities to seek a minimum of 10% of all homes on individual sites for affordable home ownership products?</p>	<p><b>No.</b> The NPPF needs to work for every part of the country and not simply the over-heated housing market of the south east. Therefore a more flexible approach is needed. Local viability issues need to be reflected at the plan-making stage. There is also a need to allow flexibility in the tenure of affordable homes; again driven by local aspirations and needs.</p> <p><b><u>LCC Recommendation</u></b></p> <p>There is a need for a clear statement that affordable housing is required to be provided from new development and that precise levels, types and tenures is a matter for the Local Plan and its evidence base to determine.</p>

<b>32b</b>	Do you agree that this policy should only apply to developments of over 10 units or 0.5ha?	<b>No.</b> Some smaller sites may have sufficient viability to deliver affordable housing subject to local circumstances. This blanket approach would stifle achievement of affordable housing in rural areas or lead to pressure to allocate larger sites which may not be as sustainable.
<b>33</b>	Should any particular types of residential development be excluded from this policy?	<b>Yes.</b> 100% affordable housing schemes should be exempt.
<b>34</b>	Do you agree with the proposals to amend national policy to make clear that the reference to the three dimensions of sustainable development, together with the core planning principles and policies at paragraphs 18-219 of the National Planning Policy Framework, together constitute the Government's view of what sustainable development means for the planning system in England?	<p><b>No.</b> The HWP sets out a very weak model of sustainability, which simply seeks to balance competing objectives, rather than genuinely facilitating step changes and positive (measurable) outcomes within the environmental, social and economic objectives.</p> <p><b><u>LCC Recommendation</u></b> More needs to be done to dramatically reduce resource consumption and respect environmental limits. Agreed comparative measures of such limits would help create baselines against which Local Plans can operate. Lessons from eco-systems services approaches to planning have been lost since the global recession and could provide a useful starting point for a more meaningful balance between environmental and other objectives. Leeds City Council is committed to a model of 'good economic growth' within a compassionate City, where financial and health inequalities are major issues and are being reflected in plan-making and decision taking.</p>
<b>35a</b>	Do you agree with the proposals to amend the national policy to amend the list of climate change factors to be considered during plan-making, to include reference to rising temperatures?	<b>Yes</b> in principle, but need more clarity on how this might apply.
<b>35b</b>	Do you agree with the proposals to amend national policy to make clear that local planning policies should support measures for the future resilience of communities and	<b>Yes.</b> However, it is unclear from the HWP what this means in practice. Current evidence indicates that climate change implications need to be addressed with greater pace and scale. Considerable investment needs to be made in resilience for communities so as to improve investor confidence

	infrastructure to climate change?	and ensure infrastructure security prior to comprehensive growth.
<b>36</b>	Do you agree with these proposals to clarify flood risk in the National Planning Policy Framework?	<p><b>Yes.</b> These are key national and local imperatives which are reflected in Local Plans already.</p> <p><b><u>LCC Recommendation</u></b> Clarity is needed on the financing and phasing of flood risk interventions for catchments so as to accommodate housing growth.</p>
<b>37</b>	Do you agree with the proposal to amend national policy to emphasise that planning policies and decisions should take account of existing businesses when locating new development nearby and, where necessary, to mitigate the impact of noise and other potential nuisances arising from existing development.	<p><b>Yes.</b> Local business amenity (like residential amenity) tends to already be embedded in existing policy and decision taking good practice. It is unclear whether the White Paper is also concerned with residential amenity.</p> <p><b><u>LCC Recommendation</u></b> The Government should ensure that housing growth ambitions set out in the WP are carried out within a considered approach to “place making” and respecting the amenity of existing residents and businesses. Good design, community involvement with plan-making and decision taking (rather than speculative development) and front loading of infrastructure (including green infrastructure) can assist residential amenity.</p>
<b>38</b>	Do you agree that in incorporating the Written Ministerial Statement on wind energy development into paragraph 98 of the National Planning Policy Framework, no transition period should be included?	Wind energy need to be integral to the energy mix – many communities would see this as preferable to fracking, nuclear and ongoing reliance on fossil fuel.
	<b><u>LCC Additional Points</u></b>	
	<b><u>A whole Government Approach to Housing</u></b>	<b><u>LCC Recommendation</u></b>

<p><b><u>Growth</u></b></p> <p>A number of major housing schemes, economic development and infrastructure projects in Leeds (including the East Leeds Extension and Thorpe Park) are predicated on the need for new roads, rail connections and public transport provision to be in place</p>	<p>For a “whole Government” and ‘joined – up’ partnership approach to be in place, to support housing growth. This will entail the Department for Transport, DCLG, the Homes and Communities Agency, Highways England, Network Rail, service providers and operators, to take a proactive and timely approach, to facilitating the urgent delivery of major growth projects. This needs to be an outcome focussed approach to problem solving. This should also facilitate opportunities for statutory “single issues” consultees to support the overall housing agenda.</p>
<p><b><u>Infrastructure provision &amp; Delivery</u></b></p> <p>Whilst the HWP expressed a broad commitment to the need for infrastructure (including digital) and utilities, there is little detail or clarity on measures or step changes to improve provision or agreed timetables for delivery. In Leeds, through the preparation of the development plan, key issues have arisen regarding the provision of new school places, medical facilities and highways infrastructure to support housing growth. These are key issues, where timely, planned and integrated solutions are necessary.</p>	<p><b><u>LCC Recommendation</u></b></p> <p>For the HWP recommendations to be more explicit about interventions and funded solutions to deliver, priority local infrastructure projects (including schools, medical facilities, highways and public transport) to support housing growth. This needs to be set within the context of the ‘whole Government approach’, described above.</p>
<p><b><u>Viability</u></b></p> <p>Many of the proposals in this report rely on the development industry to amend their models of delivery so as to speed up delivery and meet specific needs for local housing aspirations. The HWP does not seek to amend the approach set out in the NPPF that where policy</p>	<p><b><u>LCC Recommendation</u></b></p> <p>Many of the suggestions in the HWP for a more diverse housing market with a greater number of players delivering different types of housing can be achieved only if there is clarity in the approach to assessing viability and the attitudes of the different housebuilding sectors to this. Moreover, changes above to the calculation of a 5 year supply depend on attitudes to viability from different house builders. The Government should seek to</p>

	requirements affect viability it is difficult for local authorities to implement them.	standardise the methodology for assessing viability, taking into account the experiences of local planning authorities so that authorities have a clear expectation that initiatives such as parcelling up larger sites, promoting self and custom build and requiring modern methods of construction can be justified at a plan-making and decision-taking stage.
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## **Appendix 2: Background Papers & Technical consultation – Leeds City Council Response**

### **Review of the Community Infrastructure Levy**

The Government commissioned an independent review of the Community Infrastructure Levy (CIL) in late 2015 to assess the extent to which CIL does or can provide an effective mechanism for funding infrastructure, and to recommend changes that would improve its operation in support of the Government's wider housing and growth objectives. It has been widely recognised that CIL is over complicated and is not delivering the level of infrastructure which it was expected to. As part the CIL review, the independent review group submitted their report to Ministers in October 2016. This Independent review report is set out as a supporting document to the HWP. The report sets out a number of findings and recommendations. Given that a CIL Review has been expected for some time, it was expected at this stage that as part of the HWP the Government would have ratified which recommendations it is was accepting. However the Government have simply added the report by the Independent review group as a supporting document to the HWP and not made any recommendations for the Review of CIL.

The main recommendations of the report are to replace the CIL with a hybrid system of a broad and low level Local Infrastructure Tariff (LIT) and Section 106 for larger developments. The main proposals set out in the Independent review report are summarised below:

#### **THE LOCAL INFRASTRUCTURE TARIFF (LIT)**

- the setting of the LIT should be linked to the Local Plan process wherever possible and should feed into local and 'bigger than local' infrastructure plans.
- the LIT should be calculated using a national formula based on local market value set at a rate of £ per square metre and charged on gross development.
- the LIT should continue to apply to 'development' as defined in the existing CIL regulations, further work by Government to devise a LIT formula for commercial development that ties it to the residential rate but which does not exceed it.
- there should be a cost of collection cut-off below which local authorities do not have to collect a LIT.
- the process for exemptions and reliefs should be simplified with no (or very few) exemptions to the LIT.

#### **LIT AND SECTION 106**

- small developments (10 units or less) should pay only the LIT and no other obligations, unless exceptional circumstances apply.
- for large/strategic developments local authorities should be able to negotiate additional and specific Section 106 arrangements.



- the requirement for a Regulation 123 list should be removed and pooling restrictions set out in Regulation 123 should be removed.
- for larger developments developers should be able to make infrastructure provision in kind; and if appropriate, the LIT contribution should be able to be delivered by way of in kind provision
- further measures are introduced to standardise and streamline the Section 106 process.
- local authorities provide annual Infrastructure Delivery Plan updates as part of their Authorities' Monitoring Reports

Given the Government have not made recommendations in relation to the findings of the Independent Review of CIL, there will be uncertainty over the future of CIL until the Government sets out what its approach is. The City Council gave feedback as part of the CIL Review Panel Questionnaire, which undertook consultation in January 2016. In terms of the recommendations an approach which simplifies CIL is supported given the complexities around the implementation, however until the details and mechanisms for this are set out it is difficult to comment on this.

**A 3: Covering letter to DCLG Secretary of State**

Secretary of State  
DCLG

City Development  
The Leonardo Building  
2 Rossington Street  
LEEDS  
LS2 8HD

Contact:  
Tel:

Email:

xx April 2017

Dear Secretary of State

### **Housing White Paper**

Overall, Central Government's attempt to tackle a national issue, to "fix the broken market", is broadly welcomed by the City Council. The analysis presented in the Housing White Paper (HWP), of what is wrong with the market, is considered to be largely correct and reflects concerns that have been experienced in Leeds around an over-reliance on the volume sector and delivery of owner-occupied housing. However, unless more fundamental changes and interventions are proposed, the HWP reads as a series of palliative measures, rather than instigating the urgent step changes required.

At a local level, the City Council has afforded a high priority to facilitating housing growth and delivery to meet a range of complex housing needs, now and in the future. The main focus of this work is in the inner area, East Leeds and the City Centre; areas which has been slower to recover from recession and where the adopted Core Strategy, Site Allocations Plan and Aire Valley Leeds Area Action Plan focusses the majority of housing development. This work has been focussed also through the Housing Breakthrough project and the work of the Housing Growth Board. In February Executive Board considered a Breakthrough Project report on "Housing Growth and High Standards in all Sectors", which detailed the Council's pro-active and cross tenure approach to stimulating housing growth. The Council established a cross Directorate housing growth team (working across planning, asset management, housing and regeneration) to stimulate delivery (e.g. the Private Sector Acceleration Programme has assisted in unblocking over 1,200 homes since 2014, with a further 7,783 on the programme).

In March, Executive Board also considered a report on developing mixed residential communities in the City Centre, which detailed implementation measures to stimulate the delivery of a specific Private Rented Sector housing model, where there is a potential supply of over 1,000 homes per annum. Moreover, the Council has also been successful in attracting development interest for the delivery of new private housing in the Seacroft, Halton Moor and Osmondthorpe areas of the City, by packaging its own land for sale to the market.

A development agreement is now in place with Strata Homes and community regeneration specialist, Keepmoat which will secure the redevelopment of 13 sites delivering almost 1,000 new homes across these neighbourhoods. Executive Board also endorsed the Council House Building Programme (with an initial programme of 1,000 homes).

These actions reflect the local imperative to deliver new homes, particularly on brownfield land for a range of needs and in a variety of tenures. These efforts however need to be enhanced and accelerated by lasting structural changes and interventions focussed through the HWP, to urgently help stimulate the market, boost the supply of housing and to deliver the new homes which are needed in sustainable locations across the District.

Notwithstanding the positive and strategic intent behind the HWP, the City Council considers that key opportunities have been missed to fundamentally address market failures, boost regeneration (including the reuse of brownfield land through more specific interventions) and to support housing growth in sustainable locations through new delivery models and investment in infrastructure. Whilst the City Council has worked effectively and proactively with a range of partners and investors over several years (including Central Government), to deliver major regeneration and housing growth, these efforts are sometimes frustrated by the delivery models of the house building industry, viability issues, the tools and resources available to local authorities, or prevailing economic circumstances. It is considered therefore that as it currently stands, the White Paper is unlikely to achieve the step changes required unless more focussed requirements are introduced. Consequently, there is a need for greater clarity and accountability and a more effective balance of both 'sticks' and 'carrots' to boost delivery.

The City Council's detailed response was considered by Executive Board on 19<sup>th</sup> April and a copy of this (relating to the questions set out in the HWP, additional points and comments in relation to background papers and technical documents) is appended to this letter. In summary the Council also wishes to reiterate the following key points:

- i) It is especially welcomed that the HWP maintains that local authorities need to identify (via their objectively assessed needs) a range of housing (types and tenures) to meet the aspirations of a wide range of communities. However, the White Paper needs to be more explicit in the delivery of a range of housing solutions and delivery flexibility to plan and deliver the housing that local communities need.
- ii) The HWP needs to be more radical in its approach, for example, if local authorities were able to allocate sites for affordable housing – as local authorities currently do for Travellers or older people, this would have an enabling impact on the market. This approach is likely to help reduce land values to enable Registered Providers to more readily acquire sites and to build. This may have the effect of stimulating more house building at speed, rather than land being reserved by volume house builders built out at low rates.

- iii) The Government rightly accepts that a reliance on the volume house building industry to deliver the right level of homes needed of the right type and in the right locations cannot be sustained. However, the Government remains pre-occupied with amendments to the planning system as a means of remedying delivery rather than fundamentally changing the structure and balance of the market or more directly challenging the responsibility and methods of the house building industry to make up for current shortfalls in housing.
- iv) The policy solutions advocated in the HWP appear to reflect a 'one-size fits all' approach or at best are focussed on tackling an overheated housing market in the south-east of England. Consequently the City Council considers that greater recognition and differentiation needs to be made where local authorities such as Leeds are seeking to plan proactively for housing growth to suit local circumstances.
- v) The City Council considers that a 'whole Government' approach is necessary to deliver and unlock housing growth concurrent with necessary infrastructure in sustainable locations. This is especially the case in relation to the delivery of major highways, rail and public transport infrastructure to support major growth, such as the East Leeds Extension (c7,000 homes in total).
- vi) The HWP does not go far enough to enable local authorities to determine local solutions to meeting housing need and delivery. For example, more enabling freedoms for local authorities to access the Housing Revenue Account, so that the City Council itself can build at scale equivalent to its underlying HRA strength. Without this the Council's endeavours to tackle housing issues more fully will continue to be inhibited.

The above summary and the detailed responses attached are intended to be constructive comments, aimed to help 'fix the broken housing market'. The City Council would welcome the opportunity to discuss these points further with Central Government and other key stakeholders to help resolve these critically important issues.

Yours sincerely

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**Report of Director of City Development**

**Report to Development Plans Panel**

**Date: 22<sup>nd</sup> November 2016**

**Subject: Models of Housing Delivery**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): ALL	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. This report looks at some of the issues surrounding the implementation and delivery of the sites within the Local Plan (Aire Valley Leeds AAP and the Site Allocations Plan) and considers some of the actions the Council is undertaking, and should consider doing, to provide a proactive approach to delivering housing growth across Leeds, in different localities and with a range of different developers.
2. Housing regeneration and growth is a key priority for Leeds; it is a breakthrough project in the Best Council Plan and annual targets of 3,660 homes per annum between 2012/13 and 2017/18 (stepping up to 4,700 homes per annum thereafter to 2028) have been set in the Adopted Core Strategy. It should be noted that, 3,000 new homes can generate £8 million in Council Tax and New Homes Bonus. The City also requires a functioning housing market to support jobs and investment. The Government has recently renewed its ambition to deliver 250,000 new homes per annum.
3. A deliverable housing land supply is a key component of meeting these requirements, and the Council is seeking to take a plan-led approach to boosting the supply of land with the Adopted Core Strategy and advancing allocation documents: the Aire Valley Leeds Area Action Plan (AVLAAP) was submitted to the Secretary of State on 23rd September and the Site Allocations Plan (SAP) is intended to be submitted in April 2017, pending further consultation in the Outer North East HMCA. The Council is also approving new homes (at a rate of 5,000 on

average in recent years), yet there remains a gap in the speed in which houses are delivered, with recent completions not meeting requirements.

4. There is a need for the Council to ensure that the development industry, who are the chief delivery partners of new housing, deliver sites contained in the Local Plan (Aire Valley Leeds Plan and Site Allocations Plan) in a manner consistent with the Core Strategy and at a speed to meet requirements. This is especially the case where major site releases and/or sites with specific local complexities have been allocated. Swift acceleration of sites in the Local Plan and continued build out (at a sufficient level) will be important to ensuring that Leeds achieves and maintains a healthy five year housing land supply.
5. Complementing existing Council activity, this report sets out what the Council can do to assist in bringing forward housebuilding in the context of creating strong and sustainable communities and in line with the LDF as a whole – providing the right tenure, mix and affordability of new housing which is well served by infrastructure. The Council has a primary role in setting out a vision for the development of the city and by identifying sites through the development plan are actively creating new housing opportunity. However, successful implementation of these sites is not only vital to the delivery of the housing target, but also to support positive local place making. The Council will be working closely with the development industry and other partners to clarify and encourage high quality growth and share ideas and experience – and actively use our own assets and knowledge to unlock housing opportunities and deliver more homes. This is necessary to build strong and sustainable communities and to find practical solutions to delivery issues.
6. Models of housing delivery closely links to the wider established programmes already in place under the Housing Growth Board; including the activities of Asset Management and Regeneration and this paper looks to show how Policy & Plans Group in collaboration with other sections within City Development and Council directorates can add positively to the implementation tools to secure successful and quality housing implementation.

## **Recommendations**

7. Development Plan Panel is recommended to consider and agree the contents of this report and the initial programme of the preparation of development briefs (set out in **Appendix 1**).



## 1 Purpose of this report

- 1.1 The purpose of this report is to update Development Plan Panel on implementation activities considered necessary to support the delivery of the LDF. The report provides an update on current delivery and implementation activities and context to the forthcoming commencement of a programme of development briefs to help guide the implementation and delivery of the major sites (and other sites of a locally complex and or sensitive nature) identified within the Local Plan (Aire Valley Leeds Area Action Plan and Site Allocations Plan).

## 2 Background information

- 2.1 In the years leading up to the recession, UK housebuilding failed to deliver the homes needed for the country. Through and beyond the recession, housebuilding contracted further. Government has made the building of new homes a priority and the planning system has been extensively reformed to help achieve this: Government guarantees have been devised to support housebuilding and nationally more than £18 billion of financial support has been given to housebuilding and to housing providers. The roles and responsibilities of local planning authorities have also been transformed.

- 2.2 Members of Development Plan Panel will recall the meetings held over the past few years to progress both the Aire Valley Area Action Plan and Site Allocations Plan, and the positive opportunities and sometimes challenging decisions that have had to be made in identifying new sites to be allocated for housing. Members and local people via the public consultations have raised a number of concerns, particularly around some of the major site releases from the green belt and on former safeguarded land, including:

- a need to ensure that the release of greenfield sites meets local needs e.g. for affordable housing, housing mix and the needs of older people
- the precise developable areas of sites are a concern and there is a need for greater clarity on 'buffers', green infrastructure routes and densities
- some small sites raise specific local sensitivities that need to be addressed

- 2.3 Where possible these issues can be dealt with through site requirements to proposed allocations, however some of these issues can only really be dealt with at a more detailed stage of development. However, early implementation activities are helpful in addressing the main site concerns.

- 2.4 The Core Strategy is the main document setting out the overall vision and strategic level policies to guide the delivery of development and investment decisions and establishes the following objectives:

***vi) Implementation and Delivery:***

*In progressing the proposals of the Core Strategy, the Council will:*

**22.** *Work in partnership with a wide variety of sectors and agencies including the Leeds City Region in the delivery of the Core Strategy and as a focus to explore opportunities for funding and delivery.*

*23. Work with local communities in Leeds to ensure that local people are involved in shaping the future growth of the City with appropriate community benefits.*

*24. Ensure that new development is served by appropriate levels of infrastructure to support the delivery of the Core Strategy.*

- 2.5 The Aire Valley Leeds Area Action Plan, Site Allocations Plan and Neighbourhood Planning are all guided by the strategic level policies in the Core Strategy and identify sites<sup>1</sup> to deliver the vision for the District. To ensure the implementation of specific sites, further detailed guidance by way of development briefs can be an assistance to help interpret these strategic policies and by establishing early engagement with key stakeholders, developers, Ward members and the local community, the preparation of development briefs can help to smooth the planning process and achieve better place-making and speed up the planning application process.
- 2.6 As part of a collaborated and partnership approach, this paper considers the role of plan-led models of housing delivery within the context of wider and different models for housing delivery across the city to provide members with the context of what tools are available to assist in the delivery of housing, not just in terms of housing numbers, but high quality place-making and local distinctiveness.
- 2.7 This report is responsive to local concerns around assurances that the Council is doing all it can to progress delivery of housing on brownfield land and that where greenfield land is release development is of a high standard and meets local needs. This report is also responsive to Government ambitions to significantly boost the supply of housing and reduce the amount of 'red tape' involved in planning, by providing early clarity and support for specific technical constraints which help create more certainty for the development industry and local people.

### **3 Main issues**

#### Current Council activities

- 3.1 The Council is actively engaged with incentivising the bringing back into use of brownfield sites, especially in the city centre, fringe and inner areas. The interventions of the Council in the inner area are place making activities which are designed to act as catalysts to further improve and stimulate housing markets.
- 3.2 In 2013 the Council adopted a Housing Investment Land Strategy (HILS) which sets out a proactive approach to the use of all surplus land and buildings for the delivery of new homes. HILS provides a 'live' view of all the surplus brownfield land in the Council's ownership that has potential for residential development and brings together all proposals for market-led or public sector funded housing on these into a co-ordinated approach to how, when and where housing can be delivered. The Council also operates a Strategic Housing Land Availability Assessment (SHLAA) which identifies suitable and deliverable brownfield land in a range of ownerships

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<sup>1</sup> Not all Neighbourhood Plans identify the allocation of land.

and a Brownfield Land Register (BLR) which additionally supports smaller brownfield sites.

- 3.3 In 2013 the Council also established a Housing Growth Board which works across planning, regeneration, asset management and housing to identify and implement interventions to stimulate housing growth primarily on difficult sites or in lower market areas.
- 3.4 Since 2012 the Council has been determining an average of 5,000 units per annum reflecting the picking up of activity following the recession.

#### Aire Valley Area Action Plan and Site Allocations Plan – diversifying choice

- 3.5 In progressing the Aire Valley Area Action Plan and Site Allocations Plan, the Council has had to take forward challenging decisions and difficult choices on the identification of land and sites to ensure that sufficient land is available in appropriate locations to meet the target of 66,000 as set out in the Core Strategy and achieve the Council's ambitions for housing delivery between 1st April 2012 and 31st March 2028. There is a clear recognition that progress on the production of the AVLAAP and Site Allocation Plan is essential to ensuring choice and certainty on the release of housing and mixed use sites. In the emerging Plans there are a number of 'major sites' that are Greenfield (greenbelt release) and officers are aware of the significant concerns raised by local communities and Ward Members on the need to pursue the development of brownfield sites prior to the release of greenfield sites. Brownfield development has been the focus for development (Core Strategy Policy SP6 and 7) and monitoring reports<sup>2</sup> illustrate the trend that more brownfield housing units are coming forward than on greenfield land across the city. It is however acknowledged that the Allocation Plans have had to identify land in the greenbelt to assist in the diversity and choice of housing sites to assist delivery over the plan period. In helping to continue to drive forward delivery of brownfield before greenfield and to focus on quality place-making, this section sets out some of the issues for consideration.
- 3.6 The Council now has a large number of designated Neighbourhood Planning areas where communities are developing local evidence bases and bringing forward locally bespoke proposals for small sites. Planning Briefs can form a bridge between their policies / objectives and schemes.

#### Lack of a five-year housing land supply

- 3.7 There is growing emphasis from central government that Councils across the country must increase the supply of housing in a way that is supported by local communities and that there is recognition that whilst in some areas permissions are increasing this isn't necessarily translating to increased building. The Council has recently been told by the Secretary of State that it does not have a five year housing land supply and is a 20% buffer authority on the basis of persistent under-delivery. A focus on the implementation of sites is a key mechanism for resolving this situation and providing a defensible supply position alongside increased

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<sup>2</sup> The Authority Monitoring Report will be published for DPP in December 2016

completions levels as well as boosting housing land supply via the plan making process.

### What do we know about the housing markets in Leeds?

- 3.8 Across Leeds there are different housing market areas, each with their own opportunities and constraints ('obstacles') to delivery and require different implementation tools and solutions to bring forward housing completions. This is reflective of a structural shift in the Leeds housing market since the recession, which has number of characteristics:
- During the recession the volume sector largely stopped building in Leeds and since 2012 has operated on fixed business models driven by minimum profit margins, low risk and volume sales,
  - Since 2012 the Top 20 house builders in the UK have constructed only 25% of completions in Leeds,
  - The Site Allocations Plan and AVLAAP are the key mechanisms to release sites which the volume housebuilders want i.e. a preference towards green field sites or those which carry limited technical risk,
  - Throughout the recession Small and Medium Sized Housebuilders (SMEs) continued to deliver on smaller sites and helped contribute to an average of 1,500 homes per annum,
  - Since the recovery SMEs have been unable to compete on land prices in medium and high value markets as these have been the exclusive focus of the volume sector,
  - SMEs continue to focus on 'niche' markets or lower market areas as well as previously developed land rather than greenfield sites. Their models (with lower profit expectations) are working in Leeds and in turn are having a positive impact on values e.g. average values in the inner area and city centre of Leeds rose at a faster rate than the Leeds average in 2015/16 .
- 3.9 These shifts play out in different ways in different parts of the City and therefore require a flexible Council response.
- 3.10 SME and regional-scale developers are driven by their ability to sell and drive turnover, but in Leeds there is increasing activity in our inner urban and City Centre areas and on challenging brownfield sites, where despite the retreat of volume builders from these areas, it is proving possible to deliver viable and attractive schemes. In many cases these have arisen from a measured but less risk-averse approach to opening up new development areas and realising market potential.
- 3.11 The Council through its regeneration, asset management and Housing Growth Board activities has developed successful partnerships and collaborative working arrangements with SME developers e.g. through:

- packaging and disposal of local authority land in marginal locations to de-risk investment (HILS)
- acquisition of homes off-plan by the local authority to ensure delivery of mixed tenure schemes
- engagement of SME's and landowners in our 'Private Sector Acceleration Programme' whereby the Council has sought to join up and make links between stalled development sites, public sector enabling activity, funding and potential delivery partners

3.12 SME interests are willing to work flexibly and seek ways in which their business can adapt to the challenges of sites and locations. Whilst investment decisions remain commercially driven, SME developers are more willing to be flexible on margins. The Council recognises government's support for the SME sector including the reshaping of the Builders' Finance Fund which enables support for small sites and recognises that the business model for SMEs is different to that of the volume builders. Through the Private Sector Acceleration Programme, the Council is already working with landowners and planning applicants to address stalled sites and welcome new tools and flexibilities, working locally with the Homes and Communities Agency (HCA), to add pace to delivery.

3.13 The Private Rented Sector (PRS) is an emerging sector in the home building industry in Leeds although has yet to be fully proven. This new wave of PRS developments is in its infancy but is now set to deliver schemes in city centre and City Centre fringe locations as market conditions and anticipated rental levels move to allow investments to be committed with potential for 10,000 new homes over the next 12 years.

3.14 The PRS sector operates on fixed models and is also footloose (with Manchester, Birmingham and other Core Cities competing for PRS schemes). City Centre sites are regarded as relatively challenging in terms of the prospects of scheme delivery and viability and deliverability is impacted by small changes in the market. Specific planning approaches / solutions to issues such as housing mix may be necessary.

3.15 In the main urban area and regeneration areas the volume house-builders are less inclined to invest in brownfield sites. In order to meet housing needs the Council requires all providers to be delivering. We therefore need to encourage smaller and medium sized builders and also look at more emphasis on innovative construction processes to speed up delivery. Outside the main urban area where greenfield sites and major sites predominate, the market is dominated by volume house-builders with whom we need to work collaboratively and engage with early on in the process to ensure that local aspirations for achieving high quality and sustainable development can be established.

#### Release of Major sites and greenfield releases

3.16 Policy H1 of the Core Strategy sets out criteria for phasing the release of housing allocations in order to ensure a 5 year supply of land is maintained and to ensure a balance of brownfield and greenfield sites coming forward. There are three phases identified for the managed release of sites in the Site Allocations Plan and Aire

Valley Area Action Plan. These phases are linked to the spatial strategy of the Plans, and focus development primarily in regeneration areas and in relation to the settlement hierarchy. The phases are currently comprised of categories of sites based upon their planning status, location, their designation as brownfield or greenfield, scale and infrastructure considerations. Phase 1 identifies a substantial pool (over two thirds of the requirement for the plan period). This is to give a sufficient range and choice of sites, together with a sufficient quantum to meet 5 year supply requirements.

- 3.17 Due to the scale of the “major sites” i.e. >750 dwellings, it has been recognised that there is a need to release them early in the plan in order to ensure that the necessary infrastructure for delivery is in place to support development thus resulting in more sustainable patterns of growth. However, such sites have raised a considerable degree of local concern and there is a need to ensure:
- Local concerns are addressed / mitigated
  - High standards of delivery
  - Swift build out and lead in times to ensure that sites contribute to targets.

- 3.18 It is important therefore that we engage at an early stage to shape the approach to planning these sites which can take up to two years or more to deliver, particularly where there are complex land ownerships and/or site requirements to overcome.

What is the bridge between the Site Allocations Plan and high quality development on the ground?

- 3.19 A site-specific development brief can act as a stepping stone between the provisions of the development plan (Site Allocations Plan/ AVL AAP) and the requirements of a planning application. It can perform a number of functions such as promoting a site for development, interpreting development plan policies, or addressing a particular site constraint or opportunity.
- 3.20 The Site Allocations Plan and AVL AAP identify the boundary and use of land and where appropriate set out site requirements. For the larger sites, significant local infrastructure (on and off site) will be required to be provided and the developments themselves sensitively designed and planned not only for new residents but to integrate and provide benefit to existing communities. The Council is proposing therefore that for the larger sites and for some of the smaller ones, further supporting planning guidance is adopted, to provide more clarity on the individual site requirements. Planning briefs can improve the efficiency of the planning system by reducing uncertainty and provide a basis for the preparation of “masterplans”. They can advise developers of the nature of acceptable development, and the extent to which the brief's recommendations will influence the evaluation and determination of planning applications. It is the aspiration of Leeds City Council that the briefs will help provide certainty on deliverability of these large sites at an appropriate level of prescription and provide a material consideration to the determination of applications.

## Project Management

- 3.21 Through minor restructuring of the Plans and Policies Group, a new team has been established to focus on the implementation of the Local Plan and work with other key services across the Council. Through the 'Major Projects' team it is proposed that:
- Policy and Plans lead on project management of the development brief programme set out in **Appendix 1**;
  - Draw on expertise and work collaboratively across Council;
  - Use Planning Board and DPP to steer the preparation of briefs.
- 3.22 It is vital for the success of development briefs that these are produced collaboratively through joint working across the council as well as with Statutory Bodies and agencies. Through timely and appropriate communication the production of development briefs can provide an approach that is positive and constructive; which provides a clear message to developers and enables a smoother application process.
- 3.23 Whilst not exhaustive, development briefs can consider and explore a range of issues as set out below. Members are encouraged to consider whether these form the correct range of issues for briefs to cover:
- **Quality**
    - Clarifying Best Council Plan ambitions for high standards
    - Ensuring CS policies are implemented e.g. housing mix, affordability, independent living, older persons, greenspace and infrastructure and delivery
    - Making links with the Cultural Strategy and place-making
    - Using of design codes where appropriate i.e. so as to speed up Reserved Matters applications.
  - **CIL (S106 agreements)**
    - Clarifying funding arrangements and potential for infrastructure provision
  - **Viability**
    - Responding to local market assessments
    - Ensuring that the City remains competitive
  - **Community engagement**
    - Involving the local community at an early stage as a critical partner
    - Fostering an ongoing and cumulative process
    - Working with Neighbourhood Plan, groups and aspirations
  - **Technical work**

- Reducing ‘Red tape’ and the burden on the development at application stage – early dialogue on technical work prior to pre-application discussions
- Time and money saved by landowners and developers can be re-distributed into quality places
- **Commitment to delivery**
  - Ascertaining need for up front infrastructure
  - Clarifying and ensuring speed of build out
  - Deploying “use it or lose it” approaches to permission for housing
  - Discussing the number of concurrent outlets with a range of house builders, including low cost, community build, self-build
  - Consider options for licensed house building ( a method in which SMEs / others can acquire plots and develop on larger sites without the substantial initial outlays to purchasing the land)
  - Promoting modern methods of construction which are quicker to build
  - Encouraging developer payment for dedicated (or additional) staff to deal with specific applications
- **Construction**
  - Early investigation and collaboration around opportunities for local labour inc. apprenticeships

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 The planning service has a responsibility to pull together a range of considerations from across the Council so as to ensure that development meets a range of objectives as set out in the Best Council Plan and subsidiary frameworks and strategies. Planning briefs and frameworks provide the opportunity to raise these objectives at an early stage to developers so as to ensure that the links between new development and wider Council objectives are made and delivered.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.2 The preparation of planning briefs will help ensure that equality and diversity issues can be raised as necessary at an early stage of development.

### **4.3 Council policies and Best Council Plan**

4.3.3 The implementation activities of the Policy and Plans Service will help support the delivery of the Core Strategy, which is one of Leeds City Council's main policy documents setting out vision, objectives, policy and targets for the future growth of Leeds particularly in terms of spatial planning. The Core Strategy helps articulate the spatial dimension of other council strategies and plans including ‘Vision for Leeds’ and the Best Council Plan.



4.3.4 More specifically the implementation activities set out above will help to make better links with the following specific Best Council Plan priorities: Housing Growth and High Standards in all sectors, Strong communities benefitting from a strong city, Making Leeds the best place to grow old in and Early intervention and reducing health inequalities.

#### **4.4 Resources and value for money**

4.4.5 Implementation activities are time consuming and will require staffing and in some cases, technical resources to support the preparation of planning briefs and bespoke technical work. However, it is considered that such activities will help promote better development and speedier progress through the planning application process.

#### **4.5 Legal Implications, Access to Information and Call In**

4.5.6 No specific legal implications at this stage but approaches to masterplanning may give rise to specific legal issues (for example consultation and procedural requirements)

#### **4.6 Risk Management**

4.6.7 In the wider context of this report, further work is needed to clarify the importance of market sector delivery in the City Centre through PRS development. The delivery of these brownfield sites is key to meeting housing needs.

4.6.8 The risks to delay in the production of planning briefs lie with staff resource limitations and the involvement of other parties. There is a danger of protracted negotiations with the development industry and other interests about what is reasonable in terms of viability on specific sites.

### **5 Conclusions**

5.1 The approach to the preparation of development briefs as a method to assist in the delivery of housing, needs to be fit for purpose and proportionate to individual sites. The process needs to be kept under review to monitor effectiveness.

5.2 Members are asked to consider :

- The need to build on any informal or formal guidance we currently have in place e.g. a framework for revised approach to planning briefs?
- The mechanism for considering and approving development briefs.
- Specific issues around the articulation of policy via briefs so as to help speed up decision taking and improve quality of schemes

### **6 Recommendations**

6.1 Development Plan Panel is recommended to consider and agree the contents of this report and the initial programme of the preparation of development briefs (set out in **Appendix 1**).

## Appendix 1: Initial programme - preparation of development briefs

Leeds City Council has identified a number of large sites in the Aire Valley Area Action Plan and the Site Allocations Plan, to deliver by 2028 spread across the district and across phases. The table below are those sites where we believe a level of intervention may be necessary, which can include the production of a Development Brief. The list is not exhaustive and will need to be kept under review and can be added too. It is listed by site size order only:

**Table A1: List of Sites identified for development briefs**

Site Reference	SAP/AVL AAP Ref	Est. Capacity in Local Plan	Phase	Comment
East Leeds Extension (ELE)	HG1-288	4,446	1	SPD already in preparation
Stourton Grange South (land east of Garforth)	HG2-124	2,314	1	Development Brief: Initial roundtable discussion with developer timetabled.
Parlington	MX2-39	1,850	1	Development Brief: Initial roundtable discussions held with developer. Supportive of process.
Land to the east of Wetherby	HG2-226	1,080	1	Development Brief
Land south of Rawdon Road, Horsforth	HG2-41	777	2	Development Brief: Initial introductory meeting held with developer – supportive of process.
Thorpe Lane, Tingley	HG2-167	619	3	Development Brief
Haighside, Rothwell	HG2-173	578	2	Development Brief
Kirkstall Road	MX2-9	553	1	Development Brief
Land east of Otley	MX1-26	550	1	Development Brief
Fleet Lane, Methley Lane	HG2-180	322	2	Development Brief
Redhall	HG1-284	300	1	Planning Brief already drafted
Bradford Road/Wakefield Road, Gildersome	HG2-145	393	3	Development Brief



# Leeds

## Demographic Review

September 2016

For the attention of:

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*(Policy & Plans)*

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## Acknowledgements

Demographic statistics used in this report have been derived from data from the Office for National Statistics licensed under the Open Government Licence v.3.0.

*The authors of this report do not accept liability for any costs or consequential loss involved following the use of the data and analysis referred to here; this is entirely the responsibility of the users of the information presented in this report.*

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# I. Introduction

## Context

- 1.1 Leeds City Council is considering a full update to its Strategic Housing Market Assessment (SHMA). The most recent SHMA, completed in 2011 and published in 2012<sup>1</sup> provided the evidence base for Core Strategy development and for the identification of a housing growth requirement for the Leeds local authority district: **4,375** new housing units per year for the 2012–2028 plan period. Formulating the demographic evidence for the SHMA was a challenging proposition, with historical inaccuracies associated with the true scale and distribution of Leeds' population growth, plus uncertainties relating to the longer-term impact of prevailing economic conditions.
- 1.2 Since publication of the SHMA, a range of new demographic evidence has been made available, including output from the 2011 Census, revisions to population estimates, plus new population and household projections. In addition, economic forecasts for Leeds and its City Region have continued to be published on a periodic basis, reflecting the changing outlook for global, national and regional growth across industry sectors.
- 1.3 Since 2012, the Leeds' Core Strategy has been subject to public examination whilst the National Planning Policy Framework (NPPF)<sup>2</sup> and Planning Practice Guidance (PPG) have provided new guidance on the objective assessment of housing need. In addition, the Planning Advisory Service (PAS)<sup>3</sup> has published additional practical advice on the derivation of housing growth targets for local authority areas.
- 1.4 In the objective assessment of housing need, demographic evidence is a key input. The PPG states that the Department for Communities and Local Government (DCLG) household projections should provide the "*starting point estimate of overall housing need*" (PPG paragraph 2a-015). Local circumstances, alternative assumptions and the most recent demographic evidence, including Office for National Statistics (ONS) population estimates, should also be considered (PPG paragraph 2a-017). Evidence that links demographic change to forecasts of economic growth should also be assessed (PPG paragraph 2a-018).
- 1.5 The choice of assumptions used for demographic forecasting has an important impact on scenario outcomes. This is particularly the case when trend projections are considered alongside employment forecasts. The scrutiny of demographic assumptions is now a critical component of the public examination process, providing much of the debate around the appropriateness of a particular objective assessment of housing need.

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<sup>1</sup> Leeds Strategic Housing Market Assessment Update, Leeds City Council, May 2011.

[http://www.leeds.gov.uk/docs/FPI\\_SHMA\\_001%20SHMA%202010%20Final%20Report.pdf](http://www.leeds.gov.uk/docs/FPI_SHMA_001%20SHMA%202010%20Final%20Report.pdf)

<sup>2</sup> <http://planningguidance.planningportal.gov.uk/blog/policy/>

<sup>3</sup> <http://www.pas.gov.uk/documents/332612/6549918/OANupdatedadvicenote/f1bfb748-11fc-4d93-834c-a32c0d2c984d>

## Requirements & Approach

- 1.6 Leeds City Council has requested an initial review of Leeds' current demographic evidence, providing a summary for Officers and Members to consider in advance of a more complete refresh of its SHMA.
- 1.7 Section 2 of this document provides a summary of the historical schedule of official statistics and how their timing has coincided with the production of Leeds' demographic evidence. Section 3 examines population change in the city, illustrating how successive official projections have varied and how the 'components' of population change are expected to contribute towards population growth. Section 4 summarises the evidence on projected household growth, driven by the changing population but also dependent upon future rates of household formation. Section 5 provides a brief summary of changing economic evidence and highlights key issues to consider in the alignment of employment growth and demographic change. Section 6 concludes with a number of key points for Leeds City Council Members and Officers to consider in advance of the development of a new SHMA.

## 2. Evidence Timeline

2.1 In the absence of a population register, the UK continues to rely on the ten-yearly Census for a definitive count of population within its constituent local authority areas. Between Censuses, mid-year estimates are calculated, using data on births, deaths, internal and international migration to quantify annual population growth (Figure 1).

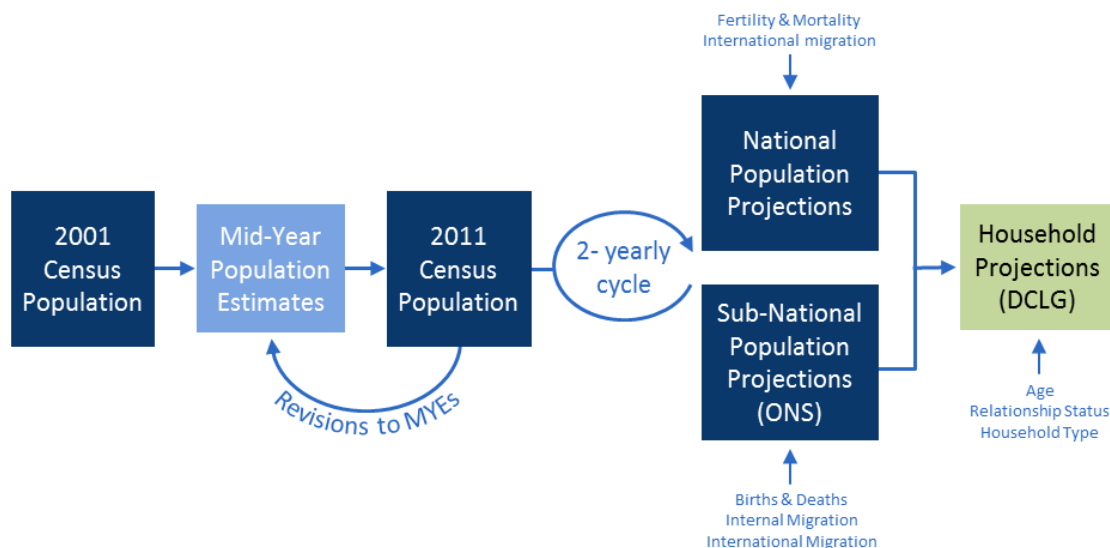


Figure 1: Official Statistics – population and households

- 2.2 Every two years, ONS publishes its national population projections (NPP), setting key assumptions on the likely long-term effects of fertility, mortality and international migration to estimate population growth outcomes for England, Wales, Scotland and Northern Ireland.
- 2.3 The national projection informs the sub-national population projections (SNPPs) for English local authorities, also published on a bi-yearly cycle. The latest, 2014-based SNPPs use a combination of national and local assumptions on births, deaths and migration to formulate a 25-year projection for each local authority area.
- 2.4 The SNPPs provide the key population input to the DCLG household projections. The latest 2014-based household projection model provides a 25-year projection of household growth for each of the English local authorities and the “starting point estimate of overall housing need” (PPG paragraph 2a-015). Table 1 provides a timeline to illustrate how the publication of official statistics and important methodological changes underpinning these statistics, have coincided with the production of evidence to support Leeds’ housing growth strategy.
- 2.5 The 2011 SHMA was completed prior to the collection and release of 2011 Census statistics and was largely completed using 2009-based demographic data. The demographic analysis formulated to support the SHMA required significant adjustments to Leeds’ base population.



- 2.6 These adjustments sought to correct both the over-estimation of (pre-Census) population growth, and the inaccuracies in the distribution of this growth between the twelve housing market areas that provided the sub-district focus of the SHMA analysis.

Table 1: Demographic evidence timeline

Year	Official Statistics					Leeds Evidence
	Mid-Year Population Estimates (ONS)	National Population Projections (ONS)	Sub-national Population Projections (ONS)	Sub-national Household Projections (DCLG)	ONS-DCLG Methodological Revisions	
	MYEs	NPP	SNPP	SNHP		
2006	MYE 2005					
2007	MYE 2006	NPP 2006		SNHP 2004		SHMA
2008	MYE 2007		SNPP 2006	SNHP 2004 (revised)		
2009	MYE 2008	NPP 2008		SNHP 2006		
2010	MYE 2009		SNPP 2008	SNHP 2008	Household Model & MYE 2002–2008	
2011	MYE 2010	NPP 2010			MYE 2006–2010	SHMA
2012	2011 Census MYE 2011		SNPP 2010 SNPP 2011 (interim)			
2013	MYE 2012	NPP 2012		SNHP 2011	MYE 2002–2010	Demographic Update
2014	MYE 2013		SNPP 2012			
2015	MYE 2014	NPP 2014		SNHP 2012	Household Model Assumptions	
2016	MYE 2015		SNPP 2014	SNHP 2014		

Note: the year suffix relates to the base year of the estimate or projection

- 2.7 The 2011 SHMA incorporated the DCLG's 2008-based household model and its assumptions for the estimation of household and dwelling growth statistics. The DCLG methodology was subject to substantial revision in the 2008-based release, with a larger number of household types and household headship rate projections that suggested relatively high rates of household formation compared to subsequent household models (2012-based and 2014-based).
- 2.8 Following publication of the SHMA, the ONS released a revised population estimates series for 2002–2010, accounting for mis-estimation between Censuses with the application of an Unattributable Population Change (UPC) adjustment to Leeds population, effectively removing in excess of 40,000 from Leeds' population estimate. This adjustment vindicated the approach taken in the SHMA.
- 2.9 In parallel with the release of new demographic evidence, the Regional Econometric Model (REM) has continued to provide an updated outlook on likely economic growth in Leeds. Economic forecasting has had to contend with the fall-out of the financial crash in 2007/08 and, more recently, the uncertainty surrounding the UK's exit from the European Union.

## 3. Population Change

### Changing Evidence

- 3.1 The production of demographic evidence to support housing growth strategies requires robust population estimates and projections. The ONS series of population projections for Leeds illustrates how changes to the drivers of population growth, both through demographic change and methodological adjustments to data, have influenced projection outcomes (Figure 2).

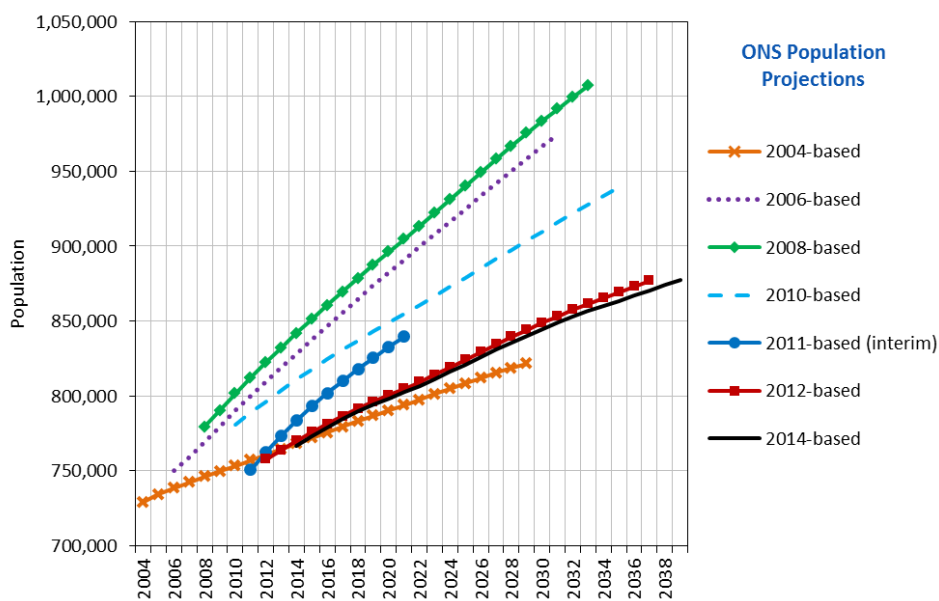


Figure 2: Leeds' ONS projections

- 3.2 The 2008-based population projections provided the ONS benchmark for the 2011 SHMA. This projection suggested a 29% population growth rate over a 25-year period, with Leeds' population estimated to exceed 1 million by 2033. In the latest, 2014-based projection, a lower level of population growth is estimated, at 14.5% growth over its 25-year horizon, achieving a population of 857,000 by 2033.

### Components of Change

- 3.3 A components-of-change chart illustrates how Leeds' population has and is expected to change over the 2001–2039 time-period (Figure 3). The significant adjustments made to the population estimates following the 2011 Census are reflected in the UPC component of the chart. Looking at the history of change since 2001, natural change (the difference between the number of births and deaths) has increased in importance since 2001; internal migration has had only a marginal impact upon annual growth; and international migration has had a consistently positive impact upon growth.

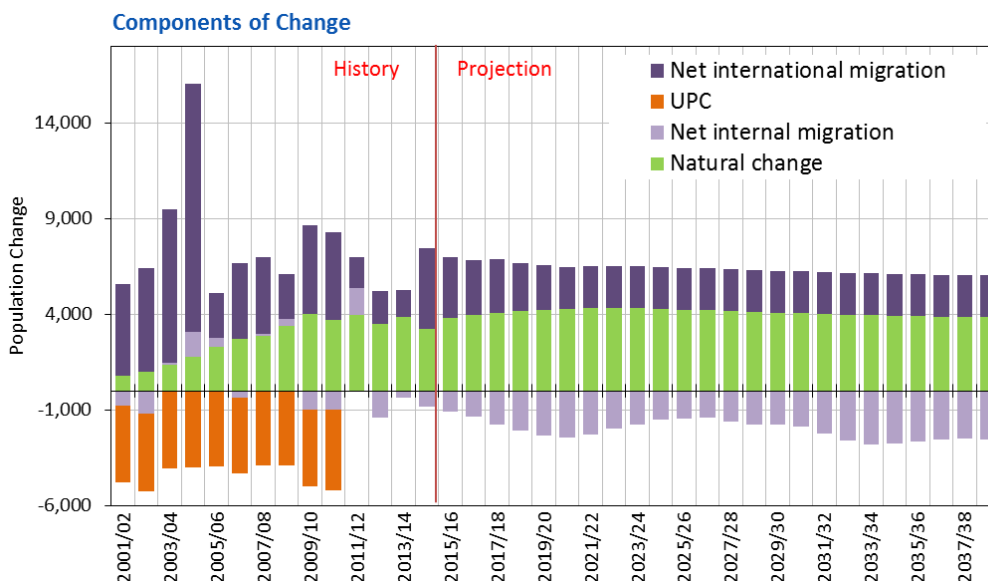


Figure 3: Leeds components of change, historical and 2014-based projection (Source: ONS)

3.4 Looking forward, the components of change for the 2014-based projection suggest a continuation of growth through natural change, an increasing net outflow due to internal migration and a positive net inflow due to international migration. Underpinning the projected growth in population are changes to the age profile, with the 1940s, 1950s and 1960s birth cohorts increasing the size of the older age-groups over the 25-year horizon (Table 2).

Table 2: Leeds: 2014-based projection population age profile (Source: ONS)

Age Group	2014	2039
Aged 65+	15%	19%
Aged 80+	4%	6%

3.5 Table 3 compares the 2014-based population growth assumptions with those evident from both a short-term (last 6-years) and longer-term (last 14-years) history. The future assumption on natural change exceeds both the short-term and longer-term average for Leeds. In contrast, the average net outflow through internal migration is approximately 2,000 per year in the projection, significantly higher than historical evidence has recorded. The projection assumptions for international migration are lower than the most recent short-term average for Leeds (ignoring any previous UPC adjustments).

3.6 In terms of actual population change, the 2014-based projection estimates an average annual increase of 0.58% over its 25-year horizon, consistent with the long-term average (0.58%) but below the most recent short-term trend (0.68%) historical perspective. The following sections provide further detail on how the individual components of change are estimated to contribute to Leeds population growth profile.

Table 3: Leeds – components of change (Source: ONS)

Component of Change	Historical		Projected
	6-year average (2009/10–2014/15)	14-year average (2002/03–2014/15)	2014-based SNPP average (2014/15–2038/39)
Natural Change	3,771	2,778	4,056
Net Internal Migration	-300	-127	-1,988
Net International Migration (+UPC)	1,558	1,524	2,378
Net International Migration (-UPC)	2,918	4,381	
Annual Population Change	5,029	4,175	4,447
Annual Population Change (%)	0.68%	0.58%	0.58%

## Births & Deaths

3.7 Since 2001 there has been a significant growth in the number of live births recorded in Leeds, reaching a peak in 2011/12, reducing thereafter. Births are estimated to remain in excess of 10,000 per year in the 2014-based projection. Variations in the number of deaths has been less evident, with a long-term assumptions of just over 6,000 per year, rising in later years as the population profile ages.

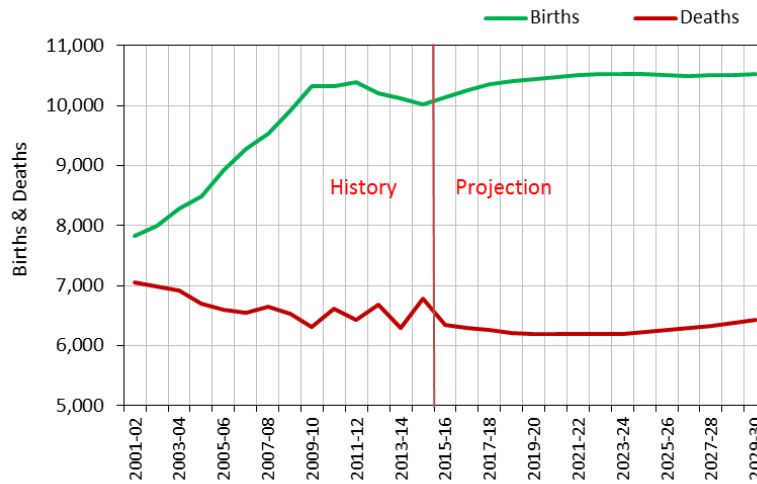


Figure 4: Leeds – births and deaths (Source: ONS)

## Internal Migration

3.8 The relatively small impact of net internal migration upon Leeds’ population growth conceals what are two very large migration inflow and outflow effects. During the period 2008–2015, an average annual migration inflow of 37,000 people has been balanced by an equivalent outflow of 37,000 (Figure 5). However, within the 2014-based projection, there is an expectation that the migration outflow will differ more substantially from the corresponding inflow, with a resulting net out-migration picture that is very different from historical patterns.

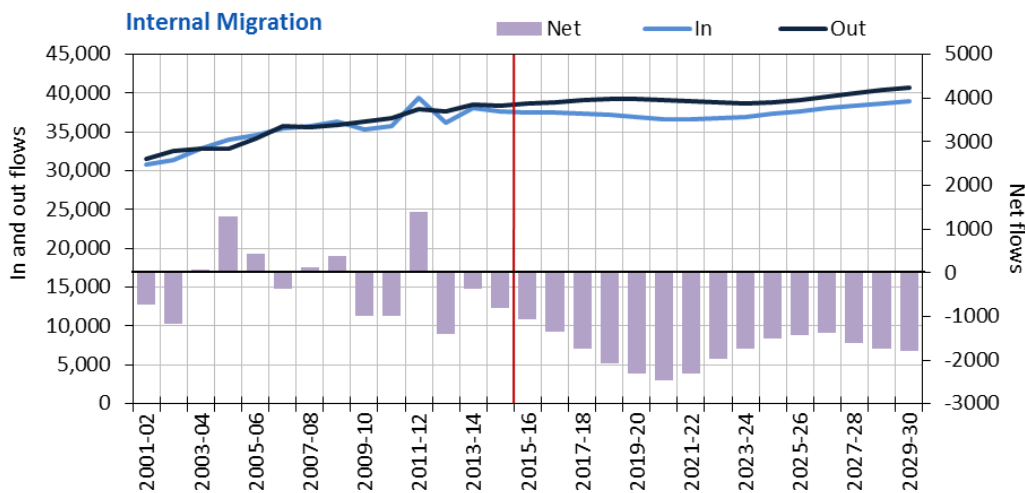


Figure 5: Leeds internal migration profile, 2001/02–2014/15 (source: ONS)

3.9 With three universities within its borders, the dominant annual migration inflow to Leeds is associated with students arriving from across England and Wales (Table 4). This net inflow contrasts with a net outflow both in the 20–24 age-group (as students complete their studies), and across all other age-groups.

3.10 The exchange of migrants between Leeds and the regions of the UK illustrates the continued draw of London and the continued net outflow of non-student migration to other parts of the Yorkshire and Humber region.

Table 4: Leeds – average net migration by age and region (Source: ONS)

Region	Average net migration balance 2008-2015			
	Age 15-19	Age 20-24	Other Ages	Total
East	640	(211)	(114)	316
East Midlands	694	(82)	(122)	491
London	569	(1,116)	(1,106)	(1,653)
North East	284	80	72	436
North West	1,616	(585)	(307)	725
South East	636	(232)	(324)	79
South West	222	(19)	(203)	(0)
Wales	92	6	(30)	68
West Midlands	495	(145)	(139)	210
Yorkshire & the Humber	842	64	(1,103)	(198)
Northern Ireland	48	1	(9)	40
Scotland	(4)	(10)	(145)	(160)
<b>Total</b>	<b>6,133</b>	<b>(2,248)</b>	<b>(3,531)</b>	<b>354</b>

## International Migration

3.11 The historical and continuing effects of international migration upon population growth are the most difficult components to estimate robustly. Much of Leeds’ UPC adjustment after the 2011 Census is likely to have been associated with the mis-estimation of international migration. There remains considerable uncertainty over future immigration to the UK following the EU

referendum decision.

3.12 Figure 6 illustrates the estimated annual net impact of international migration upon population change in Leeds since 2005/06. The historical data excludes any UPC adjustment, with the projection statistics assuming a long-term average net effect that is broadly consistent with the 10-year historical picture.

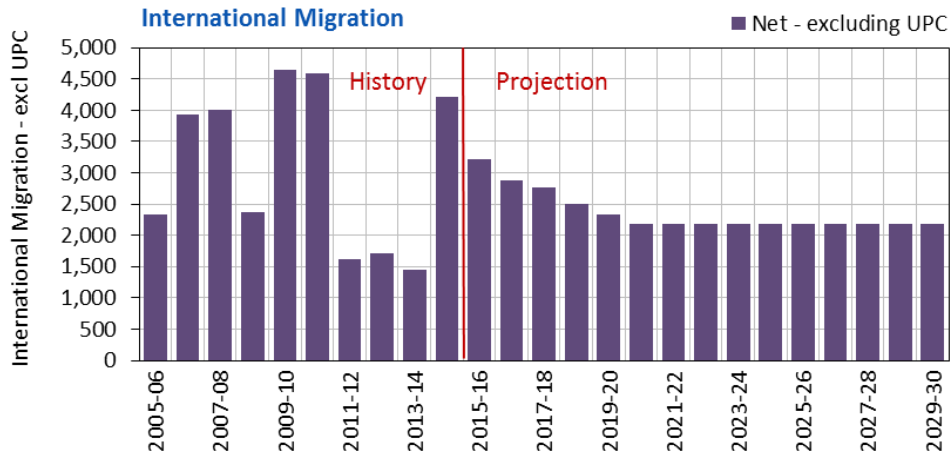
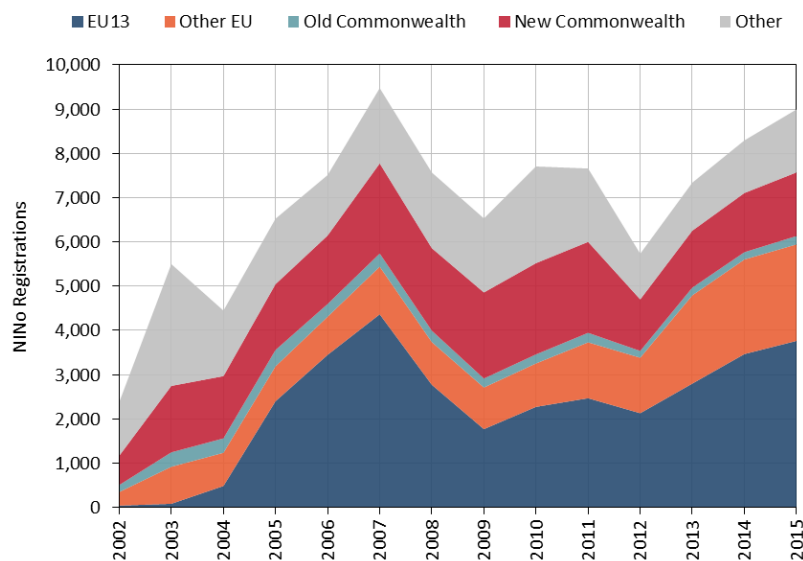


Figure 6: International Migration (Source: ONS)

3.13 The disaggregation of Leeds’ international migration flows into sub-groups is not possible from ONS statistics, but National Insurance Number (NINo) registrations provide an alternative measure of immigration, albeit for ‘working adults’ only. The peak in NINo registrations following EU Accession in 2004–2006 was followed by lower registration rates to 2012. As a consequence of deteriorating economic conditions in much of Europe, and with Bulgaria and Romania acquiring freedom-of-movement status, NINo registrations in Leeds have increased thereafter (Figure 7).



EU13 refers to countries that joined the European Union since 2004. Other EU refers to all other European Union countries

Figure 7: NINo Registrations in Leeds, 2002–2015 (Source: DWP)

## Student Population

- 3.14 Table 4 has illustrated the significant impact of students upon Leeds’ migration profile. The annual variation in the scale of the inflow and outflow (and therefore ‘net’ flow) of students can have an important influence on population growth assumptions. The net migration balance will be determined by the degree to which the city ‘retains’ its students following graduation and by the degree to which Leeds’ Universities vary their respective intakes (undergraduate and postgraduate, domestic and international students) year-on-year.
- 3.15 Data from the Higher Education Statistics Agency (HESA) provides an indication of how student numbers have varied since 2001/02 for the three Leeds Universities (Figure 8). UK students comprise approximately 87% of the total, and the remaining 13% come from outside the UK to study at Leeds Universities each year.

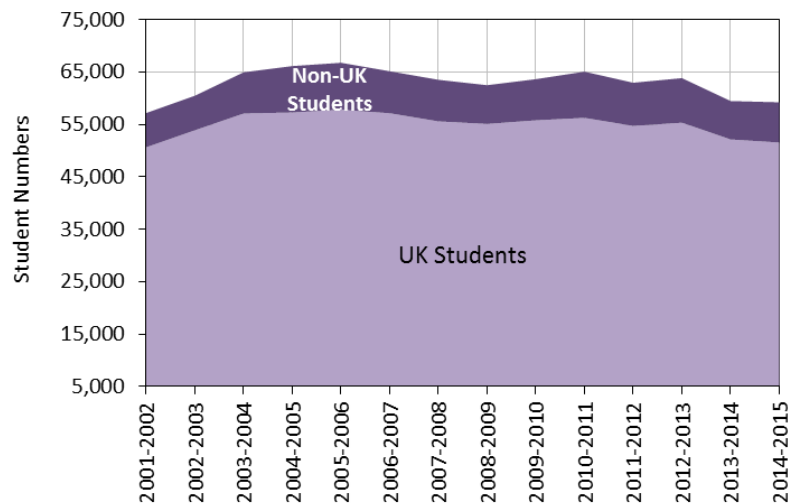


Figure 8: Leeds student numbers (part-time and full-time) 2001–2015 (Source: HESA)

- 3.16 Student numbers have fallen in recent years, with particular reductions in the number of part-time students and the number of UK students. The sharpest drop in numbers has been experienced since 2012, a likely consequence of significant changes to University tuition fees.
- 3.17 The variation in the student intake will have affected the city’s annual population growth (students are recorded at their term-time address in the mid-year population estimate) and, as a consequence, the annual migration profile. The recent fall in overall student numbers will likely have contributed to the lower growth outcomes of the 2014-based population projection.

# 4. Household Change

- 4.1 The 2014-based household projection model, which is underpinned by the 2014-based population projection, was released by the DCLG in July 2016, superseding the 2012-based household projection model. The methodological basis of the new 2014-based model is consistent with that employed in the previous 2008-based and 2012-based household projections, providing estimates of future household growth by type of household and age.
- 4.2 The 2014-based household headship rates (also referred to as household representative rates) have changed little from the 2012-based model, with only small adjustments made to account for new evidence arising from the latest Labour Force Survey (LFS) extracts. As a result, **the 2014-based household projection for Leeds differs from the 2012-based version primarily on the basis of a different underpinning population projection.**
- 4.3 The 2014-based DCLG household projection for Leeds estimates that the number of households will increase by 61,456 over the 2014–2039 projection period, equivalent to an additional 2,458 households per year, compared to 2,796 per year under the 2012-based model (Figure 9).

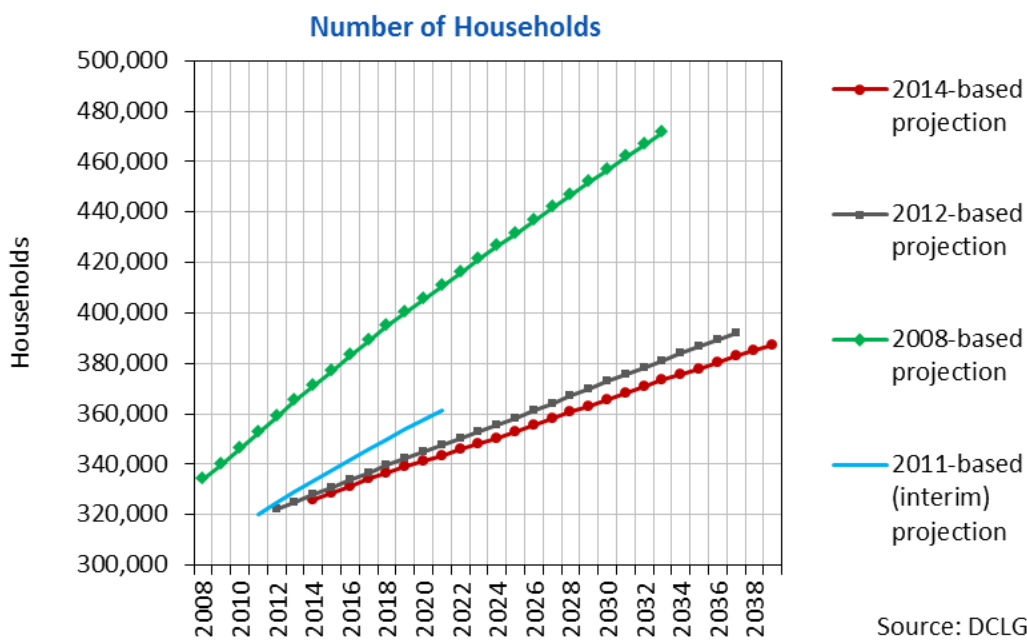


Figure 9: Household growth 2014 based DCLG household projections for Leeds

- 4.4 A significantly larger population growth expectation in the 2008-based household projection, coupled with household headship rates that suggested a more rapid reduction in average household size, resulted in an average annual household growth estimate of 5,503 per year under the 2008-based model alternative.
- 4.5 Whilst the differences between population projections is driving much of the variation between the 2008-based and 2014-based household growth outcomes, the differences between household headship rates are also an important consideration. For Leeds (and in many other



parts of the UK) household growth in young adult age-groups (ages 25–34 in particular) are *lower* in the later household models, a likely reflection of a structural change in the housing market following the financial crisis of 2007/08. Improved affordability would be the key driver of any reversal of this trend, and any future housing requirements analysis should ideally examine the potential for a return to higher rates of household formation amongst young adults.

- 4.6 Two additional variables which play an important part in the calculation of housing requirements based on the household estimates, are: the size of the institutional population (i.e. the population not living in households); and the relationship between occupied and unoccupied properties, a proxy dwelling ‘vacancy’ rate. For projection purposes, the size of the institutional population is typically held stable, with the exception of the 75+ age-group where it rises in line with population growth. Similarly, vacancy rate assumptions are typically held constant. The 2011 Census vacancy rate was estimated at 2.6% for Leeds.

## 5. Economic Change

- 5.1 In the assessment of housing need, the PPG states that *“plan makers should make an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area”* (PPG paragraph 2a-018).
- 5.2 Managed by the West Yorkshire Combined Authority, the Regional Econometric Model (REM) provides evidence on economic history and forecasts to support housing strategies. The REM’s economic forecasts combine a national and regional economic outlook, with data on the sectoral mix of businesses, to produce a forecast of employment growth for Leeds and other local authorities in the Yorkshire and Humber region.
- 5.3 The alignment of demographic forecasting methodologies with economic forecasting models presents a particular challenge when seeking to provide evidence for the assessment of housing need. REM forecasts typically incorporate the latest ONS population projection, balancing employment and population growth through key assumptions on economic activity (also referred to as economic participation) rates, unemployment rates and commuting.
- 5.4 The 2011 SHMA incorporated REM employment forecasts—measured as full-time equivalent (FTE)—from 2010, since when there has been a succession of new forecasts, driven by a changing economic outlook (Figure 10). Whilst considerable uncertainty remains over the likely impact of Britain’s exit from the EU, an updated REM forecast is due in Autumn 2016. This and subsequent iterations of REM output should provide the basis for any updated SHMA analysis.

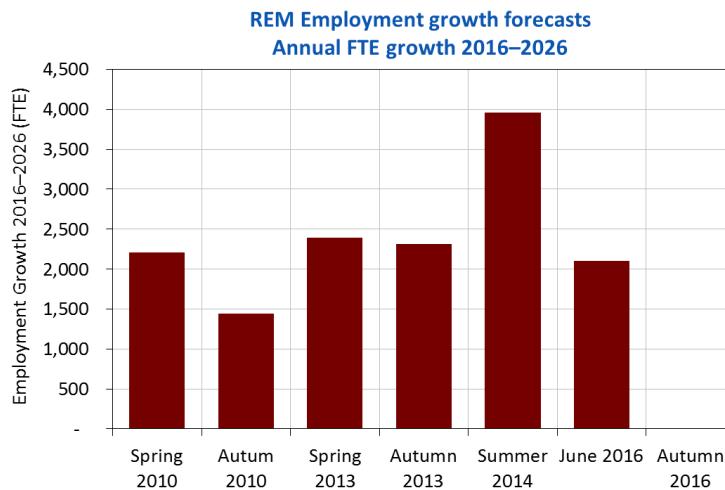


Figure 10: REM forecasts for Leeds – 2010–2016

- 5.5 Future changes to age-specific economic activity rates, a declining unemployment rate and potential adjustments to Leeds’ commuting balance will all require consideration in the alignment of demographic and economic evidence in a revised SHMA. These factors all contribute to the implied relationship between employment growth, the impact of migration in

maintaining an adequately-sized labour force and therefore the likely housing requirement for Leeds.

- 5.6 In the 2011 SHMA, relatively prudent assumptions on changes to age-specific economic participation were largely offset by high migration growth assumptions derived from the pre-Census population history. Trend projections provided a more-than-adequate labour force to meet employment growth forecasts and provided the basis for the SHMA's derived housing requirement of **4,375** per year.
- 5.7 In considering any new evidence from the Autumn 2016 REM, which will be underpinned by the lower-growth ONS 2014-based population projection, it will be necessary to understand how a current estimated economic activity rate of 70% for the Leeds population (aged 16–74) might be maintained to ensure sufficient growth of the labour force to meet employment growth outcomes. Maintaining higher rates of economic activity within the local labour force potentially reduces the requirement for higher net in-migration to support employment growth. Higher net in-migration would imply a higher housing growth requirement.
- 5.8 A declining unemployment rate for the city will contribute to employment growth in Leeds, as might changes to the city's commuting balance, although the latter is a fairly contentious component of any housing requirements analysis. At the 2011 Census, Leeds had a commuting ratio of 0.87 (the balance between employment and resident workers), indicating a significant net inflow to the city. In the ten years prior to 2011, the scale of net inflow reduced slightly, from 0.85 in 2001.
- 5.9 The latest 2014-based population projection from ONS suggests continued growth through international migration, but a much higher net outflow from internal migration. If Leeds is to continue to grow as the commercial hub of its City Region, a higher net migration outflow is likely to imply a reversal to higher numbers of in-commuters in the future. This would have implications for the estimation of the city's future housing requirements. If the ONS 2014-based projection were to incorporate a more balanced internal migration profile (i.e. a matched inflow and outflow, consistent with recent history), it is estimated that the annual housing requirement could be up to **4,000** units per year.
- 5.10 In the most recent REM output (Spring 2016), an average annual FTE jobs growth of approximately 2,800 per year for the period 2015–2030 was forecast. Assuming no change in current age-specific economic activity rates, unemployment and commuting ratios, it is estimated that this level of employment growth would imply a higher rate of growth through migration and a housing requirement in excess of **3,600** units per year.

## 6. Summary

- 6.1 This document has sought to review Leeds' current demographic evidence, providing a summary for City Council Officers and Members to consider in advance of a more complete refresh of its SHMA.
- 6.2 In formulating Leeds' 2011 SHMA, the benchmark DCLG evidence suggested an estimated housing requirement of **5,600** per year for the 2012–2028 plan period. Challenged by both unreliable and changing demographic evidence, and a volatile economic outlook, the SHMA provided key evidence to Leeds' adopted Core Strategy, identifying a future housing requirement of **4,375** new housing units per year for the plan period.
- 6.3 The latest DCLG household projections, providing the required 'starting-point' for any refresh of Leeds SHMA evidence, suggests a lower growth outlook, at approximately **2,600** housing units per year for an equivalent 2014–2030 plan period. The DCLG's model suggests household headship rates for young adults that are lower than those evident from pre-2008 statistics. Improved affordability would be the key driver of any reversal of this trend, and any future housing requirements analysis should ideally examine the potential for a return to higher rates of household formation amongst young adults. By way of illustration, under the ONS 2014-based population projection, the implied housing growth estimate would increase to an estimated **3,100** units per year if the full suite of headship rates from the previous SHMA's 2008-based household model were considered.
- 6.4 The latest population growth projections for Leeds are driven primarily by natural change (maintaining a high number of births relative to deaths) and international migration (higher immigration than emigration). Internal migration is projected to result in a higher net loss of population from the city.
- 6.5 Following the EU referendum outcome, the future impact of international migration on population growth in Leeds remains uncertain. The vote to leave the EU points towards a lower immigration effect across the UK, but the current ONS 2014-based projection already assumes a long-term reduction in international migration. In addition, as a University city, Leeds is likely to maintain its attractiveness as a destination for international migrants. Updated SHMA demographics should consider how adjustments to the international migration balance might influence housing growth outcomes.
- 6.6 With regard to the expectation of a net outflow of domestic migration, lower housing growth will reinforce this trend, but would likely conflict with future economic growth in Leeds, with consequences for the City Region's commuting dynamics. Updated SHMA demographics should consider the implications of higher population growth, driven by a more 'balanced' migration profile that is more consistent with the 2001–2015 historical evidence on internal migration. It is estimated that a housing requirement of **4,000** units per year would result from a population growth driven by a balanced internal migration flow.

- 6.7 Under any scenario of change, the birth cohorts of the 1940s, 1950s and 1960s will gradually increase the size of Leeds’ older age-groups over the 25-year horizon, with consequences for a range of public services, including housing.
- 6.8 Students continue to play a key role in the growth and development of Leeds. The most recent decline evident in overall student numbers will have had a knock-on effect to the current ONS population growth projection. Updated SHMA analysis should consider how future growth of the city’s Universities will impact upon population, housing and economic change.
- 6.9 The alignment of demographic and economic forecasts presents a particular challenge when seeking to provide evidence for the assessment of housing need. An updated SHMA will need to consider the latest REM forecasts, its underpinning population projection and the balance between employment and population growth that is implied by key assumptions on migration, age-specific economic activity rates, the unemployment rate and the city’s commuting balance.
- 6.10 To maintain the size of Leeds’ labour force, an ageing population profile will need to be countered by higher rates of economic participation in its older age-groups. In addition, it is likely that the projected increase in the net outflow of migrants suggested by the ONS 2014-based projection will need to be reversed to avoid significant changes to the city’s commuting dynamics as its economy develops.
- 6.11 In the most recent REM output (Spring 2016), an average annual FTE jobs growth of approximately 2,800 per year for the period 2015–2030 was forecast. Assuming no change in current age-specific economic activity rates, unemployment and commuting ratios, it is estimated that this level of employment growth would imply a higher rate of growth through migration and a housing requirement in excess of **3,600** units per year.
- 6.12 In summary, the latest demographic evidence for Leeds suggests a lower housing growth outcome than the adopted Core Strategy. However, this will need to be considered through a full SHMA in line with national guidance. Table 5 provides a summary of (in some cases relatively crude) estimates of estimated housing growth requirements for Leeds based on different evidence and assumptions.

Table 5: Housing growth alternatives

	16-year plan horizon	
	per year	total
ONS/DCLG 2008-based benchmark	5,600	89,600
Leeds Core Strategy	4,375	70,000
ONS/DCLG 2014-based benchmark, with balanced internal migration	*	4,000 64,000
REM Spring 2016, with <u>no change</u> in age-specific economic activity rates, unemployment or commuting	*	3,600 57,600
ONS/DCLG 2014-based benchmark, with 2008-based household assumptions	*	3,100 49,600
ONS/DCLG 2014-based benchmark		2,600 41,600

\*These are relatively crude estimates, provided as part of this pre-SHMA review as guidelines only.

- 6.13 The discrepancy between previous and current SHMA evidence results from a mixture of demographic change and economic change. Any revision to future housing requirements for Leeds will need to consider these issues alongside key affordability metrics and current policy intentions.

**Report of Director of City Development**

**Report to Scrutiny Board (City Development)**

**Date: 26 April 2017**

**Subject: Employment Growth and Access to Opportunities.**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary of main issues**

1. The Best Council Plan sets out the Council’s ambition for Leeds to have a strong economy and to be a compassionate city, tackling poverty and inequalities, and includes the Best Council Plan outcome for everyone in Leeds to earn enough to support themselves and their families and the Best Council Plan priorities around supporting economic growth and access to economic opportunities by providing skills programmes and employment support
2. Since the recession the Council has undertaken wide range of work to attract and retain business in the city and directly supported businesses to contribute to an additional 30,000 jobs and 6,000 businesses. Each year the Council supports more than 4,500 people to make the transition from benefits into work and over 8,000 residents to acquire new skills. The changing nature of the economy and the employment opportunities this offers is summarised in this report alongside examples of the current and planned approaches to promote continued growth and ensure that all residents are supported to access these opportunities.

**Recommendations**

3. Members of Scrutiny Board are asked to note the changes in the performance of the local economy and labour market and the range of interventions in place to support continued economic growth and support available to residents seeking work.

## **1. Purpose of this report**

- 1.1. At its meeting on the 21 December the Board considered the City Development Performance Update report for quarter 2016/17 and requested further information regarding job growth, particularly with regard to the nature of employment in Leeds and how local employment opportunities are being secured.
- 1.2. The following report provides summary information on the changes in the local economy and the labour market. It also provides examples of the demand and supply side interventions for labour, that is the activity to support business and job growth led by Economic Services and the activity to support local residents to access employment led by the Employment and Skills service.

## **2. Background information**

- 2.1 Section 3.1 of the report sets out the key changes in the local economy since the recession highlighting the significant job growth across key sectors. Section 3.2 of the report summarises the impact of this growth on the employment rate, the number of local residents claiming an out-of-work benefit and the changes in full and part time work and the growth in self-employment.
- 2.2 Sections 3.3 and 3.4 provide information on the work of the Council to support greater employment focused on three key elements:
  - helping employers to grow their businesses and create new job opportunities;
  - supporting companies to move to Leeds from elsewhere, bringing employment opportunities with them; and
  - working with Leeds residents to help them into those jobs.Examples, rather than a comprehensive list, of the activities led by the Economic Development and the Employment and Skills services are provided to demonstrate the above approach.
- 2.3 The need to integrate our approach to promoting economic growth and tackling poverty was set in the report 'Stronger Economy, Compassionate City' and agreed by Executive Board on 21 October 2015 and has informed the approach to the More Jobs, Better Jobs Breakthrough Project. It is understood that by enhancing the ability of all our people to contribute to the economy to their full potential, we can boost the economic productivity and competitiveness of Leeds and we can also seek to reduce the costs of poverty to the economy and the taxpayer.

## **3. Key Issues**

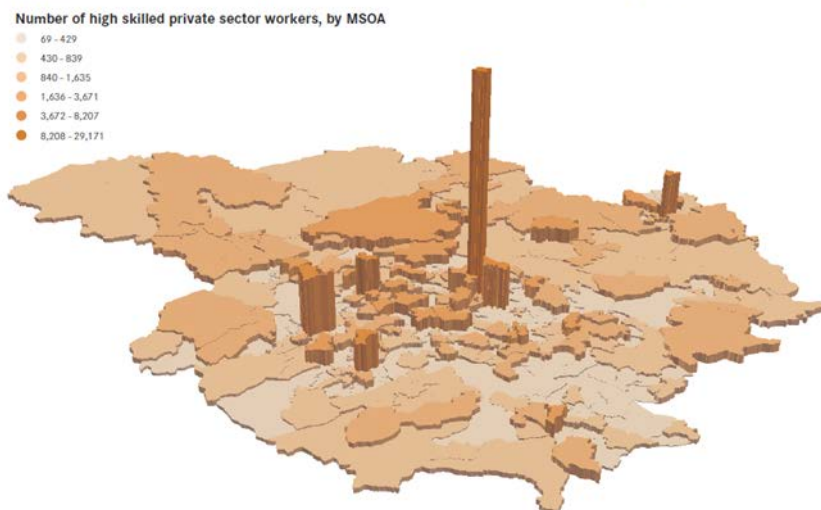
### **3.1 Changes in the local economy**

- 3.1.1 Leeds has performed well since the recession and continues to be the main driver of growth in the region. In 2015 there were 430,000 people employed in the city. A breakdown of sectors is available in appendix 1.
- 3.1.2 There are now 30,000 additional jobs in Leeds since 2009, and extra 6,000 businesses. Leeds is expected to outperform the national economy in the next 20 years, forecast to increase its output by an extra £9bn annually (growth of almost 50%) and create an extra 68,000 jobs (25,000 jobs between 2014 – 2024).



- 3.1.3 Most forecasts agree that Manchester and Leeds will be the two best performing cities in the north, and will become the centre of the Northern Powerhouse. Long term forecasts are difficult to predict, but the IPPR estimates an additional 850,000 new jobs could be created in the North of England by 2050. They identify digital technologies, health innovation, energy and advanced manufacturing as prime growth sectors. Financial and professional services, education and logistics are also identified as high growth areas for creating the new jobs which could help add £97 billion to the economy.
- 3.1.4 There were 4,275 start-ups companies created in Leeds during 2014, this was the second highest of all the UK core cities. Perhaps even more importantly our business failure rate is low; the Leeds City Region is forecast to have the highest number of scale-up companies per year between 2014 and 2024. Scale-up companies are those SMEs that have 10 or more employees and those that achieve an annual growth of more than 20% per year over a three-year period.
- 3.1.5 Since the recession Leeds has achieved an average private sector jobs growth of approximately 2.2% per year. More recently the situation has improved and in 2014/15 Leeds had the highest rate of private sector jobs growth of any UK city of 6.1% equating to 19,100 jobs, more than making up for any loss of public sector employees. This helps explain why Leeds has the highest private sector to public sector jobs ratio of any core city.
- 3.1.6 The majority of new jobs will come from the city centre as the region's main hub. Leeds has the majority of high skilled jobs in the region and 32% of Leeds jobs throughout the city are in Knowledge Intensive Business Services (KIBS).

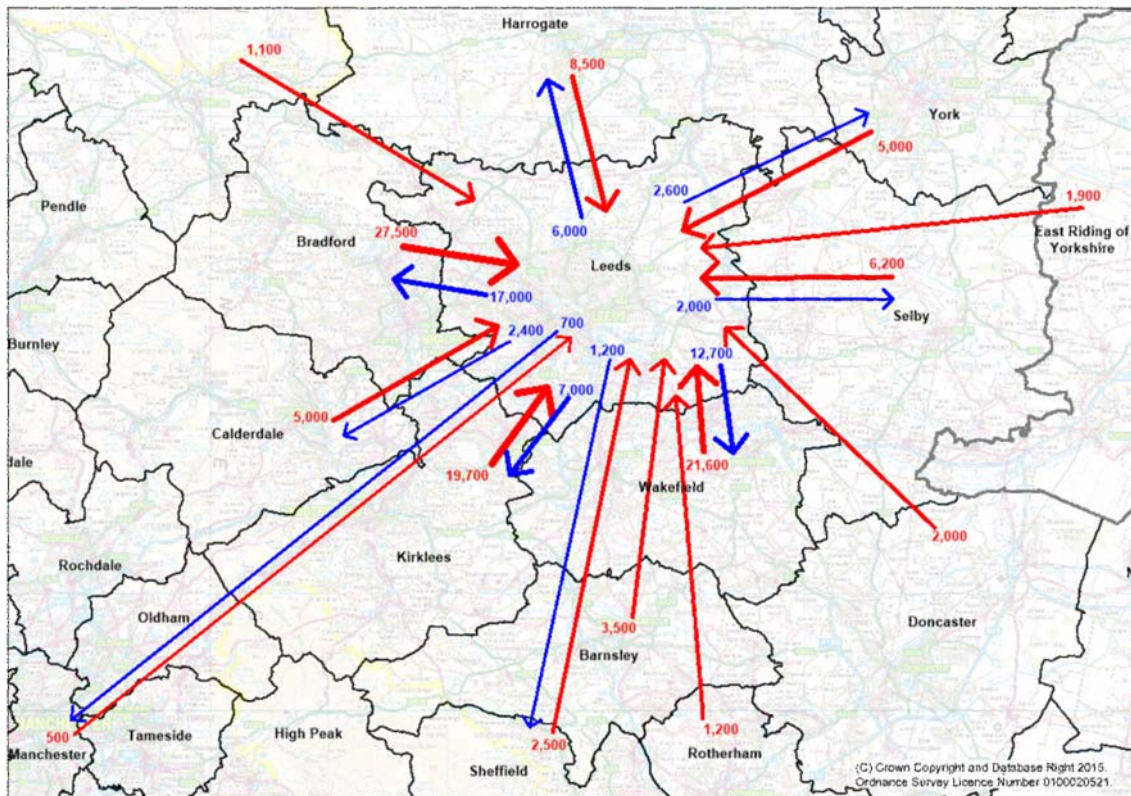
**Figure 7: Location of high-skilled jobs across Leeds City Region, 2011**



- 3.1.7 The financial and professional services sector continues to perform well and has benefitted from a sustained period of growth, between 2009 and 2015 this resulted in an additional 20,000 jobs – a 26% increase. The digital sector includes over 1,300 companies including a particular national strength in digital health jobs (the city region contains 22% of all jobs in the UK digital health sector thanks largely to Leeds).
- 3.1.8 Our manufacturing base is still strong with 1,800 firms employing around 28,600 people although despite growth of over 2% in 2014/15 there has been a slight reduction in employment since the recession. Elsewhere overall retail

employment has declined slightly since 2009, this is most likely due to the growth of online retail cancelling out additional city centre retail growth. Our hospitality sector is performing well, as is tourism which generates £1.15 billion of economic benefits and 18,500 jobs across the city.

- 3.1.9 A major trend is the growth in self-employment, reflecting the national picture. The amount of people in self-employment nearly doubled from 32,000 in 2010 to 63,000 jobs in 2016.
- 3.1.10 Commuting patterns across the region demonstrate the attractiveness of Leeds for workers. The flow rate is important as it shows that even a large increase in the amount of jobs in Leeds does not automatically result in additional jobs for Leeds residents. Over 47,000 people work in the city from elsewhere in the City Region and over 55,000 people overall commute into Leeds for work. The diagram overleaf shows the travel patterns of workers within the region.



### 3.2 Employment and out-of-work claimant rates

- 3.2.1 There city’s employment rate matches the national rate of 77.8% with 408,000 people in employment in Leeds between October 2015 and September 2016. There has also been a continued reduction in the number of out-of-work residents claiming Jobseeker Allowance to around 8,620 or 1.7% of the working age population in August 2016 to near pre-recession levels.
- 3.2.2 However the numbers reliant on Incapacity Benefit or Employment Support Allowance remains stubbornly high at over 32,370 or 6.4% of the working age population. Most of these individuals will have a disability or long term health barrier that prevents or currently limits their ability to secure employment. Nearly 50% of this group suffer from mental ill health and are disproportionately concentrated in our most disadvantaged communities. The Government has published a Green Paper, Improving Lives: Work, Health and Disability, setting

out proposals to address these inequalities and contribute to the Government's full employment ambition.

3.2.3 More recently policy makers have been increasingly focused on the fact that 'a job, any job' is no longer a guaranteed route out of poverty in the modern economy. Research by the Joseph Rowntree Foundation shows that 55% of the households in poverty contain at least one adult that is in work, these families equate to approximately 7.4 million people across the UK. It is estimated that 13.5% of all working age adults are affected by in-work poverty. If a similar proportion of the Leeds population was affected in this way, it is estimated that around 68,000 adults are experiencing in-work poverty.

3.2.4 Skills are a key determinant of success in the labour market. While skill levels have generally been increasing with 33% of Leeds residents aged 16-64 years qualified to NVQ Level 4. However 18.2% of Leeds residents do not hold a qualification at Level 2 and 8.8% hold no qualifications at all. Labour market forecasts indicate that nearly half the new jobs will require a Level 4 qualification or above and that relatively few are expected to be added requiring no or below a Level 2 qualification. This hollowing out of the labour market has resulted in many people being stuck in low paid and often insecure jobs that lack opportunity for progression.

3.2.5 Information on levels of pay for full and part time workers is provided by the Government's annual survey of hours and earnings (ASHE). This takes a sample of 1% of all workers from tax records to produce estimates for the working population. For Leeds residents (who may work outside of Leeds), the 2016 figures are as follows:

Number of workers	f/t	p/t	Total
Male	145,000	19,000	164,000
Female	91,000	63,000	154,000
Total	236,000	82,000	318,000

Median hourly pay	f/t	p/t	Overall
Male	13.94	7.81	13.33
Female	12.77	9.03	10.97
Overall	13.53	8.68	12.12

Lowest 20% hourly pay	f/t	p/t	Overall
Male	9.63	7.14	8.74
Female	9.08	7.30	10.97
Overall	9.35	7.20	8.20

The data shows that almost 90% of male workers are in full time employment, while 40% of women workers are part time. In terms of rates of pay, the median overall rate for men is around 20% higher than for women, although for part time workers, women are paid more than men with a median rate of £9.03 per hour, which is above the living wage.

- 3.2.6 Issues such as the numbers of people earning less than the living wage and the prevalence of zero-hours contracts are not covered in these statistics. Indeed, the scale of use of zero-hours contracts is not known as such arrangements are not covered by the ASHE survey. An estimate of the number of people earning less than the living wage has been produced for Leeds and other cities by the Office for National Statistics. For Leeds, the estimate is 19.7% (equivalent to approximately 63,000 people), which is the lowest rate in the Leeds city region.
- 3.2.7 Another key issue in low pay and job creation is the rise of self-employment in Leeds. Ten years ago, Leeds had a very low start-up rate with fewer people starting businesses here than elsewhere in Yorkshire. However, since 2007, 45% of all jobs created in Leeds have been self-employment, and our start-up rate has increased as a city. The strongest growth in start-ups has been in the most and least affluent wards, with 28% of startups in Leeds last year being from those wards in the 20% most deprived.
- 3.2.8 According to data supplied by Banksearch, who monitor the creation of business bank accounts, there were 4,864 new businesses started in Leeds last year, with 450 of those in City and Hunslet ward, 200 in Gipton and Harehills, and 199 in Roundhay. The table at Appendix 3 shows the number of start-ups per 1,000 residents for each ward in the city.

### **3.3 Interventions to support business growth and job creation**

- 3.3.1 Over recent years, the Economic Development service has increased the extent, scope and intensity of the work with key employers in the city. This work, involving systematic contact with large and strategic companies, seeks to ensure that key companies in the Leeds economy are able to grow and sustain employment. Senior officers from all Council Directorates maintain relationships with these companies, coordinated by our Key Account Management (KAM) function.
- 3.3.2 An example of KAM in action is the work over the past year to support Steeper, a leading global manufacturer of prosthetics who employ 250 people at their base in Hunslet. The premises were affected by the Storm Eva flood and at risk of their parent company closing down the Leeds operation. Working with the local management team, we helped the company to relocate to within a mile of their factory, securing a large number of highly skilled jobs. The management team has since bought out the parent company and is now focussed on expanding their operation.
- 3.3.3 Sector development work focuses on key companies in 7 sectors of the economy. Working with digital companies, we seek to support their growth through promoting Leeds as a hot spot for the digital economy, bringing employers together to focus on their shared needs around skills and employment, and increasing collaboration to help companies secure more work. This sector is expanding rapidly and is forecast to create many thousands of jobs over the next few years. Similarly, we work with high-tech health companies to help them share in the opportunities created by the NHS.
- 3.3.4 The most tangible support we provide for growing companies is the work of our business support teams. The Business Growth Programme, which we deliver across the Leeds City Region, provides capital investment in growing companies,

linked to new job opportunities. To date, the programme has helped create over 4,000 jobs and safeguard a further 1,700. Every £1 spent by the programme brings around £10 of private sector investment, and the scheme is one of the most successful business support programmes in the UK.

- 3.3.5 The Business Growth Service, again part of a city-region-wide programme, works with small and medium sized businesses that are expanding. A combination of advice and small grants ensure that these companies have access to the external support that they need, maximising their growth in terms of employment and turnover
- 3.3.6 As digital infrastructure and communication becomes increasingly vital to all businesses, the work of our digital business support and Superconnected Cities projects are increasingly supporting job growth and retention. These projects provide advice on making the most of digital marketing, process improvement and tech capabilities.
- 3.3.7 The current focus on inward investment, with work on promotion, detailed support for developing business cases, and rate relief for qualifying companies, also targets new employment opportunities for Leeds. Whether it is with global companies like Amazon, or smaller operations such as Zenith (who recently moved to Kirkstall Forge), the detailed work that is required with local management teams can bring substantial rewards in the form of jobs for Leeds residents.

#### **3.4 Interventions to support local residents to access employment**

- 3.4.1 Working in close collaboration with the Council's Economy and Regeneration, Planning, and Procurement services; West Yorkshire Combined Authority; DWP; the Skills Funding Agency; learning providers and business leaders, the Employment and Skills service works to align provision to meet skills needs in key growth sectors and recruit individuals to a wide range of jobs, work experience and apprenticeships.
- 3.4.2 Council support to local residents is largely targeted at inner city communities with the highest levels of out-of work claimants with over 4,500 supported into work and 8,500 gaining new skills each year. These interventions aim to equip individuals with job search and employability skills and connect them to known opportunities through the service's business facing activity. Examples of some of the directly delivered services, commissioned programmes and partnership initiatives that contribute to these outcomes are summarised below.
- 3.4.3 The service works with the Communities and Environment Directorate to ensure that an end to end service can be provided through staff in Jobshops as part of the integrated service offer through Community Hubs. Jobshops offer a range of Information, Advice and Guidance services to customers by accredited staff. These include guidance and support on jobsearch, producing CVs, completing applications, information about job roles and the job market and signposting to other services. During the period April to December 2016, there have been 5,233 individuals accessed support at a Jobshop and 2,461 have been supported into work.

- 3.4.4 In addition to the general Guidance services, the Jobshops deliver a targeted support programme to residents claiming Tax Council Support. The Personal Work Support Package (PWSP) is a mandatory programme for residents claiming Jobseekers Allowance for more than 6 months when they apply for Council Tax Support. Since October 2015, 1,799 people have participated in the programme, and 429 have been supported into work. PWSP is available for up to 26 weeks and consists of a period of intensive support followed by an additional period where individuals will receive ongoing support according to need including: job search and employability support, financial help, advice and personal support. It is designed to complement the support that Jobseekers receive from Jobcentre Plus to prepare for and find work.
- 3.4.5 A pilot Mental Health Employability project commenced delivery in 3 Jobshops in May 2016 to offer a more individual and tailored programme of support to those customers presenting with mild to moderate mental ill health by using the specialist skills of Leeds MIND. The 2 year programme includes staff training and development to build the capacity and capability of Community Hub staff to continue to meet this growing need when the programme completes. Integral to this approach is an ongoing evaluation involving the specialist advisors, Jobshop staff and customers to ensure continuous service improvements.
- 3.4.6 The service commissions a range of activity to target support to meet known local needs not met by other providers using external funding secured from Government Departments and their funding agencies. These include the Skills, Training and Employment Pathways (STEP) programme targeted to the long term unemployed with a focus on residents previously in Care, those with mental ill-health and those over 50 years of age to overcome the barriers they face to access work.
- 3.4.7 The Council's Adult Learning programme is aimed at the re-engagement of adults aged 19 years plus with no or low level qualifications with learning in an informal and safe environment to acquire new skills. It aims to provide a progression to more formal adult learning and employment opportunities. The programme supports up to 8,000 learners each academic year at over 125 venues across the city including community centres and community hubs. The majority of providers are third sector organisations with strong networks within local communities.
- 3.4.8 The Council also aims to influence and shape the post 16 skills and learning offer in the city by working with learning providers and employers to create progression pathways and ensure training continues to meet labour market needs. The service is currently working with the FE Colleges and the city's Universities to develop a new degree level apprenticeship standard to meet a growing skills shortage in the digital and creative sector.
- 3.4.9 Since 2012, the Council has used its planning and procurement functions to support over 3,100 residents into employment or apprenticeships, by applying employment and skills obligations to S106 Planning Agreements and Council contracts for goods and services on schemes with the potential to provide a significant impact for entry level employment and training opportunities during construction or in end uses. A recent example is the Victoria Gate development with Hammerson UK. During the construction phase, an additional 534 people

were recruited into new jobs, 46% were filled by Leeds residents, and 17 new apprenticeships created. Occupants of the development including John Lewis and the Casino have supported a range of community information sessions and a pre-employment training programme prior to recruiting. 499 staff were appointed prior to opening of John Lewis with 60% of posts filled by Leeds residents.

- 3.4.10 The service also works with employers and business intermediaries to shape and develop new initiatives. Partnership initiatives enable resources and expertise to be pooled to meet changing workforce needs and encourage employers to change their recruitment practice and invest in skills development. The Leeds BID, which represent some 900 businesses principally in the city centre, has committed to enter into partnership with the Council to co-fund and develop a Retail and Hospitality Centre of Excellence to address skills shortages and retention issues. It will deliver an employer led, flexible and blended training and skills programme supporting both potential new entrants to the sector and current employees, developing their potential for progression within the sector.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 This report provides information to inform the Board in its considerations and does not require further consultation at this stage. The development of specific initiatives referred to in the report were subject to engagement with stakeholders including elected members, communities and service users as required

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 The activities set out in the report seek to have a positive impact on equality and diversity by improving access to work for those furthest away from the labour market; tackling low pay and progression for those in work; equipping the next generation with the knowledge and skills to access work; and supporting business productivity and growth to create more and better quality jobs.

### **4.3 Council policies and best council plan**

- 4.3.1 The activities described in this report contribute directly to our ambitions to enable all of our residents to benefit from a strong economy in a compassionate city, and in particular, to the Best Council Plan outcome for everyone in Leeds to earn enough to support themselves and their families and the Best Council Plan priorities around supporting economic growth and access to economic opportunities by providing skills programmes and employment support. They also support our ambitions to be a NEET-free city and a city where children and young people can grow up to lead economically active and rewarding lives.

### **4.4 Resources and value for money**

- 4.4.1 There are no resource implications arising from this report.

### **4.5 Legal implications, access to information, and call-in**

- 4.5.1 There are no legal implications arising from this report.

## **4.6 Risk management**

- 4.6.1 Existing programmes of delivery are supported by risk management plans which are reviewed on a regular basis.

## **5. Conclusions**

- 5.1 The report sets out the recent and forecast changes in the local economy and how this impacts the demand for labour. It provides examples of the activities being undertaken to support continued resilience and growth in the local economy by attracting new investment and supporting the growth of existing business. The report also sets out how the Council seeks to help all its residents benefit from the effects of the city's economic growth in particular those furthest from the labour market by providing targeted skills training and employment support activity.
- 5.2 Many of the activities described in this report contribute to achievement of the objectives of the More Jobs, Better Jobs breakthrough project aimed at integrating our economic growth and poverty reduction ambitions. Increased cross service working through mechanisms such as Key Account Management, the application of employment and skills obligations, grant funding conditions and shared intelligence are building the foundations to deliver this. The Council's commitment to take this forward is evidenced by the current consultation with a wide group of stakeholders in the city including communities and business to develop the Leeds Growth Strategy, a delivery plan for continued growth that ensures that all residents benefit from the city's increased prosperity.

## **6. Recommendations**

- 6.1 Members of Scrutiny Board are asked to note the changes in the performance of the local economy and labour market and the range of interventions in place to support continued economic growth and support available to residents seeking work.

## **7. Background documents<sup>1</sup>**

- 7.1 There are no background documents.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.



## Appendix 1 – Employment breakdown for Leeds 2015

Sector	2015 employees	Rank outside London	% of WY	% of LCR	% of Y&H	% of Core Cities
<b>Total</b>	<b>429,800</b>	<b>2</b>	<b>42</b>	<b>32</b>	<b>19</b>	<b>14</b>
Knowledge intensive	203,400	2	47	36	22	14
Low carbon	10,000	5	45	31	14	15
Digital ONS	11,000	2	59	45	31	17
Digital LCC	25,200	1	60	48	32	16
Export intensive	84,000	1	44	34	20	18
Creative DCMS 2014	21,300	1	60	47	34	18
Creative DCMS all	36,400	1	48	38	25	16
Manufacturing	28,600	2	26	20	11	17
Engineering	10,600	10	29	23	11	14
Other mfrg	17,800	1	25	19	11	20
Environmental technologies	13,800	3	44	31	19	16
Life science & healthcare ONS	32,600	3	41	31	17	11
Medical & healthcare	30,200	4	40	30	16	10
Scientific tech mfr ONS	7,700	13	27	23	12	16
Scientific tech servs ONS	23,500	7	64	46	28	12
Print & publishing	3,400	4	31	27	19	18
Publish & broadcasting ONS	15,600	1	60	50	34	21
Construction	18,100	2	42	31	17	16
Construction LCC	40,600	3	44	34	20	15
<b>Total services</b>	<b>376,400</b>	<b>2</b>	<b>44</b>	<b>34</b>	<b>20</b>	<b>14</b>
Distribution	78,600	2	38	27	16	13
Motor trades	6,000	2	34	26	14	16
Wholesale	16,600	2	34	27	16	16
Retail	31,500	3	36	26	15	12
Food & drink	39,400	3	35	25	14	13
Accom & food services	24,500	6	44	29	16	12
Transport & storage	17,900	3	37	28	16	14
Info & communication	16,100	2	59	48	32	15
Software DCMS	10,100	2	64	50	36	18
Fin & bus servs	139,000	1	55	44	29	18
Finance & insurance	26,200	2	55	44	33	18
Other bus services	112,700	1	56	44	28	17
Legal activities	7,500	2	69	57	38	14
Property	6,800	4	45	35	22	13
Prof, scientific & technical	46,900	1	60	46	31	18
Bus admin & support	59,000	1	54	43	27	17
Public admin, educ, defence	106,800	3	38	29	16	12
Education	39,400	2	39	29	17	13
Public admin & defence	15,500	7	37	30	15	10
Health	51,100	3	38	28	16	11
Tourism ONS	42,800	5	47	33	19	13
Hospitality economy	42,000	5	42	30	18	12
Culture, recreation & personal	18,800	2	48	36	21	15

Rank: Leeds ranking, excluding London boroughs, in terms of number of employees

%: % of employees in .... sector working in Leeds

Source: BRES 2015

**Appendix 2 – Employment breakdown for Leeds 2000 – 2010**

<b>Total employment by sector, Leeds MD</b>			
	<b>(‘000)</b>		
	<b>2000</b>	<b>2010</b>	<b>% Change</b>
Agriculture, mining & utilities	3.9	2.1	-46
Manufacturing	52.3	30.9	-41
Engineering	19.3	10.3	-47
Printing	11.4	5.6	-51
Chemicals	3.2	2.4	-27
Food	4.6	3.9	-15
Construction	26.8	23.1	-14
Distribution / Hotels / Restaurants	88.9	92.7	+4
Wholesaling	30.3	25.6	-15
Retailing	38.9	38.9	0
Hotels / Restaurants	19.7	28.2	+43
Transport & Communications	26.0	24.9	-4
Finance & Business Services	99.8	116.9	+17
Banking & Insurance	24.3	30.5	+25
Business services	65.0	74.8	+15
Other FBS	10.5	11.6	+11
Public Administration, Education & Health	96.7	109.5	+13
Public Admin	16.5	18.8	+14
Education	33.4	42.2	+26
Health / Social	46.8	48.4	+3
Personal services	25.2	22.2	-12
<b>TOTAL</b>	<b>420.2</b>	<b>422.4</b>	<b>+1</b>

## The number of start-ups per 1,000 residents for each ward in the city

Ward	Rate - starts per 100
City and Hunslet	23.16
Roundhay	8.74
Alwoodley	8.69
Wetherby	6.58
Gipton and Harehills	9.01
Horsforth	7.41
Chapel Allerton	6.80
Garforth and Swillington	6.11
Burmantofts and Richmond Hill	7.35
Adel and Wharfedale	3.98
Harewood	5.43
Moortown	5.99
Calverley and Farsley	7.22
Beeston and Holbeck	5.17
Morley South	6.13
Guiseley and Rawdon	7.46
Otley and Yeadon	6.38
Ardley and Robin Hood	6.04
Armley	5.75
Pudsey	5.31
Morley North	5.82
Temple Newsam	5.16
Weetwood	4.38
Bramley and Stanningley	4.78
Rothwell	4.36
Hyde Park and Woodhouse	5.79
Cross Gates and Whinmoor	4.50
Kirkstall	4.37
Killingbeck and Seacroft	5.11
Headingley	3.64
Kippax and Methley	3.85
Farnley and Wortley	4.25
Middleton Park	4.91

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## Report of the Head of Governance and Scrutiny Support

### Report to Scrutiny Board (City Development)

**Date: 26 April 2017**

**Subject: Work Schedule**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## 1 Purpose of this report

1.1 The purpose of this report is to consider the Scrutiny Board's work schedule for the forthcoming municipal year.

## 2 Main Issues

2.1 A draft work schedule is attached as appendix 1. The work programme has been provisionally completed pending on going discussions with the Board.

2.2 When considering the draft work programme effort should be undertaken to:

- Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue
- Ensure any Scrutiny undertaken has clarity and focus of purpose and will add value and can be delivered within an agreed time frame.
- Avoid pure "information items" except where that information is being received as part of a policy/scrutiny review
- Seek advice about available resources and relevant timings taking into consideration the workload across the Scrutiny Boards and the type of Scrutiny taking place
- Build in sufficient flexibility to enable the consideration of urgent matters that may arise during the year

2.3 Also attached as appendix 2 is the minutes of Executive Board for 22 March 2017..

### **3. Recommendations**

#### 3.1 Members are asked to:

- a) Consider the draft work schedule and make amendments as appropriate.
- b) Note the Executive Board minutes

#### 4. **Background papers**<sup>1</sup> - None used

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

**Draft Scrutiny Board (City Development) Work Schedule for 2016/2017 Municipal Year**

Schedule of meetings/visits during 2016/17			
Area of review	June	July	August
<b>Inquiries</b>		Formal Response – Powering Up The Leeds Economy Through Digital Inclusion  Formal Response – Housing Mix  Transport for Leeds - Scoping	
<b>Annual work programme setting - Board initiated pieces of Scrutiny work (if applicable)</b>	Consider potential areas of review		
<b>Budget</b>			
<b>Pre Decision Scrutiny</b>			
<b>Policy Review</b>			
<b>Recommendation Tracking</b>			
<b>Performance Monitoring</b>	Performance Report		
<b>Working Groups</b>			

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\*Prepared by S Pentelow

Key: SB – Scrutiny Board (City Development ) Meeting

WG – Working Group Meeting

**Draft Scrutiny Board (City Development) Work Schedule for 2016/2017 Municipal Year**

**Schedule of meetings/visits during 2016/17**

<b>Area of review</b>	<b>September</b>	<b>October</b>	<b>November</b>
<b>Inquiries</b>	<p>Agree scope of review for ** Transport for Leeds - Supertram, NGT and beyond</p> <p><b><u>Evidence Gathering</u></b> 1) Transport for Leeds - Supertram, NGT and beyond</p>	<p><b><u>Evidence Gathering</u></b> Bus Provision Inquiry - Inquiry Final Session</p>	<p><b><u>Evidence Gathering</u></b> 2) Transport for Leeds - Supertram, NGT and beyond</p>
<b>Pre Decision Scrutiny</b>			
<b>Policy Review</b>			
<b>Recommendation Tracking</b>			
<b>Performance Monitoring</b>		KSI/ Road Safety - review	
<b>Working Groups</b>			

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\* Prepared by S Pentelow



## Draft Scrutiny Board (City Development) Work Schedule for 2016/2017 Municipal Year

Schedule of meetings/visits during 2016/17			
Area of review	December	January	February
<b>Inquiries</b>		<b><u>Evidence Gathering</u></b> Transport for Leeds - Supertram, NGT and beyond	<b><u>Evidence Gathering</u></b> Transport for Leeds - Supertram, NGT and beyond
<b>Budget and Policy Framework</b>	Initial Budget Proposals 2017/18 and Budget Update  Site Allocation Plan		
<b>Pre Decision Scrutiny</b>			
<b>Policy Review</b>			
<b>Recommendation Tracking</b>			Digital Inclusion
<b>Performance Monitoring</b>	Performance Report		
<b>Working Groups</b>		Resources Scrutiny – Draft Best Council Plan – BPF	

## Draft Scrutiny Board (City Development) Work Schedule for 2016/2017 Municipal Year

Schedule of meetings/visits during 2016/17			
Area of review	March	April	May
<b>Inquiries</b>	<b><u>Evidence Gathering / Reports</u></b> Transport for Leeds - Supertram, NGT and beyond – Programmed Final Session		<b><u>Reports</u></b> Agree Bus Provision Inquiry Report
<b>Budget and Policy Framework</b>	Local Flood Risk Management Strategy Annual scrutiny review		
<b>Pre Decision Scrutiny</b>			
<b>Recommendation Tracking</b>		Housing Mix	
<b>Performance Monitoring</b>		Employment data and update – ref Dec16 meeting.	
<b>Working Groups</b>			<b><u>Transport for Leeds -</u></b>  Discussion on recommendations

Unscheduled -

- ECOG and the new city cultural strategy –. Pre-decision Scrutiny required in 2016 new municipal year before submission
- Leeds Let's Get Active
- Housing on Brownfield Land – 5 year land supply - TBC
- East Leeds Extension and Orbital Road Progress - TBC

Updated – April 2017 \*Prepared by S Pentelow

Key: SB – Scrutiny Board (City Development ) Meeting

WG – Working Group Meeting

## EXECUTIVE BOARD

WEDNESDAY, 22ND MARCH, 2017

**PRESENT:** Councillor J Blake in the Chair

Councillors A Carter, R Charlwood,  
D Coupar, S Golton, J Lewis, R Lewis,  
L Mulherin, M Rafique and L Yeadon

**160 Retirement of Alan Gay, Deputy Chief Executive**

The Board paid tribute to the Deputy Chief Executive, Alan Gay for his services to the Council, as this would be the final Board meeting in which he would be in attendance prior to his retirement. Members thanked Alan for his always professional approach and for the crucial role he has played over the years in the management of the Council's finances. In response, Alan thanked Members for the kind words received, both at today's meeting and at the Council meeting of 22<sup>nd</sup> February 2017, and also for all of the support he had received during his time with the Council.

**161 Late Items**

With the agreement of the Chair, a late item of business was admitted to the agenda entitled, 'European Structural and Investment Funds (ESIF) Programme 2014-2020: The Local Flexibility for Reducing Unemployment Programme'. This was due to the fact that given the timing of the funding announcement by the Department for Work and Pensions (13 March 2017), it was not possible to include this item on the agenda as published on 14 March 2017, and due to the requirement that the funding agreement is signed within 30 days of issue, it was not possible to defer this matter to the next scheduled Board meeting (19 April). (Minute No. 175 refers).

**162 Declaration of Disclosable Pecuniary Interests**

There were no Disclosable Pecuniary Interests declared at the meeting, however, in relation to the agenda item entitled, 'Better Lives for People with Care and Support Needs in Leeds: The Annual Local Account of Adult Social Care in Leeds 2016/17', Councillor Golton drew the Board's attention to his position as Director on the Board of the 'Aspire' organisation. (Minute No. 167 refers).

**163 Minutes**

**RESOLVED** - That the minutes of the previous meeting held on 8<sup>th</sup> February 2017 be approved as a correct record.

### **REGENERATION, TRANSPORT AND PLANNING**

**164 The Development of Mixed Residential Communities in Leeds City Centre**

The Director of City Development submitted a report which provided an update on the development of city centre housing provision, highlighted the

Draft minutes to be approved at the meeting  
to be held on Wednesday, 19th April, 2017

important role to be played by the city centre in providing a mixed and vibrant residential community, whilst also noting the city centre's contribution towards the delivery of the city's housing targets. In addition, the report proposed an approach which looked to encourage and help secure the development of 'Build to Rent' housing, whilst also securing resources for investment in city centre affordable housing provision.

In considering the submitted report, Members reiterated the key role played by the city centre in the provision of accommodation, the delivery of affordable housing provision and in the achievement of the city's housing targets. In addition, Members highlighted the need to continue to progress the proposals as outlined within the submitted report, and linked to this, noted the work being undertaken with Department for Communities and Local Government on such matters, whilst also highlighting how the provision of high quality affordable housing was integral to the successful development of mixed residential communities.

**RESOLVED –**

- (a) That the approach, as set out within the submitted report, regarding the development of mixed residential communities in the city centre and the role this plays in housing growth, be approved;
- (b) That endorsement be given to an approach which recognises that the acceptance of commuted sums from 'Build to Rent' schemes may be appropriate and justified in accordance with Core strategy Policy H5;
- (c) That the proposed investment of commuted sums for affordable housing being reinvested in schemes within the boundary identified in Appendix 1 to the submitted report, be approved, which will be via a range of measures, as identified in paragraphs 3.11 to 3.13 of the submitted report and which is in line with the strategic approach towards developing mixed communities in Leeds City Centre, also as set out within the submitted report.

**165 The Making of Clifford Neighbourhood Plan**

The Director of City Development submitted a report which sought approval to 'make' the Clifford Neighbourhood Plan, following the result of the community referendum which took place in January 2017. In addition, the report also sought agreement for the Chief Planning Officer, in consultation with the Executive Member for Regeneration, Transport and Planning, to 'make' future neighbourhood plans under existing delegations. Finally, the report also provided an update on the scope and scale of neighbourhood planning across the city and highlighted areas of progress and good practice.

Members welcomed the submitted Neighbourhood Plan and commended the community and all relevant parties for the significant work which had been undertaken to date in order to get the Plan to its current position.

The Board considered the varying degrees to which different areas of the city were pursuing 'neighbourhood planning', and discussed the actions being

taken by the Council to assist those geographical areas which may not have established levels of community infrastructure in place, with reassurance being provided on the local support being provided, alongside City Development, by the Communities Teams.

**RESOLVED –**

- (a) That approval be given to ‘make’ the Clifford Neighbourhood Plan for the Clifford Neighbourhood Area;
- (b) That approval be given for subsequent Neighbourhood Plans to be ‘made’ by the Chief Planning Officer in consultation with the Executive Member for Regeneration, Transport and Planning, pursuant to existing delegations within the Constitution.

(The Council’s Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process if it is considered that any delay would seriously prejudice the Council’s, or the public’s interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, given that, as stated within the submitted report considered by the Board, it would not be possible to ‘make’ the Plan in accordance with the statutory timeframe which requires that the Plan be ‘made’ within 8 weeks from the day after the referendum is held, that being 27 January 2017).

**HEALTH, WELLBEING AND ADULTS**

**166 Early Intervention and Reducing Health Inequalities Annual Report**

The Director of Public Health and the Director of Adult Social Services submitted a joint report which presented an update on the ‘Early Intervention and Reducing Health Inequalities’ breakthrough project in the form of an Annual Report.

Responding to Members’ enquiries, the Board received an update on the progress which had been made on the procurement of specific contracts, as had been referenced within the 2016 Annual Report.

In considering the extent and rate of the progress being made as part of the breakthrough project and the monitoring of such progress, the complexities of the health issues being addressed were highlighted, whilst reassurance was provided in respect of the progress being made, and that when future Annual Reports were submitted, they would include a range of data and case studies regarding the performance of new services which had been commissioned in this area.

Officers noted a request that future versions of the Annual Report be made more accessible to the reader.

**RESOLVED –**

- (a) That the information, as presented within the submitted report and the appended Annual Report, be noted;

Draft minutes to be approved at the meeting  
to be held on Wednesday, 19th April, 2017

- (b) That in addition to noting the aims and outcomes from the breakthrough project, it also be noted that this collaborative project supports the ambition for Leeds to be the Best City in the UK by 2030 and contributes towards the Leeds Health and Wellbeing Strategy 2016-21 (LHWS) vision that 'Leeds will be a healthy and caring city for all ages, where people who are the poorest will improve their health the fastest';
- (c) That it be noted that the breakthrough project also supports the key deliverables in the Leeds Health and Care Plan and the West Yorkshire and Harrogate Sustainability and Transformation Plan (STP).

**167 Better Lives for People with Care and Support Needs in Leeds: The Annual Local Account of Adult Social Care in Leeds 2016/17**

Further to Minute No. 133, 10<sup>th</sup> February 2016, the Director of Adult Social Services submitted a report which presented the Council's 2016/17 Local Account of Adult Social Care Services in Leeds. The Local Account document, entitled, 'Creating Better Lives for People with Care and Support Needs' was appended to the submitted covering report.

Responding to a Member's enquiry, the Board received an update and further information on several specific performance indicators, as detailed within the data associated with the Local Account, together with an offer to the Member in question that further detail could be provided if required.

In addition, Members considered the format of the 2016/17 Local Account document together with the date range of the associated data. In response to comments that such data was from 2015/16, Members were advised that at the time of production, the 16/17 statistics were not available, and as such, it was suggested that consideration be given to the timing at which future Local Accounts were submitted to the Board, in order to enable the inclusion of the latest information. With regard to the format of the document, the Board was advised that the aim of the concise format was to effectively communicate the key messages from it.

**RESOLVED –**

- (a) That the contents of the submitted report, together with the appended 2016/17 Local Account for Leeds, entitled "Creating Better Lives for People with Care and Support Needs in Leeds", be noted;
- (b) That it also be noted that the Head of Policy, Performance and Improvement for Adult Social Care will ensure that 'Creating Better Lives for People with Care and Support Needs in Leeds' Local Account is published on the Leeds City Council website within four weeks of consideration by Executive Board.

## **CHILDREN AND FAMILIES**

### **168 Future in Mind: Leeds Strategy and Progress towards completion of Leeds' new SEMH Educational Provision**

Further to Minute No. 93, 18<sup>th</sup> November 2015, the Director of Children's Services submitted a report presenting a strategy entitled, 'Future in Mind: Leeds 2016-2020' which had been co-produced by partners from the Children and Families Service and Leeds Clinical Commissioning Groups and which set out a vision for the city in tackling the universal, targeted and specialist social, emotional and mental health (SEMH) needs of children and young people in Leeds aged between 0-25 years.

In considering the strategy, Members noted the comments within it regarding attainment levels. In addition, responding to a Member's specific enquiry, the Board was provided with information on the actions being taken and the initiatives in place to support young people during the transitional period that they experienced between leaving the care of Children's Services and coming under the care of Adult Social Care. The Board also received further information regarding the 'high needs budget', which formed part of the Dedicated Schools Grant.

Furthermore, Members and officers noted a request that the Board received further information in the future which evaluated the provision and application of services for children and young people with mental health needs in Leeds.

In conclusion, the ground breaking nature of the joint strategy, together within the partnership approach being taken in this area was noted and welcomed.

#### **RESOLVED –**

- (a) That the following be noted:-
  - (i) Leeds is proudly leading the way in the UK through implementing an integrated strategy to support children and young people with social, emotional and mental health (SEMH) needs;
  - (ii) That the strategy is unique in having been co-produced by partners from the Children and Families Service and Leeds Clinical Commissioning Groups;
  - (iii) That 'Future in Mind: Leeds 2016 – 2020' was launched on 7th February 2017 at an event attended by 160 professionals, colleagues and partners from across the city pledging their commitment in working together to improve the lives of some of the most vulnerable 0 – 25 year olds in Leeds.
- (b) That the progress made in creating a world-class provision for children in Leeds with specialist social, emotional and mental health (SEMH) needs, be welcomed and endorsed;
- (c) That the implementation of a robust multi-agency mechanism which has been created in order to ensure that children and young people are

appropriately placed and have the right support, be welcomed and endorsed;

- (d) That it be noted that the officer responsible for overseeing the progress and continued implementation of the multi-agency mechanism is the Head of Complex Needs Service.

**169 Leeds Joint Area Inspection of Services for Children and Young People with Special Educational Needs and Disabilities (SEND)**

The Director of Children's Services submitted a report providing an overview of the changes to services for children with Special Educational Needs and Disabilities (SEND) as introduced by the Children and Families Act (2014), and the joint Ofsted and Care Quality Commission (CQC) framework for inspecting local area arrangements established to implement the Act. In addition, the report noted the findings of the Leeds SEND inspection which took place in December 2016, and outlined the next steps that would be taken in order to address the areas for development that the inspectors had identified.

Responding to a Member's request, officers undertook to submit to a future meeting of the Board, details of the actions to be taken in order to address those 'areas for development', as identified within the inspection outcome letter, and as specifically highlighted during the discussion.

It was also noted that Scrutiny Board (Children's Services) was scheduled to consider the directorate response to the inspection outcome.

**RESOLVED –**

- (a) That the contents of the submitted report, together with the outcome of Leeds' SEND inspection, be noted;
- (b) That the proposals for the post-inspection action plan, as detailed within the submitted report, which aims to address those areas identified for development and which would be monitored by the re-configured Steering Group, which reports to the Complex Needs Partnership Board (as chaired by the Executive Member for Children and Families), be noted and approved;
- (c) That it be noted that the responsible officer for the implementation of such matters is the Head of Complex Needs.

**170 Innovation in Children's Services**

The Director of Children's Services submitted a report advising of Children's Services' success in negotiating a three year investment of £9.6m in the city's services for children and families, which would be used to accelerate the city's reform agenda, helping to trial and develop new approaches and also reshape and refocus existing services. In addition, the report sought the Board's endorsement of the acceptance and use of such funding, and to give the Director of Children's Services delegated responsibility for the implementation of associated actions.



Members considered the level of funding which had been received, the period over which it would be allocated, and noted the undertaking that it would be fully utilised to continue to progress the improvement of outcomes for children and young people in Leeds.

Having noted the recent publication of the All Party Parliamentary Group for Children (APPGC)'s report into Children's Social Care in England entitled, 'No Good Options' and the fact that young people from Leeds had been involved in providing evidence as part of the compilation of that report, it was requested that Executive Board Members receive a copy of the document for their information.

**RESOLVED –**

- (a) That the success of Children's Services in attracting funding to the city be welcomed;
- (b) That the acceptance, use and planned investment of the Innovation Funding be endorsed;
- (c) That following resolution (b) above, the responsibility for the implementation of such matters be delegated to the Director of Children's Services.

**COMMUNITIES**

**171 Housing Revenue Account Business Plan 2017/18 to 2026/27**

The Director of Environment and Housing submitted a report presenting an updated Housing Revenue Account (HRA) Business Plan, including an outline of the main priorities, an updated Financial Plan and details of some of the emerging risks to the successful delivery of the plan.

In considering the submitted report, a request was made that further comparative information detailing how Leeds performed against other Local Authorities in the provision and the delivery of Council Housing be included within related reports in the future.

Responding to a Member's request to continue to lobby Government on the options available to the Council in order to assist with the delivery of further Council housing in Leeds, the Board was assured that the Council continued to pursue such matters with Government. Members considered the options available in terms of the further lobbying of Government, with a suggestion being made that a further cross-party letter could be submitted on behalf of the Council in respect of such matters.

**RESOLVED –**

- (a) That the HRA Business Plan for 2017/18 to 2026/27, as appended to the covering report, be endorsed;

- (b) That the future risks to the HRA, as detailed within the submitted report, and the impact that such risks may have upon the Council's ability to deliver some of its Business Plan priorities, be noted.

## **ENVIRONMENT AND SUSTAINABILITY**

### **172 The development of Middleton Park and the establishment of an Urban Bike Park**

The Director of Environment and Housing submitted a report which provided an update on the development of Middleton Park undertaken since 2014, and highlighted the evolution of land use proposals for the site, with specific reference to a proposal for the development of an urban bike park.

Members welcomed the proposals detailed within the submitted report, noted the interest that the project had already generated within the local community, together with the aim of the proposals to build upon the legacy of the 2014 Tour de France Grand Depart.

#### **RESOLVED –**

- (a) That the injection of £400k of grant funding from British Cycling, as a contribution towards the costs of establishing a series of trails and cycling facilities within Middleton Park, be authorised;
- (b) That the injection of £238.5k of grant funding from Sport England, as a contribution towards the cost of enhancing and renovating the former golf club house facility in Middleton Park in order to enhance opportunities for community engagement and participation in physical activity and to support the cycle trail facility, be authorised;
- (c) That the injection of a revenue income contribution of £240.0k from Parks and Countryside, together with the transfer of existing Leeds City Council match funding from within the current capital programme of £284.0k into the scheme, be authorised;
- (d) That expenditure of £1,162.5k to deliver an Urban Bike Park in Middleton Park, be authorised;
- (e) That the conditions attached to the funding to be provided by Sport England, namely the requirement to use both professional support and building contractors that are part of a competitively tendered framework contract established by Sport England, be noted, and with this in mind, approval be given that Contract Procedure Rules 8.1, 8.2, 9.1 and 9.2 are waived in order to support these appointments to implement any necessary improvements to the building, subject to the successful receipt of planning consent;
- (f) That it be noted under Contract Procedure Rule 3.1.4, that all external landscaping works are to be undertaken and overseen by the Parks and Countryside Service. It also be noted however, that as a condition of the grant from British Cycling, the service is required to engage with

a trail construction specialist for technical elements of the development, and as such, approval be given that Contract Procedure Rules 8.1 and 8.2 are waived in order to support the direct appointment of a specialist contractor to provide this support function;

- (g) That the engagement work already taking place on site be noted, and that the necessary authority be delegated to the Director of City Development in order to agree terms with Cycle Pathways, at market consideration, for their use of the former golf club house building, with the agreement that any arrangement entered into should include a community use agreement in order to facilitate the continued use of the facility by community organisations, groups and the Local Authority in its sport development activities;
- (h) That it be noted that the Chief Officer Parks and Countryside will be responsible for the implementation of the resolutions made, and the taking of any subsequent and related decisions regarding the principles of development as contained within the report.

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process if it is considered that any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, to enable, as stated within the submitted report considered by the Board, acceptance of the grant offers within the time limitations as set by the grant funders. The implication of not exempting these resolutions from Call In is that, should Call In be invoked, then Leeds City Council would potentially need to forgo the opportunity to benefit from the funding offer provided from external partners and in turn lose the opportunity to develop this flagship development in Leeds. In addition, both grant offers were formally submitted at the end of February, and as such, this had been the first opportunity to bring forward such proposals to a scheduled Executive Board meeting).

## **ECONOMY AND CULTURE**

### **173 The Christmas Experience at Lotherton Hall**

The Director of City Development and the Director of Environment and Housing submitted a joint report providing an update on the delivery of a new initiative entitled, 'The Christmas Experience at Lotherton Hall' held during the Christmas period 2016.

Members welcomed the submitted report and commended the innovative work of all staff involved. Given the success of this initiative, it was suggested that consideration could be given to potentially holding a similar event in a different part of the city, should the demographic data obtained from those who visited the 'Christmas Experience at Lotherton Hall' support such a proposal.

**RESOLVED –**

- (a) That the success of the project for both income generation and joint working across Council services, be noted;
- (b) That the potential of this, and similar schemes to support the delivery of Council services in the future, be noted and that such initiatives be encouraged;
- (c) That it be noted that the surplus generated from the initiative will be used to support the activities of the services involved and the continued provision of the ‘Christmas Experience at Lotherton Hall’;
- (d) That the staff involved in the delivery of this initiative be commended for their work.

**EMPLOYMENT, SKILLS AND OPPORTUNITY**

**174 Ofsted Inspection of Adult Learning**

The Director of Children’s Services submitted a report providing information on the outcome of the recent Ofsted Inspection of the Council’s adult learning provision delivered in communities across Leeds. The report provided summary information on the Adult Learning programme, the Inspection process, the key findings and also the actions required to continue to strengthen the quality of the provision and outcomes for learners.

Members welcomed the positive outcomes from the Ofsted inspection, as detailed within the submitted report, and extended their thanks to all staff who had been involved in achieving such outcomes.

**RESOLVED –** That the inspection outcome for the Council’s adult learning provision, together with the actions being taken to continue to strengthen performance and quality, be noted.

**175 European Structural and Investment Funds Programme 2014 - 2020: The Local Flexibility for Reducing Unemployment Programme**

The Director of Children’s Services submitted a report which notified that on 13<sup>th</sup> March 2017, confirmation was received by the Council that its joint bid with the City of Bradford Metropolitan District Council (CBMDC) to deliver the European Structural and Investment Fund (ESIF) Local Flexibility to Reduce Unemployment Programme had been successful, with the Department for Work and Pensions approving in principle the award of £4.9m ESIF grant to the Skills, Training and Employment Pathways (STEP) project. In addition, the report sought authorisation to commit a maximum of £1.4m of Council match funding to deliver the Leeds element of the STEP Project, and for the Council to work in partnership with CBMDC to manage this provision.

For those reasons set out within the submitted report, and as detailed at Minute No. 161, the Chair agreed for this report to be considered as a late item of business at the meeting. Copies of the submitted report and appendix had been provided to Board Members prior to the meeting.

Members welcomed the ESIF funding which had been received. Responding to a Member's enquiry, clarification was provided to the Board in respect of the amounts of funding which had been allocated to the two delivery partners, whilst Members considered the current position in respect of Brexit and what implications this may have in terms of similar funding initiatives in the future.

#### **RESOLVED –**

- (a) That the Council, as Delivery Partner, be authorised to work with the City of Bradford Metropolitan District Council under a Service Level Agreement, to deliver the Skills, Training and Employment Pathways Project, as part of the ESIF Local Flexibility for Reducing Unemployment Programme;
- (b) That a total expenditure of up to £2.8m by the Council, inclusive of £1.4m maximum match funding to deliver the Leeds element of the STEP Project over the next three years, 2017-2020, be approved;
- (c) That the authorisation of contract awards and the proposed funding allocations to subcontractors, which would enable the delivery of this specialist provision in Leeds, be delegated to the appropriate Director with the relevant scheme of delegation, in consultation with the Executive Member for 'Employment, Skills and Opportunity';
- (d) That it be noted that the timescales for the implementation of the above resolutions will be April 2017, as determined by the Department for Work and Pensions (DWP), acting as the ESIF Managing Authority and in accordance with the Council's Corporate Procurement Rules;
- (e) That it be noted that the Head of Projects and Programmes in the Employment and Skills Service will be responsible for the implementation of the STEP Project in Leeds, which is anticipated to commence in April 2017 and be completed by December 2019.

(The Council's Executive and Decision Making Procedure Rules state that a decision may be declared as being exempt from the Call In process if it is considered that any delay would seriously prejudice the Council's, or the public's interests. In line with this, the resolutions contained within this minute were exempted from the Call In process, given that, as stated within the submitted report considered by the Board, notification of the award of funding was received from the DWP on 13 March 2017, and as such the matter could not have been submitted to an earlier Board meeting. In addition, given the requirement that the funding agreement is signed within 30 days of issue, any invoking of the Call In process could jeopardise the Council's ability to be in a position to sign a Service Level Agreement to be the delivery partner with Bradford Council, and it in turn would mean that the Council was not in a position to sign the Funding Agreement with the DWP by the required date).

## **RESOURCES AND STRATEGY**

### **176 Financial Health Monitoring 2016/17 - April - January (Month 10)**

The Deputy Chief Executive submitted a report setting out the Council's projected financial health position for 2016/17 after 10 months of the year.

Responding to a Member's enquiry, the Board received further information regarding the latest position in respect of Business Rates reliefs and concessions, and discussed the number of businesses in Leeds which were affected by such provisions.

Furthermore, the Board noted the revised Minimum Revenue Provision (MRP) policy as agreed by Council on 22<sup>nd</sup> February 2017. In addition, and in response to a Member's enquiry regarding the continued pressures upon the Children's Services directorate budget, Members noted that actions were ongoing in order to monitor and look to address such matters.

#### **RESOLVED –**

- (a) That the projected financial position of the authority, as detailed within the submitted report, be noted;
- (b) That a budget virement of £906.8k from Civic Enterprise Leeds to Environment and Housing as outlined within paragraph 3.1.6 of the submitted report, be approved;
- (c) That the additional funding allocations for Leeds following the Spring Budget be noted, and that it also be noted that spending proposals will be brought forward in due course.

**DATE OF PUBLICATION:** FRIDAY, 24<sup>TH</sup> MARCH 2017

**LAST DATE FOR CALL IN  
OF ELIGIBLE DECISIONS:** 5.00 P.M. ON FRIDAY, 31<sup>ST</sup> MARCH 2017