

**Report of Director of City Development**

**Report to Executive Board**

**Date: 14<sup>th</sup> February 2014**

**Subject: Leeds Core Strategy – Inspector`s Main Modifications**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): District-wide	<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 checked="" type="checkbox"/> Yes	<input 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 Council's Publication Draft Core Strategy was agreed by Executive Board on 10<sup>th</sup> February 2012, submitted for public examination in April 2013, with Hearing sessions taking place in July/October 2013. The Core Strategy has been specifically identified within the Best Council Plan as a key action; delivering on the best council objective to promote sustainable and inclusive economic growth. The Core Strategy therefore provides an overall framework for the scale and location of housing and economic growth until 2028.
2. Following the October Hearings, the Inspector has now issued a schedule of 'Main Modifications' to the plan, which he considers necessary in order to make the plan sound. These will need to be advertised for a 6 week period of consultation, subject to Executive Board's Consideration.
3. The purpose of this interim report is to inform Executive Board of the overall content of the Modifications and to highlight the key issues and next steps. A further report will be prepared for the March Executive Board, setting out the implications for the Council and seeking formal approval to publish the modifications for consultation.

## **Recommendations**

4. Executive Board is requested to note the contents of this report.

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

- 1.1 To update members on progress on the Core Strategy, in particular recent correspondence from the Core Strategy Inspector and to consider the next steps.

## **2 Background information**

- 2.1 The Core Strategy is one of the key policy documents of the Council in giving spatial expression to many of the “Best Council” ambitions. It seeks to establish the scale of new housing that we should plan for and to guide its location. In doing so, the plan is concerned to protect the separate character and identity of the many and varied communities across the district and to ensure that we deliver the right mix and quality of development supported by appropriate facilities. The Core Strategy is designed to ensure that new development reflects a range of Council objectives including the need for more jobs, and the “Child Friendly” and health agendas.
- 2.2 The scale of growth envisaged in the Core Strategy is ambitious and unprecedented. In this respect it supports the role of Leeds at the heart of the Leeds City Region, including reflecting the importance of Leeds City Centre. The approach is entirely consistent with the City Region ambitions set out in the emerging Strategic Economic Plan.
- 2.3 The Council published its draft (Publication) plan in February 2012. Following consideration of representations received on the draft, pre-submission changes were published in December 2012 and the plan was then submitted to the Secretary of State in April 2013, for independent examination. An inspector, Mr Anthony Thickett was appointed to undertake the examination of the plan. This commenced with a hearing in July to consider whether the Council had fulfilled the duty-to-co-operate. The Inspector confirmed that he was satisfied that the Council had met the legal requirements and the plan could therefore proceed to examination to test its soundness. The examination Hearings subsequently took place in October 2013.

## **3 Main Issues**

- 3.1 As promised the Core Strategy inspector has written to the Council (Appendix 1) to clarify outstanding issues. The key points are:
  - that he will deal with the outstanding issues of affordable housing and Gypsy and Traveller policy at further hearing sessions in May;
  - the Council therefore needs to advertise its policies to enable consultation to take place in advance of the hearings. (the affordable policy has already been approved by Exec Board and the revised position on Gypsy & Travellers will go in March); and
  - he has provided a schedule of Main Modifications (Appendix 1) that address changes arising from the debate to date which he considers necessary to make the plan sound. The Council is expected to advertise the Main Modifications (for a 6 week period) to allow representations to be made.

- 3.2 The inspector has now issued a revised schedule of Main Modifications (following the clarification of a number of points), which has been appended to this report for information (and has also been put on the Council's web site at the request of the Inspector). These Main Modifications have been made by the inspector, following his consideration of the evidence and arguments before him and he considers necessary in order to make the plan "sound". It should be noted that the issue of the 'soundness' of the plan is a matter solely for the inspector (subject to challenge only on grounds such as irrationality).
- 3.3 There are many aspects of the inspector's correspondence that are welcome and very positive in that he leaves many of the key components of the plan unchanged. He accepts:
- The overall Spatial Vision and Objectives (including urban regeneration, the promotion of a diverse and enterprising economy and the commitment to 'place making');
  - the 70,000 net dwelling target;
  - the plan period (2012 – 2028);
  - the housing distribution figures for each Housing Market Characteristic Area (HMCA), including the numbers in the City Centre;
  - the concentration of new development around the settlement hierarchy;
  - the 'centres' based approach to retail development;
  - the 'windfall allowance' of 500 dwellings p.a. on small and unidentified sites;
  - the previously developed land (PDL)/greenfield split, including a 65% PDL /35% greenfield split for the first 5 years;
  - the concept of phasing allocations; and .
- 3.4 Acceptance of these broad aspects of the plan means that the Council can continue to press ahead with the Site Allocations plan, for publication later in the year.
- 3.5 However, there is one change that the inspector requires that is of potential significance to the Council. This is that he does not accept a 'stepping-up' of the housing requirement (set out within Spatial Policy 6 – The Housing Requirement and the Allocation of Housing Land). The Core Strategy proposed a requirement of 3,660 dwellings p.a. for 2012/13-2016/17 and 4,700 p.a. from 2017/18. The inspector's change means that the Council now has a single average rate throughout the plan period of 4,375 p.a. In relation to this Modification, the Council is currently assessing the implications and has sought urgent legal advice.

## **4. Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 The Core Strategy is at an advanced stage and has therefore been subject to several phases of consultation and engagement since 2006. This includes early engagement work in 2006, 'Issues & Alternative Options' consultation 2007, 'Preferred Approach' Consultation 2009, Publication Draft Consultation in 2012, 'Pre Submission' Consultation in 2013 and public examination (following submission in April 2013). These stages of consultation have been undertaken consistent with the

Local Development Framework Regulations and the statutory requirements under the Duty to Cooperate.

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

- 4.2.1 As outlined in previous reports to Executive Board on the Core Strategy, due regard has been given to Equality, Diversity, Cohesion and Integration issues in the formulation of the Core Strategy. This has included meeting the requirements of the Strategic Environmental Assessment Directive, which has meant that the Core Strategy has been subject to the preparation of a Sustainability Appraisal (and an Addendum to the Sustainability Appraisal based upon a review of the pre-submission changes). The purpose of this Appraisal is to assess (and where appropriate strengthen) the document's policies, in relation to a series of social, environmental and economic objectives. As part of this process, issues of Equality, Diversity, Cohesion and Integration, are embedded as part of the Appraisal's objectives. In complementing the preparation of the Sustainability Appraisal, a Health Impact Assessment exercise, has also been undertaken in the preparation of the emerging document, the conclusions of which have also been embedded within the document.
- 4.2.2 Given this approach, considerations of equality of opportunity and good relations have been integrated into the formulation of the Core Strategy and an assessment of the impact of the policies on the advancement of equality and good relations has been carried out. This is evidenced in the completion of a comprehensive Equality Impact Assessment Screening document (previously reported to Executive Board November 2012), prior to submission in April 2013.

## **4.3 Council policies and City Priorities**

- 4.3.1 As highlighted in this report, the Core Strategy, plays a key strategic role in taking forward the spatial and land use elements of the Vision for Leeds and the aspiration to the 'the best city in the UK'. Related to this overarching approach and in addressing a range of social, environmental and economic objectives, where relevant the Core Strategy also seeks to support and advance the implementation of a range of other key City Council and wider partnership documents. These include the Best Council Plan (2013-17) and Leeds Joint Health and Wellbeing Strategy (2013-2015).
- 4.3.2 In reflecting the requirements of national legislation, prior to submission (and as part of the City Council's Hearing Statements), a number of changes to the Core Strategy text were proposed to reflect the 'duty to cooperate' (Localism Act 2011) and the duty of local authorities to improve public health (Health & Social Care Act 2012). The inclusion of reference to these duties, not only clarifies and strengthens the wording of the Core Strategy text, as part of the overall strategic approach but also helps to support City Council commitments as part of the Leeds City Region / Local Enterprise Partnership (LEP) and priorities associated with the Leeds Health and Well Being Strategy.

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

- 4.4.1 The preparation of statutory Development Plan Documents is an essential but a very resource intensive process. This is due to the time and cost of document preparation (relating to public consultation and engagement), the preparation and monitoring of an extensive evidence base, legal advice and Independent Examination. These challenges are compounded currently by the financial constraints upon the public sector and resourcing levels, concurrent with new technical and planning policy pressures arising from new legislation (including the Community Infrastructure Levy and Localism Act). There are considerable demands therefore in taking forward the Core Strategy and related work, including the preparation of the Site Allocations plan, which is due to quickly follow on.

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

- 4.5.1 This report is to note for information but it is not Exempt from Call In. However, as set out in the report a further report will be prepared for 5 March Executive Board considering the implications of the Main Modifications in more detail.

#### **4.6 Risk Management**

- 4.6.1 As emphasised in this report, there is considerable urgency to take the Core Strategy forward. This is needed to provide clarity for investment decisions, to take forward the Council's strategic priorities and to provide an up to date planning framework for the emerging Site Allocations document and Neighbourhood Plans.
- 4.6.2 The preparation of the Core Strategy document has been a complex process. Given the range of issues covered, the City Council will need to continue to take appropriate advice, in order to respond to issues which may arise and in order to keep the momentum behind the process.

### **5 Conclusion**

- 5.1 As outlined in this report, following the submission of the Core Strategy for examination, the inspector has now issued a schedule of Main Modifications. These are Modifications which the inspector considers to be necessary in order to make the plan sound.
- 5.2 Overall, the inspector's correspondence is very positive in endorsing the overall strategy and policy approach of the plan, which in turn help support and deliver key corporate objectives. However, as set out in para.3.5 above, the inspector has not accepted a 'stepping up' of the housing requirement. The implications of this are currently being assessed, with a view to preparing a further report to Executive Board in March. It is proposed to seek authority to publish the modifications for the 6 week consultation period at the March Executive Board once the changes have been more fully considered.

### **6 Recommendations**

6.1 Executive Board is requested to note the contents of this report

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

7.1 None

**7 Appendices**

8.1 Inspector's Covering Letters (dated 31<sup>st</sup> January and 4<sup>th</sup> February)

8.2 Schedule of Main Modifications

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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.