

Report of Head of City Development

Report to Development Plan Panel

Date: 17th June 2014

Subject: SHLAA Update 2014

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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This update of the Strategic Housing Land Availability Assessment (SHLAA) has utilised a methodology to place greater emphasis upon the need for evidence to inform expectations about site dwelling deliveries.
2. Greater optimism has fed through into the delivery conclusions of this update based on the upturn in the economy and increasing strength of the housing market.
3. The results are set out in two reports, the Main Report and the Full Report provided as appendices 1 and 2.

Recommendations

4. Development Plan Panel is asked to endorse the publication of the SHLAA Update 2014 reports as detailed in paragraphs 3.10 and 3.11

1 Purpose of this report

- 1.1 This report summarises the 2014 Update of the Strategic Housing Land Availability Assessment (SHLAA) and seeks endorsement of Development Plan Panel to publish the Main Report and the Full Report as set out in Appendices 1 and 2.

2 Background information

Requirement to prepare a SHLAA

- 2.1 Preparation of a SHLAA and regular updates is a requirement of the National Planning Policy Framework (NPPF). The SHLAA provides essential evidence to inform the local plan making process. It should be noted that SHLAAs only identify potential land; it is the role of local plans to decide which land is actually made available for development.
- 2.2 It is considered that this SHLAA Update accords with both the NPPF and the latest NPPG.

Base Date

- 2.3 The previous SHLAA – the 2012 SHLAA Update – works to a base date of 1/4/2012. This Update was originally intended to work to a base date of 1/4/2013, but due to production timescales the base date of 1/4/2014 has been used.

SHLAA Partnership

- 2.4 In accordance with national guidance, this SHLAA Update was prepared with involvement of a Partnership of people representing different interests in the Leeds housing market. Compared with previous updates, this SHLAA Partnership had a broader membership involving the following:

Volume house builders	4
Urban developer	1
Re'new	1
Civic Trust	1
Homes and Communities Agency	1
City Councillors (including Chair)	4
CPRE	1
Leeds Property Forum	1
LCC supporting officers	7

Project Methodology

- 2.5 Consensus on the methodology was sought early on with members of the SHLAA Partnership being sent a draft methodology in the summer 2013. The methodology was subsequently agreed at the first meeting in December 2013. Further details are set out in the SHLAA Reports (Appendices 1 and 2).

3 Main issues

- 3.1 The main purpose of a SHLAA is to collate a list of sites that could potentially be used for new housing development. Leeds' SHLAA contains an array of different types and sizes of site in all parts of Leeds, mainly akin to the pattern of delivery experienced in the past. Whilst this also includes many Green Belt sites and similar land in sensitive locations, it should be emphasised that decisions on whether such land should be used for housing are *not* taken by the SHLAA; these decisions are taken by the Allocation Plans which are subject to Member approval, public consultation and independent examination.
- 3.2 The main change in the approach to this update of the SHLAA was the greater depth and robustness of the evidence to justify conclusions on likely site delivery. In this SHLAA Update, Leeds has not simply accepted at face value the comments of the house builder representatives that brownfield urban sites will not deliver; the house builder representatives have been challenged to provide evidence to support such comments. At the same time, LCC officers have endeavoured to assess the likely "achievability" of development with evidence of planning application interest, regeneration programme interest and consideration of measures taken to prepare a site for development (clearance, demolition, marketing etc). The City Council has also had regard to evidence of market conditions (and the improving market) and research / discussion with representatives of the house building and letting markets in Leeds.

Achievability and Viability of Sites

- 3.3 Members will be aware that the Core Strategy housing requirement is set at an optimistic and challenging level and that its derivation precluded consideration of achievability factors, such the state of the economy. The Council's approach to the SHLAA has been that a similar level of optimism is necessary. In a recovering housing market it is important to ensure that a broad range of sites is brought forward; including those in low market areas, more difficult brownfield sites and the city centre, which have been hit hardest by the recession.
- 3.4 The Leeds economy is growing as the recovery gathers pace. We have already seen the replacement of 15,000 (out of 30,000) jobs lost during the recession during 2010 to 2012 and there is nothing to suggest that this growth will not continue. The major development schemes of Trinity Leeds, the First Direct Arena and Victoria Gate demonstrate confidence and momentum in the City Centre.
- 3.5 The Leeds economy is forecast to perform strongly in GVA terms over the next five years. Information from the Leeds City Region reveals that Leeds will be one of the strongest economies in the region as the recovery becomes established.
- 3.6 House builders on the SHLAA partnership were much more cautious about the prospects of economic growth and its effect on the achievability of sites within Leeds, especially those in the city centre and inner area.
- 3.7 As part of the Core Strategy and Community Infrastructure Levy Examinations the Council has strategic evidence to suggest that all parts of Leeds are now viable

for residential development. When initially assessed in September 2012 it was considered that the city centre and inner area were generally not viable. An update in May 2014 reveals that this position has been reversed.

- 3.8 As part of the SHLAA more detailed viability assessments were sought on a range of 15 specific sites in the inner area and city centre. This revealed that the city centre sites assessed were viable. 3 inner area sites were considered to be unviable because of abnormal costs and/or low market values. However, members will be aware of a range of interventions being rolled out in the inner area (including a Housing Investment Land Strategy and Council House Building programme) which will not only directly provide new homes, but also act as a catalyst for developers. A further site in the inner area was considered to be unviable for housing as it was in a current productive use. Given that the situation on viability has changed significantly in the space of 18 months there is every reason to assume that viability will continue to improve in these areas.

Results

- 3.9 The SHLAA now contains 1071 sites; 170 new sites were added and a number of sites that were in the previous version of the SHLAA dropped out because they had been completed prior to the base date of 31/3/14. The conclusions of the SHLAA Update 2014 are proposed to be set out in two reports that will be made available on-line.
- 3.10 The Main Report explains the methodology undertaken to produce the update; it sets out the overall numbers of dwellings expected to be delivered in different time periods; it provides a list of all the sites assessed with brief details of suitability for housing development and numbers of dwellings expected to be delivered over the short, medium and long periods; the dwelling delivery forecasts of the Home Builder Federation representative of the SHLAA Partnership are shown separately. This report also provides maps of Leeds indicating the location of sites by SHLAA reference number.
- 3.11 The Full Report sets out the background details for all of the sites assessed. This includes a written description of the site plus OS Map and aerial view. It assembles an array of site attributes, and where available, details of who submitted the site and any relevant planning permissions; it also lists and summarises known site constraints. Finally, it sets out the conclusions reached on dwelling delivery, suitability, availability, achievability and delivery prospects. Because of the large number of sites involved, the report runs to several thousand pages in length. For this reason, the report appended only includes the details of one site as an example; the complete report is only available electronically. Compact discs are provided for Members and the report will be made available on the Leeds Website.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Evidence reports such as the SHLAA are not subject to the need for public consultation like development plans. Evidence reports are informed largely by

factual investigation and may have limited involvement of particular specialist interests. In the case of the SHLAA, it has been prepared with involvement of the SHLAA Partnership of local housing interests (as recommended by national planning guidance). LCC's website also contains help and advice for anybody who would like to submit a site for inclusion in a SHLAA update.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An EIA has been completed and is attached as an appendix 3. It is not considered that the publication of the SHLAA Update raises any issues about equality.

4.3 Council policies and City Priorities

4.3.1 Keeping the SHLAA up-to-date accords with objectives of Leeds City Priority Plan 2011-15 and Vision for Leeds 2011 – 2030.

4.3.2 **Leeds City Priority Plan 2011-15.** Under the section "Best City for Business" there is an objective: Support the sustainable growth of the Leeds' economy: Hectares of brownfield land under redevelopment. Under the section "Best City to Live" there are objectives: Maximise regeneration investment to increase housing choice and affordability within sustainable neighbourhoods: Increase the number of new homes built per year.

4.3.3 **Vison for Leeds 2011 – 2030.** This sets the aim that by 2030 Leeds' economy will be prosperous and sustainable: Leeds will be a city that has sufficient housing, including affordable housing, that meets the need of the community. Under the section "Best City to Live" it has objectives that the housing growth of the city is sustainable; and, houses to rent and buy will meet the needs of people at different stages of their lives.

4.4 Resources and value for money

4.4.1 The exercise of preparing the SHLAA Update 2014 has been achieved within the City Council's budget for the Local Development Framework.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Preparation and upkeep of a SHLAA is a requirement of national government planning policy.

4.6 Risk Management

4.6.1 The evidence of the SHLAA is likely to be subject to challenge from the development industry seeking to overturn decisions to refuse planning permission for housing development at appeal, and objecting to development plan policies and proposals concerning the quantity and distribution of housing in Leeds. It will be prudent for the SHLAA to be updated approximately every 6 months in order keep the evidence as up-to-date as possible.

5 Conclusions

- 5.1 The two appended reports set out how the SHLAA Update 2014 was undertaken and provide overall results and individual conclusions for each site.

6 Recommendations

- 6.1 Development Plan Panel is asked to endorse the publication of the SHLAA Update 2014 reports as detailed in paragraphs 3.10 and 3.11

7 Background documents¹

- 7.1 None

¹ 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.