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**Report of the Chief Planning Officer**

**Report to Development Plan Panel**

**Date: 19<sup>th</sup> January 2016**

**Subject: Strategic Housing Land Availability Assessment Update 2015**

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

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**Summary of main issues**

1. This update of the Strategic Housing Land Availability Assessment (SHLAA) has utilised the Council's previous methodology to suggest that a considerable stock of deliverable land supply exists in Leeds.
2. The recent Secretary of State decision and High Court judgement supports the Council's approach to conclusions which are based on the upturn in the economy and increasing strength of the housing market.
3. The SHLAA Update 2015 has been sent to house builders for comment rather than via meetings of a SHLAA partnership for reasons of speed and efficiency.

**Recommendation**

4. Development Plan Panel is recommended to note the contents of this report and provide any comments on the SHLAA material.

## **1. Purpose of this Report**

- 1.1. To update Development Plan Panel on the progress of the SHLAA 2015 Update.

## **2. Background Information**

### Purpose of a SHLAA

- 2.1. Preparation of a SHLAA (with annual updates) is a requirement of the National Planning Policy Framework (NPPF). A SHLAA is a technical study to inform planning policy development and implementation. It is not the purpose of the SHLAA to allocate land for development; this is undertaken through the preparation of a Development Plan. A SHLAA also sets out whether there is a deliverable supply of housing land for five year's worth of housing, known as the 5 Year Supply (5YS).
- 2.2. The previous Leeds SHLAA – the 2014 SHLAA Update – worked to a base date of 01/04/2014. This SHLAA Update works to a base date of 01/04/2015 but with a reflection of new sites up until 30/09/15.

### SHLAA Partnership

- 2.3. Preparation of a SHLAA for Leeds commenced in 2008 with the setting up of a partnership of external housing interests, agreement of a methodology and assessment of over 700 sites. The exercise completed in 2009 and the final reports were published early 2010. The SHLAA has then been updated on three further occasions (2011, 2012 and 2014) to adjust the delivery prospects of sites against updated information and to consider new sites. One of the most important aspects of these updates has been to capture the influence of a recovering housing market on the prospects for housing delivery.
- 2.4. In these previous years the Council has pulled together a SHLAA partnership to steer and oversee the technical work on individual sites. The partnership has comprised officers, members, the HBF, housebuilders, interested parties and statutory agencies such as the HCA.
- 2.5. The process of reviewing the SHLAA has involved establishing a SHLAA methodology and then applying it via a series of workshop meetings and exchange of opinions on sites. The 2012 SHLAA comprised 1,013 sites with potential to deliver over 170,000 dwellings up to 2035/36. The 2014 SHLAA comprised 1,385 sites with potential to deliver 161,292 dwellings. Both SHLAA processes looked in detail at individual sites and a range of views from SHLAA partnership members was considered.
- 2.6. At the end of the 2012 SHLAA process there was initial consensus, however house builder representatives repudiated the final SHLAA report six months after the final meeting. Similarly, after the 2014 SHLAA process, where a methodology was agreed between parties, the Council, the HBF and volume house builders did not reach consensus on the deliverability of a large number of specific sites. This was for two main reasons:

- volume house builder members of the partnership had different views as to the achievability of sites and counted the recent recession as an impediment to the delivery of many sites in the city centre, the fringe and the inner area. The Council took a different view supported by the spatial strategy of the Core Strategy, developer interest in sites, viability work pointing to broad viability across the District as well as on specific sites in these areas and the activities of the Council to stimulate delivery in regeneration areas.
- volume house builder members had different views as to the delivery rates of sites and stated that these should be on average 30 dwellings per annum because recessionary influences were suppressing sales rates. The Council took a different view that 50 dwellings on average per annum was appropriate with higher build out in the city centre apartment schemes. This was supported by the scale of the housing need which had recently been agreed at the Core Strategy Examination, monitoring of build out rates and the mix of house types sought on sites.

2.7. The SHLAA 2014 partnership contained elected member representatives of Development Plan Panel (Cllr Peter Gruen, Cllr John Procter and Cllr Colin Campbell) and was chaired by the then Chair of the Panel Cllr Neil Taggart. Members scrutinised both the approach of the house builders representatives to build out rates, expected profit levels, commencement activity, number of outlets they would manage at any one time and their evidence leading to the discounting of a considerable level of the Leeds housing land supply especially in the inner area and city centre where volume house builders were not especially active.

2.8. However, these factors remained irreconcilable differences and, largely because of focussed debates around these issues, work on the SHLAA was delayed and in total took 6 months between the first meeting and the preparation of a draft report. The final report for the 2014 Update contained two SHLAA conclusions: one supported by the Council and one put forward by the house builders as shown in the table below. As in the previous update the house builders subsequently contacted the Council to express concerns about the process and the methodology.

	<b>LCC Conclusion</b>	<b>HBF Conclusion</b>
Short (2014/15 to 18/19)	23,473	5,994
Medium (2019/20 to 23/24)	22,665	3,139
Long (2024/25 +)	11,952	7,154
<b>Total</b>	<b>58,090</b>	<b>16,287</b>

#### Housing Land Supply Appeals

2.9. Whilst the SHLAA partnership has been meeting over the past three years there have been concurrent S78 planning appeals concerning the refusal of permission for housing proposals on safeguarded land. In these cases (land at Grove Road in 2014 and land off Bagley Lane in 2014) the SHLAA was fundamental to the Council's case, demonstrating a 5YS. These cases, and

forthcoming appeals, remain unresolved and the SHLAA 2015 Update is important to them.

*Bagley Lane, Calverley (inquiry November 2014)*

- Secretary of State determined that appeal be dismissed in March 2015 and endorsed the Council's approach to the SHLAA and Five Year Supply
- case heard in the High Court in October 2015
- although the decision of the Secretary of State was quashed by the High Court the grounds of challenge concerning the Inspector's Report and relating to the Council's methodology re: SHLAA and the 5YS were all dismissed by the court
- Secretary of State has invited further evidence from all parties on up to date position before releasing a revised determination, including the latest SHLAA position

*Grove Road, Boston Spa (inquiry May 2015)*

- Secretary of State recovered appeal delayed several times
- further evidence requested by Secretary of State on housing delivery and land supply before release of a decision

*Land off Bradford Road, East Ardsley (inquiry February 2016)*

- Secretary of State recovered appeal for 370 homes on safeguarded land

*Land at Leeds Road, Collingham & Land at Breary Lane East, Leeds (inquiry April 2016)*

- conjoined Secretary of State recovered appeal for 150 and 380 homes respectively on safeguarded land and Phase 3 SAP allocated land

*Land at Sandgate Drive, Kippax (inquiry July 2016 tbc)*

- appeal for 156 homes on safeguarded land

### **3. Main Issues**

- 3.1. The Bagley Lane Inspector's Report and the subsequent decisions of the Secretary of State and High Court Judge provide the Council with independent endorsement of the approach used by the Council for the SHLAA Update 2014. This includes:
  - a realistic approach to deliverability which is based on the spatial strategy of the Adopted Core Strategy
  - increased confidence in the housing market as the economy improves
  - quick commencement of development and good build out rates to meet local needs for homes once permission has been granted
  - recognition that the volume house building industry is not the main deliverer of housing in the city centre and inner area
- 3.2. The High Court decision in November alongside progression of the Site Allocations plans to Publication Draft enabled a SHLAA update to be progressed by officers using the already agreed SHLAA 2014 Update methodology. This means that protracted negotiation with house builders, which in officers' views would have resulted in an impasse similar to previous years, has been avoided.

- 3.3. The SHLAA 2015 Update is now at draft stage and given deadlines for the forthcoming S78 appeals, detailed above, has been released to the house building industry for comment. Along with the volume house builders a range of smaller operators and those who operate at lower profit margins have also been consulted to gain a rounded view of deliverability of sites.

#### SHLAA 2015 Process

- 3.4. The previous SHLAA 2014 has been aligned with the Site Allocations Plan. New sites received through the SAP and AVLAAP consultation process have been assessed as well as new sites from planning permissions since the last SHLAA 2014 Update. The new sites (over and above SHLAA 2014) comprise: 52 sites with full permission, 34 sites with outline permission and 14 sites submitted to the SAP and AVLAAP process which are suitable. A list of new sites arising which have not been reported to Members via Site Allocations Plan meetings are attached as **Appendix 1**. There may be more sites to assess through the SHLAA as a result of responses to the Publication Draft SAP and AVLAAP. These and other outstanding matters which may affect the housing numbers will be reconciled and presented to members in due course as part of subsequent update to the SAP and AVLAAP.
- 3.5. The SHLAA contains a number of sites which are safeguarded under saved Policy N34 of the UDP, Green Belt or are subject of flood risk. In light of the Publication SAP and AVLAAP proposals some such sites are proposed to be released for housing during the current plan period. These are shown as available, are set to start in accordance with the SAP approach to phasing, but are flagged as LDF to determine as the SHLAA cannot take the decision that they are suitable. This is for the plan making process to decide in accordance with provisions in the NPPF, including making amendments to the Green Belt boundary and carrying out Strategic Flood Risk assessment.

#### Draft Conclusions

- 3.6. A schedule of SHLAA sites for the plan period is attached as **Appendix 2**. This sets out a summary of sites by HMCA and short, medium and long term. The final SHLAA conclusions for each period are as follows:

	<b>LCC Draft Conclusion</b>
Short (2015/16 to 2019/20)	34,179
Medium (2020/21 to 2024/25)	18,277
Long (2025/26+)	5,758
<b>Total</b>	<b>58,214</b>

- 3.7. The next step is to prepare a 5YS based on the deliverable short term quantum of housing land. The previous 5YS (2014 to 2019) worked on the basis of a SHLAA contribution of 23,741 homes. The increased contribution from the SHLAA for 2015 to 2020 is as a result of contributions from new sites, renewed confidence in significant city centre sites coming forward and a significant number of sites gaining planning permission.

## **4. Consultation and Engagement**

- 4.1. Evidence reports such as the SHLAA are not subject to the need for public consultation. 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 by officers from across City Development as a draft for consultation with partnership members including the house builders. The Council's website contains advice for anybody wishing to submit a site for inclusion in a SHLAA update although these have mainly been via the Site Allocations Plans process, which has been subject of extensive consultation and engagement.

## **5. Equality and Diversity / Cohesion and Integration**

- 5.1. It is considered that the publication of the SHLAA Update raises no issues about equality.

## **6. Council Policies and City Priorities**

- 6.1. Keeping the SHLAA up-to-date helps implement the Development Plan i.e. the Core Strategy and emerging SAP and AVLAAP. The Development Plan 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, these Plans seek to implement key City Council priorities. These include the Best Council Plan (2013-17) (in particular Objective 2: to 'promote sustainable and inclusive economic growth'). The SHLAA also supports the delivery of breakthrough projects on the delivery of housing.

## **7. Resources and value for money**

- 7.1. The in-house technical exercise of preparing the SHLAA Update 2015 has been achieved within the City Council's budget for the Local Development Framework.

## **8. Legal Implications, Access to Information and Call In**

- 8.1. Preparation and upkeep of a SHLAA is a requirement of national government planning policy and informs consideration of planning applications. The report is not eligible for call in as no decision is being taken.

## **9. Risk Management**

- 9.1. The evidence of the SHLAA has in the past been 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. These issues will be played out in particular at the Examination into the Site Allocations Plan and Aire Valley Leeds Area Action Plan.

## **10. Conclusion**

- 10.1. The report sets out how the Draft SHLAA Update 2015 has been undertaken and provides overall results. Once house builders views and any views of

Members have been taken into account the SHLAA will be finalised and a 5YS position drawn up. This will be reported back to Members at a future meeting.

## **11. Recommendation**

- 11.1. Development Plan Panel is recommended to note the contents of this report. Individual responses from Members on the material presented will be welcomed prior to the end of January 2016 to tie in to the timetable provided to the housebuilders.

**Appendix 1 – List of new sites from planning permissions and prior approvals which are not currently included as identified sites in the Site Allocations Plans**

**New sites from planning permissions not in SAP:**

SHLAA Ref	Planning Ref	Location	Capacity	HMCA
5226	14/04062/OT	Land South Of By Pass, Hough End Lane, Bramley, Leeds, LS13 4ET	36	Outer South
5228	14/05928/FU	Land Along Park Wood Road, Beeston, Leeds, LS11	18	Outer South
5227	14/07043/FU	80 Cardigan Road, Headingley, Leeds, LS6 3BJ	16	Outer South
5229	15/01343/FU	88 North Street, Sheepscar, Leeds, LS2 7PN	11	City Centre
5223	15/02430/FU	Boyd's Mill, 177 East Street, Leeds, LS9 8EQ	10	Inner Area
5201	14/06062/FU	Cavalier Inn, 10 Ellerby Road	6	Inner Area
5202	14/05882/FU	Former Railway Public House, Moor Knoll Lane, East Ardsley	14	Outer South West
5209	15/00877/FU	Broadlea Street, Leeds, LS13 2SD	24	Outer West
5203	15/01388/OT	The Swinnow, Swinnow Lane, Swinnow, Leeds, LS13 4QX	14	Outer West
5204	14/04306/OT	3 Crowther Avenue, Calverley, Pudsey, LS28 5SA	5	Outer West
5205	14/05794/RM	Victoria Road, Headingley, Leeds, LS6	24	Inner Area
5206	15/00465/FU	Hartisca House Nursing Home, Hartwell Road, Hyde Park	8	Inner Area
5207	15/00089/FU	22 Shire Oak Road, Headingley, Leeds, LS6 2DE	9	North Leeds
5199	14/07273/FU	Burley House, 12 Clarendon Road, Woodhouse, Leeds, LS2 9NF	25	City Centre
5200	15/01546/FU	61-67 St Pauls Street, Leeds, LS1 2TE	6	City Centre
5208	15/00771/FU	Ledston Hall, Hall Lane, Ledston, Leeds, WF10 2BB	10	Outer South East
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**New sites from prior approvals not in SAP:**

SHLAA Ref	Planning Ref	Location	Capacity	HMCA
5224	15/04150/DPD	Aspect Court, 47 Park Square East, Leeds, LS1 2NL	29	Outer South
5225	15/03821/DPD	25 Wellington Street, Leeds, LS1 4DL	20	City Centre
5230	13/05031/DPD	143-5 THE HEADROW LS1	9	City Centre
5231	13/03401/DPD	109 - 113 The Headrow	22	City Centre
5232	14/02351/DPD	Rivers House, 21 Park Square South	63	City Centre
5233	14/03303/DPD	Brunswick Point, Wade Lane	84	City Centre
5234	14/04117/DPD	25 Queen Street	71	City Centre

5235	14/02167/DPD	117 The Headrow	27	City Centre
5236	14/05991/DPD	49 Upper Basinghall Street	6	City Centre
5237	14/00404/DPD	Freedom House, 111 Bradford Road, Tingley, WF3 1SD	5	Outer South West
5238	14/06029/DPD	Block 1, Whingate House, Whingate, Armley	15	Outer West
5239	14/06815/DPD	Victoria House, Longfield House, Buckingham House, 8 Victoria Road, Headingley	124	Inner Area
			<b>528</b>	