

Report of Director of City Development

Report to Development Plan Panel

Date: 5th September 2017

Subject: Core Strategy Selective Review

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 updates Development Plan Panel on progress made preparing the Core Strategy Selective Review including the headlines from the Strategic Housing Market Assessment (SHMA), feedback from the public consultation on the scope of the Review and initial ideas on the review of policies
2. In terms of the Objectively Assessed Need (OAN) for new housing in Leeds, the results of the SHMA indicate a need of 3,456 dwellings per annum or 55,296 over the 16 year plan period of 2017 – 33 using the Local Plan Advisory Group (LPEG) methodology. It suggests two credible scenarios of REM 2017 (3,478 dwellings per annum and 55,648 dwellings over the plan period) and High Growth (3,783 dwellings per annum and 60,528 dwellings over the plan period) using the National Planning Practice Guidance methodology.
3. Sixty nine responses were received to the Regulation 18 consultation on the Core Strategy Selective Review. Many community respondents agree with reviewing the housing requirement but not extending the plan to 2033; they consider a reduced housing requirement as an opportunity to reconsider the need for Green Belt and green field housing sites proposed in the Site Allocations Plan. The house building respondents consider the review of the housing requirement premature and stress that the assessment must have regard to the economic growth aspirations of Leeds and be robustly conducted. They are also concerned about the viability of housing development with changes to affordable housing requirements, onerous greenspace requirements and new requirements for dwellings to meet space and access

standards. Suggestions for additional areas of review include employment and retail needs up to 2033, and reviewing need for community infrastructure.

4. The Council is not yet at a position to put forward detailed policies on the housing requirement, affordable housing, greenspace, housing standards and sustainable construction. This will be presented to a later DPP meeting following viability appraisal, equality impact assessment and sustainability appraisal. Ideas on policy options are reviewed in the main issues section of the report for discussion, with the option of a workshop in October for Development Plan Panel Members to consider policy options.

Recommendations

5. Development Plan Panel is invited to note and comment on the contents of this report.

1 Purpose of this report

1.3 In the context of preparing the Core Strategy Selective Review, the purpose of this report is to update Development Plan Panel on the following:

- i The conclusions of the Strategic Housing Market Assessment
- ii Responses received to the Regulation 18 public consultation
- iii Ideas for the shape and scope of policies to be included in the Publication Draft
- iv Viability Testing

2 Background information

2.1 Following a report to Development Plan Panel in November 2016 Executive Board resolved to undertake a selective review of the Core Strategy in February 2017, It was agreed that the initial scope of the review would cover the following:

- i Update the housing requirement of Policy SP6
- ii Extend the plan period to 2033
- iii Update sustainable construction Policies EN1 and EN2 to reflect national advice
- iv Update affordable housing and greenspace policies H5 and G4
- v Incorporate Housing Standards

2.2 The timetable for preparation was set out as follows:

Core Strategy Review	Start	Finish
Exec Board Approval		Feb-17
Reg 18 formal consultation period	Feb-17	Apr-17
Considering public responses to Reg 18	Apr-17	May17
Drafting the Plan for Publication	Jun-17	Jul-17
Development Plan Panel Endorsement		Nov-17
Exec Board Approval		Dec-17
Formal consultation (6 weeks)	Dec-17	Jan-18
Consideration of responses	Jan-18	Mar-18
Submission	Summer 2018	
Examination	Autumn 2018	
Adoption	Winter 2018	

2.3 There was slippage in preparing the Sustainability Appraisal Scoping Report prior to undertaking the Reg 18 consultation which commenced 19th June and ran for 6 weeks until 31st July 2017. However, officers are continuing to work toward drafting amended policies for Development Plan Panel in November to consider in advance of consideration of a Publication Review Plan by Executive Board in December.

2.4 The remainder of this report sets out progress made so far and proposed policy ideas.

3 Main issues

3.1 Strategic Housing Market Assessment 2017

3.1.1 A Strategic Housing Market Assessment (SHMA) is an essential piece of evidence to support the Core Strategy Selective Review (CSSR); it is a requirement of national planning policy. It will also provide evidence to support some of the council's other services. The Council commissioned consultants Arc4 and Edge Analytics to undertake the SHMA in February and it was completed at the end of August. It provides evidence in three main areas: i) the objectively assessed housing need, ii) affordable housing need and iii) the needs of different groups and different geographical areas.

3.1.2 The SHMA was prepared by undertaking a household survey, stakeholder engagement and presentations to a reference group of various local housing interests. It was prepared in accordance with national planning practice guidance and had regard to latest case law and expert opinion including the experience of the consultants at public examinations for other local authorities.

Objectively Assessed Need (OAN)

3.1.3 The government has provided advice on assessing the Objectively Assessed Need (OAN) for local authority areas within the National Planning Practice Guidance. Government has also consulted on the recommendations of the Local Plans Expert Group which was tasked with developing a simpler and consistent methodology for calculating OAN. Following the Housing White Paper, the government has confirmed that it is finalising the details of the new methodology, and is expecting that Plans submitted after March 2018 will be required to use it.

3.1.4 Accordingly, the Council has asked that in undertaking the review of the SHMA for Leeds the consultants consider both the outcomes arising from using the LPEG methodology and from using the National Planning Practice Guidance

3.1.5 The LPEG approach produces a single need figure of 3,456 dwellings per annum or 55,296 over the 16 year plan period of 2017 - 33

3.1.6 The NPPG methodology for assessing the OAN for Leeds means starting with the Sub-National-Population-Projection (SNPP) and Sub-National-Household-Projection (SNHP) for Leeds and then taking account of any local migration factors and economic growth projections, as well as making adjustments for market signals and affordable housing uplifts. It is also advisable to consider the effect of applying the economic activity rates expected by the Office of Budget Responsibility and the optimistic expectation for headship rates to return to what they were before the economic downturn.

3.1.7 The NPPG methodology has a series of steps and matters for consideration which produced a number of scenarios. The scenarios which have the full range of adjustments, including economic growth, have greater credibility. The consultants worked up two economic scenarios in detail including all the expected adjustments: REM 2017 and High Growth. These produce the following housing need figures: REM 2017 (3,478 / 55,648) and High Growth (3,783 / 60,528).

- 3.1.8 As well as the revisions to the OAN, the Council will need to consider additional adjustments to set a new housing requirement. An estimate will need to be made to account for the number of dwellings that are likely to be lost, primarily through demolitions. In the current Core Strategy this amounts to a total of 4,000 dwellings over the Plan period. Looking forward, the figure is likely to be around 150 per annum based on current rates of demolition in Leeds. The Council will also need to consider whether the under-delivery of recent years should be factored into revised housing targets.
- 3.1.9 A comparison with the stages of setting the housing requirement in the original Core Strategy is set out in Appendix 1.

Affordable Housing Need

- 3.1.10 Using the nationally prescribed methodology in NPPG, the SHMA concludes a need of 1230 affordable dwellings per annum for Leeds. Income information from the household survey suggests that 67% of required affordable dwellings are needed to be provided at social rent levels and 33% are needed for intermediate tenures, such as shared equity purchase.
- 3.1.11 The SHMA calculated affordable needs for the four affordable housing zones which are identified in the existing policy of the Core Strategy (see Appendix 2). It suggests the annual dwelling need in the different zones is as follows: Outer North Zone 1: 120, Outer South Zone 2: 794, Inner Zone 3: 168, City Centre Zone 4: 148. Although the periods are not identical, officers have attempted to estimate what proportion of total supply these figures equate to by summing them for the extended plan period and then comparing them with the quantity of housing supply proposed in the Site Allocations Plan for the different zones. From this exercise, the affordable dwellings needed as a percentage of total SAP dwellings are as follows: Zone 1: 53%, Zone 2: 168%, Zone 3: 61%, Zone 4: 52%. These percentages represent overall need but will not be viable to deliver through the planning system alone (see sections on affordable housing policy options and viability appraisal below).
- 3.1.12 The results of the SHMA suggest a higher need for smaller size affordable properties than larger. Of the 1230 total it suggests 853 need to be 1 & 2 bed size, 238 3+ bed size and 139 designed for elderly occupation.

Housing Needs of Particular Groups

- 3.1.13 The SHMA contains a lot of information about types of housing needed by older people and the future housing preferences of older people including downsizing. The household survey provides hard evidence about the need for dwellings to be accessible. It suggests a minimum of 17.5% of new dwellings should be built to M4(2) building regulation accessible standards and 5% M4(3) building regulation wheelchair standards. The SHMA has also identified trends relating to the growth of private renting including preferences for different geographical areas and rental levels.
- 3.1.14 The SHMA household survey enabled aspirations and expectations of households in terms of the size and types of housing sought in different Housing Market

Characteristic Areas (HMCAs) to be compared with dwelling stock available in HMCAs. A complex mixed picture is presented, but overall there are apparent shortfalls in the relative supply of smaller dwellings. At the time of writing further summaries of each HMCA are awaited from the consultant.

3.2 Responses received on the Regulation 18 Consultation

3.2.1 A summary of the consultation process is provided in section 4 below.

3.2.2 The consultation process elicited a total of 69 responses from a range of people and organisations including statutory consultees, the housebuilding industry, chamber of commerce, other local authorities and community and neighbourhood plan groups / individuals.

3.2.3 In summary, the main issues raised about the proposed topics of review include the following (see Appendix 3 for a fuller summary):

- i Review of the housing requirement is supported by community groups and individuals, but not extension of the plan to 2033. A lower housing number is seen as reason to reconsider Green Belt and greenfield sites proposed in the Site Allocations Plan.
- ii Housebuilding representatives see the review of the housing requirement as premature, ahead of adoption of the Site Allocations Plan and changes to national planning guidance. They also stress the importance of considering the economic growth ambitions of Leeds and the City Region and undertaking a robust assessment in accordance with national guidance.
- iii On review of affordable housing and greenspace policy there are some concerns that policy requirements will be reduced or diluted. Housebuilding representatives welcome the review of greenspace policy which they feel is onerous and unviable and welcome the review of affordable housing as a means to introduce recent national policy changes.
- iv Regarding the proposed introduction of national housing standards there are some concerns from some housing developers that the standards will reduce delivery of housing with particular categories of development – student housing, PRS schemes – being adversely affected and deserving of exceptional treatment.
- v Regarding the review of Policies EN1 and EN2 concerning sustainable construction, there were a number of suggestions to expand the scope of policy change beyond the proposed simple adoption of national policy advice.

3.2.4 The main proposals for additional matters of review include the following (see Appendix 3 for a fuller summary):

- i Review the need for employment land up to 2033.
- ii Review strategic Green Belt

- iii Review green, social and community infrastructure to support communities where housing growth is proposed
- iv Review transport infrastructure and transport priorities
- v Review of housing site release policy H1 and housing mix policy H4.

3.2.5 The Council has not yet determined its response to these points, which will be included in future reports to DPP and Executive Board. It should also be noted that there will be opportunity for some matters (not in the scope of the current review) to be considered in subsequent reviews of the Core Strategy.

3.3 Ideas for the shape and scope of policies to be included in the Publication Draft

Objectively Assessed Need (OAN)

3.3.1 Review of Policy SP6 will require the housing requirement numbers to be replaced using evidence of the SHMA 2017, and subject to the finalisation of the government's preferred approach. There may be consequential amendments arising from this for related policy topics, including the criteria of Policy SP6 and the whole of Policy SP7.

Affordable Housing

3.3.2 On affordable housing the results of the SHMA provide evidence to maintain the broad approach, with an annual need for 1,230 affordable dwellings (similar to the current figure of 1,150) and different targets for the 4 affordable housing zones. Based on dwelling supply proposed in the Site Allocations Plan for the 4 affordable housing zones, significant need targets can be justified for each of the zones, but these will be subject to viability testing along with the other requirements – see section on Viability Testing below.

3.3.3 There is also SHMA evidence to maintain the current affordability split of 60% affordable housing for households on lower decile earnings (a proxy for social rented housing) and 40% for households on lower quartile earnings (a proxy for intermediate tenures). There may be scope to qualify what types of tenure are expected by this mix, but the broad approach is well established with developers and RPs and the council has only recently adopted new benchmarks which correspond to the split of household earnings in the policy.

3.3.4 In terms of policy advice on the mix of sizes and types of affordable housing the evidence of the SHMA 2017 has a weighting towards smaller dwellings, which is a reflection of the effects of recent housing benefit changes. However, it is considered that most areas will still require a balanced provision of dwelling sizes to meet long term needs.

3.3.5 It should also be noted that the Housing White Paper 2017 and other targeted consultations on, for example, Starter Homes and Private Rented Sector (or “Build to Rent”) schemes, collectively indicate significant changes will be required to

national policy, including the definition of affordable housing and ratios of different products as well as the overall minimum proportion of supply. If national policy changes the Core Strategy review policy would need to reflect this.

Greenspace

- 3.3.6 The current policy G4 seeks 80sqm of greenspace per dwelling proposed across much of the district. In practice there is some evidence that developers have found this a difficult requirement to meet whilst providing developments which make effective use of sites (especially smaller sites or those with constraints on developable areas). It is an area where officers have frequent discussions about individual site viability. As such, the overall intention of the policy review will be to achieve a revised Policy G4 that is clearer on its applicability in different circumstances and different contexts to the current policy and which can respond to variations of need including the ability to improve existing spaces and facilities as well as deliver new greenspaces as appropriate. As with other policy areas the strategic viability assessment should indicate whether in general terms and combined with other policy requirements the revised policy would cause difficulties for scheme viability.

Housing Standards

- 3.3.7 The council considers it has assembled evidence to demonstrate need for introducing the Nationally Described Space Standards (NDSS). Further work is necessary to consider the impact on viability and deliverability of housing, taking account of other policy requirements.
- 3.3.8 A policy would simply apply the national minimum size standards. However, choices will have to be made as to whether any areas of Leeds or types of housing should be exempt from the policy.
- 3.3.9 The SHMA 2017 has evidence of need for a proportion of dwellings on development sites to be designed to enhanced accessibility standard (building regulations category M4(2)) and a proportion to be of wheelchair accessibility standard (category M4(3)). This may be supplemented by other local or national evidence. A policy will need to set required minimum percentages and whether there are any exemptions for particular types of development.

Next Steps

- 3.3.10 This section only provides an indication of the types of issues that will need to be considered in drafting new policies. It is proposed that a workshop for Development Plan Panel Members be scheduled in October to examine policy options before officers formulate the Publication Draft plan for presentation to Development Plan Panel in November.

3.4 Viability Assessment

- 3.4.1 The council is in the process of commissioning a consultant to revise and update the strategic viability appraisal of the core strategy policies, taking into account the areas for policy review and the likely impacts of different policy options. This will

consider a range of hypothetical housing developments representing conditions in different localities of Leeds and look at whether the policy costs (affordable housing, greenspace, sustainable construction requirements, housing standard requirements) would be likely to result in developments generally being rendered unviable.

- 3.4.2 Different policy options will need to be tested so that the Council can understand the variety of policy permutations that will be viable. It will be strategic, testing cumulative impacts of policy across Leeds.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Preparation of development plan documents, including the selective review of the Core Strategy is subject to the provisions of the Town and Country Planning (Local Planning) Regulations which require a minimum level of public consultation as well as the Council's Statement of Community Involvement. The consultation on the scope of the review was carried out for 6 weeks from 19th June until 31st July 2017. It involved notifying statutory consultees, neighbouring local authorities and people / organisations who had commented on the original Core Strategy. A consultation statement set out the proposed scope of the selective review and invited representations on the topics proposed and on whether other parts of the Core Strategy should be reviewed and why. Details were provided on the Council website and in Libraries and One Stop Shops were notified.

- 4.1.2 In overseeing the preparation of the Strategic Housing Market Assessment (SHMA) by consultants, the Council has ensured that the process has been as open and inclusive as possible. Use of a household survey posted to nearly 28,000 households in Leeds enabled a more locally specific understanding of Leeds to be made, as opposed to use of secondary data. A reference group of people and organisations interested in housing issues was assembled and were given information and the opportunity to input into the proposed methodology (meeting of 27th February). A second reference group meeting (13th July) was taken through the interim findings of the SHMA. The consultants have also carried out consultation with stakeholders including an online survey for professional bodies, meetings with particular council services and two workshop sessions, one organised with Leeds Older Peoples Forum and one with a number of community representatives.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The council will need to consider any impacts that new planning policy is likely to have on equality, diversity, cohesion and integration. Before the publication draft of the selective review is approved for consultation its new policy proposals will need to be subject to Equality Impact Assessment.

4.3 Council policies and Best Council Plan

- 4.3.1 The Best Council Plan 2017-18 is relevant in terms of its priorities for Good Growth, Health & Wellbeing, Resilient Communities, Better Lives for People with Care &

Support Needs and Low Carbon. The quantity of homes that Leeds plans for will have ramifications for economic growth, but also meeting needs of a growing population. The CSSR will also have ability to improve the range and quality of dwellings delivered to ensure the needs of particular groups such as the elderly are met, and that health and wellbeing of residents is improved. Provision of new greenspace in association with new housing developments is also important

4.4 Resources and value for money

- 4.4.1 Preparation of the CSSR will be met from existing budgets.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 As this report is not recommending the taking of any decisions it will not be subject to call-in.

4.6 Risk Management

- 4.6.1 There is no risk associated with reviewing the housing requirement as part of a selective review in terms of the Site Allocations Plan. There is no statutory requirement (or power) for the Inspectors of the SAP to deal with the revised OAN when assessing whether the SAP is sound. This is because the statutory framework does not restrict the SAP from being adopted simply because the Core Strategy requirement may need updating. This reflects the integrity of the adopted Core Strategy.

5 Conclusions

- 5.1 The results of the SHMA and public consultation exercise provide useful evidence and guidance for consideration of the shape of policies to be set out in the publication draft of the core strategy selective review. Evidence for a new housing requirement provides a range with options ranging from a realistic to a more ambitious employment forecast. Viability testing will be critical to ensuring all the new policies are sound. There is potential for a workshop with Development Plan Panel Members in October to discuss policy options.

6 Recommendations

- 6.1 Development Plan Panel is invited to note and comment on the contents of this report.

APPENDIX 1: Contextual background information in support of progressing Leeds Core Strategy Selective Review 2017

1 Identifying and meeting housing needs

- 1.1 The UK Government has an ambitious programme of house building and aims to achieve over 1 million new homes by 2020. Some consider that the target is not ambitious enough, whilst others doubt whether even this number is achievable given the housing market that the UK has. The Government's focus has been on ensuring that LPAs identify and update a correct level of housing to meet its needs and that it engages in means to ensure its delivery.
- 1.2 Housing need shows itself in a variety of ways, such as increased levels of overcrowding, inability to afford a home, more young people living with their parents for longer periods, impaired labour mobility resulting in businesses finding it difficult to recruit and retain staff, and increased levels of homelessness.
- 1.3 There is general consensus around the long-term under-supply of housing and the need to address this, but there is less agreement about *how* best to achieve the necessary step-change in supply. There is no single solution but rather a range of solutions across a number of policy areas.
- 1.4 Planning is key to this, but for many years was seen as the problem to the housing crisis; with criticisms from Government that plan-making was slow and that Councils were not releasing enough land to ensure that they achieved their housing targets. To remedy these issues Councils were told to produce local plans by 2017 or face intervention and the Secretary of State has recovered and permitted a large number of housing appeals where local authorities are considered not to be able to demonstrate a five year housing land supply as set out in the NPPF.
- 1.5 In Leeds as in the rest of the country there has been a large gap between the number of planning permissions granted and the number of homes actually built. In Leeds for every home completed a further 7 homes have planning permission. Despite this the City Council has found its five year housing land supply questioned, largely on the basis that housing requirements have not been achieved and that for the large amounts of brownfield land in the Council's supply pool, there are risks that these sites will come forward quickly.
- 1.6 The Housing White Paper 2017 was entitled "*Fixing our broken housing market*" and was published in February 2017. It set out a comprehensive package of reform to increase housing supply and halt the decline in housing affordability.
- 1.7 The White Paper identified a threefold problem of 1) not enough local authorities planning for the homes they need; 2) housebuilding that is simply too slow; and 3) a construction industry that is too reliant on a small number of big players and a series of measures to address these.
- 1.8 The NPPF, introduced in 2012, signalled a break from the past with a requirement that local planning authorities identify full objectively assessed housing need (the

OAN). The NPPF requires that Local Plans translate the OAN into land provision targets; OAN in excess of targets should be met by neighbouring authorities. Given the nature of Leeds' neighbouring authorities (each operating to meet needs within their own main urban areas and limit impact on local environmental designations and green belts) this has not been considered as an option.

- 1.9 Like all parts of the plan, housing targets should be informed by robust and proportionate evidence otherwise they will not pass the tests of soundness that are set by the NPPF and plans will not be adopted¹.
- 1.10 The NPPF states that sub-national population (SNPP) and sub-national household projections (SNHP)) should be the starting point for an assessment of housing needs for the long term. These figures are projections rather than predictions – based on past trends and not examining the effect of future policies or other local circumstances. They are put together by combining assumptions about how much the population will grow and the size of households that people will live in.
- 1.11 The table below sets out the local plan housing numbers in Leeds since 1991. These have been influenced by: national and regional guidance as well as sub-national population projections and information about household size.

Table 1: Local Development Plan requirements since 1991

Plan	Plan Period	Homes per annum	Average Delivery	Evidence Base	National Guidance
Unitary Development Plan (2001)	1991-2006	1,900	2,508	1981 Census RPG (1996)	PPG3 RSS (2004)
Unitary Development Plan Review (2006)	2001-2004	1,930		1991 Census	
	2004-2008	2,260	3,192	SNPP 2004	PPG3 RSS (2008)
	2008-2026	4,300	2,261	SNPP 2006	
Core Strategy (2014)	2012-2017	3,600	2,765	2001 Census SNPP 2008	NPPF OAN
	2017-2028	4,700	est. >3,600		
Core Strategy Selective Review	2017-2033	3,478 (circa)		2011 Census SNPP 2014	

¹ It is important to note that unlike the methodology set out in previous Planning Practice Guidance Note 3 (PPG3) the OAN should take no account of constraints on development, such as the availability of land, viability of development, infrastructure or environmental impacts. PPG3 guided the housing requirement up until 2012.

2 Core Strategy

- 2.3 The Submission Core Strategy was supported by a Strategic Housing Market Assessment (SHMA), which reported in May 2011. The SHMA was done by GVA and Edge Analytics.
- 2.4 The complexities of changing population projections and different drivers were always a key part of the SHMA analysis and were reported to Development Plan Panel (DPP) at its meeting of 26th September 2012. The report notes:
- The SHMA 2011 was produced according to the national practice guidance in partnership with local housing interests who did not disagree with the overall methodology or main conclusions.
 - The SHMA corrected errors in the 2008 based ONS population forecasts for Leeds against the 2010 based ONS population forecasts released in 2012. There is no need to re-run the SHMA using ONS 2010 based data.
 - Three scenarios in the SHMA showed a range in the number of households between 2010 and 2026, varying from almost 90,500 under the Sub-National Population Projections, 81,000 under a migration led scenario to 73,000 under an employment-led scenario.
 - Planning for 70,000 dwellings (net) is appropriate for Leeds and is at the lower end of the SHMA forecasts. The figure sits within a context of well-founded scepticism about the ability of housebuilding rates to step up from low annual delivery rates now to delivery rates higher than have ever been achieved in Leeds.
- 2.5 The Core Strategy was submitted to the Secretary of State in March 2013. Shortly before the Core Strategy Examination the Inspector released a series of questions on the matter of the housing requirement. He asked *“what regard has been given to the government’s household interim projections 2011-2021?”* These projections were released by DCLG in April 2013 as a means of clarifying national projections resulting from the 2011 Census, but were partial and only projected forward ten years rather than the standard twenty five year period.
- 2.6 Consequently the Council commissioned Edge Analytics to reconsider what impacts the 2011-based projections might have. Their report was received in September 2013, four weeks before hearing sessions for the Core Strategy and concluded:
- the 2011-based interim projections are not a robust direction on their own
 - 2008-based SNPP, 2010-based SNPP and 2011-based SNPP used conjunctively would result in a set of scenarios ranging from 51,000 to 76,300
 - the revised scenarios showed that the submitted Core Strategy requirement sat within a range of alternatives but was now at the upper rather than at the lower end of the range
- 2.7 The Council noted that the new demographic evidence came at a late stage in the process and would be debated through the Examination. The Council’s response

to the Inspector also noted that there should be some caution when considering the Core Strategy's intended step-up to 4,700 in 2017/18, noting to the Inspector that it may be appropriate to delay the step-up or review such high growth ambitions pending consideration of further projection releases.

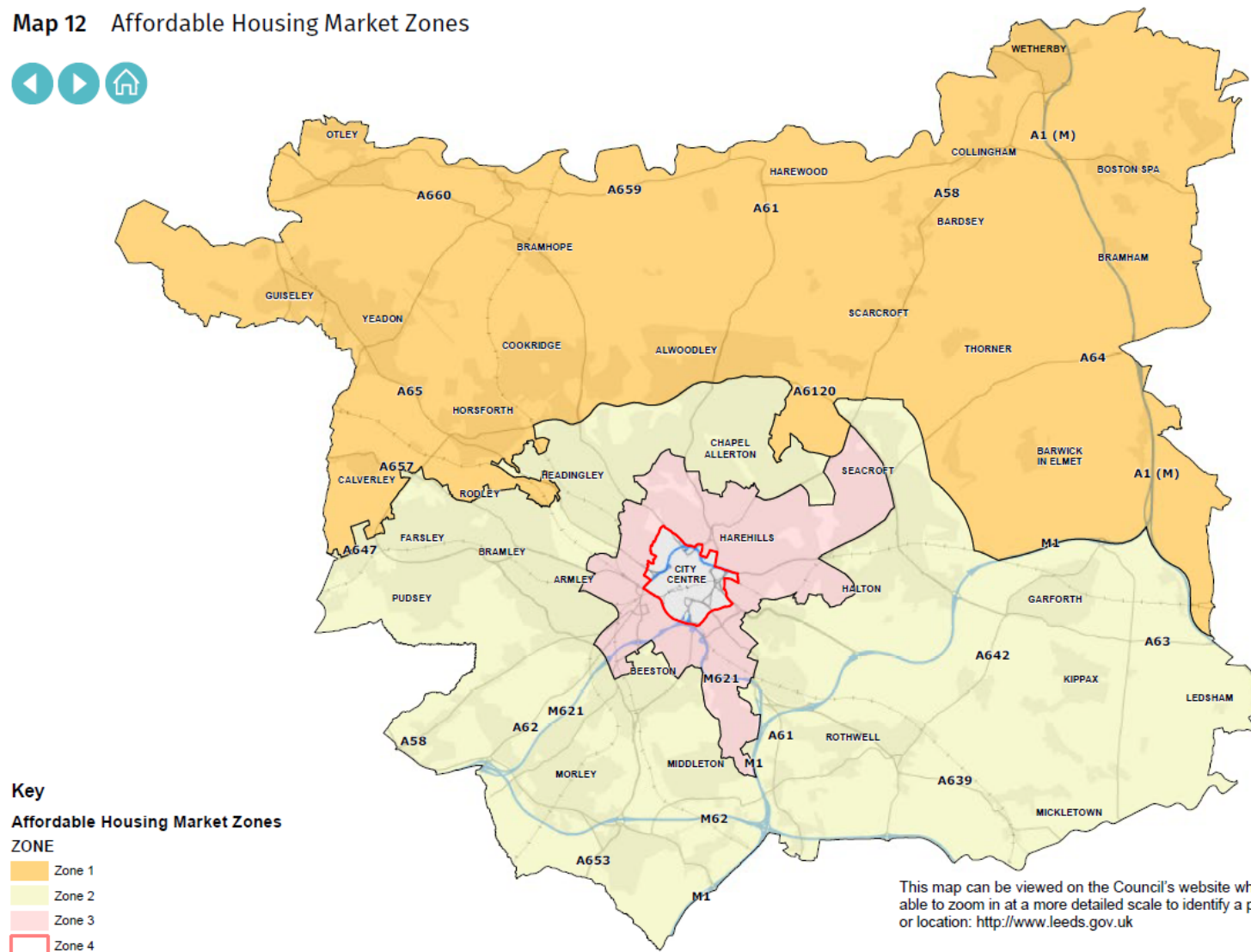
- 2.8 The Inspector at the hearing sessions heard evidence from housebuilders, which drew attention to the Regional Econometric Modelling of 2013 which would “pull up” the 2011-based SNPP to a level consistent with the Core Strategy as submitted. The Inspector took this into consideration and was also concerned that the latest projections were “recession induced” and on balance considered that the 70,000 figure was sound. Nevertheless, at the request of the Council he maintained the step-up and introduced modified text to support a review of the housing targets.

3 Core Strategy Review

- 3.3 The Adoption of the Core Strategy was in November 2014. The Executive Member for Planning and Regeneration made a commitment to review the Core Strategy within 3 years, at a Full Council meeting in January 2015 and confirmed that the Council would continually monitor the demographic evidence base.
- 3.4 In May 2015 the Development Plan Panel considered a report on *“Implications of the 2012-based household projections on the Core Strategy Housing Requirement”* which were released in March 2015. It was noted that based on the new evidence the initial view of officers was that the housing requirement would be in the region of 60,000 net new homes between 2012 and 2028. It was also noted that this would require significant delay to the Site Allocations Plan process putting sites at risk of speculative development. Members endorsed a commitment to undertake a selective Review of the Core Strategy within three years following Adoption i.e. by the end of 2017. It noted that by this time the Council will be better placed to understand how the economic recovery affects the evidence base for the Core Strategy, including its housing requirement. Members also committed to progressing the Site Allocations Plan.
- 3.5 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’ which covered the issue of housing numbers. The final report (March 2016) concluded:
- ¶13 Members of the working group also came to the conclusion that it was now important to draw a line under the numbers debate but noted the commitment to a selective review of housing numbers within three years of its adoption
 - ¶14 The 2012-based projections remain incomplete and have not fully captured information from the Census on household size. The 2014-based projections will be available in 2016. It is the view of the working group that it is essential to have the right population and household figures before any such review takes place.
- 3.6 The 2014-based projections were published in June 2016 and officers commissioned initial analysis which was reported to Development Plan Panel in November 2016 alongside the scope for a selective review of the Core Strategy.

APPENDIX 2: AFFORDABLE HOUSING ZONES

Map 12 Affordable Housing Market Zones



APPENDIX 3: Summary of CSSR Reg 18 Consultation Responses

Summary by Topic

Housing Requirement and Plan Period

1. A lower housing requirement is supported but the plan period should not be extended to 2033. This means that SAP Green Belt and Greenfield Sites are unnecessary. Brownfield urban sites should now be sufficient. [Mr John Iceton](#), [Cllr Tom Leadley](#), [Jennifer Kirkby \(Aireborough NPF\)](#), [Mr Martin Thomas \(Weetwood RA\)](#), [Horsforth Town Council](#), [Natalie Goonesinghe \(Aberford PC\)](#), [Janet Matthews \(Friends of Meanwood Park\)](#), [Sue McQuire \(Garforth NPF\)](#), [Martin Fox](#), [Joanne Austin](#), [Neil Beaumont](#), [Dawn Beaumont](#), [Adrienne Sykes](#), [Save Parlington Action Group](#), [Kathy Horne](#), [Karen Baxter](#), [Celia Moran](#), [Howard Bedford](#)
2. Review of housing requirement is premature and should wait for adoption of the SAP, [Rachel Flounders \(ID Planning\)](#), [Persimmon Homes](#), [Leeds Chamber of Commerce](#), [James Benyon \(Quod\)](#), [Nicola Berry \(Pegasus Group\)](#), [Iain Bath Planning](#), [Andrew Rose \(Spawforths\)](#), [Richard Frudd \(Quod\)](#), [James Seabury \(Banks Property\)](#)
3. Review of housing requirements should reflect the economic growth aspirations of Leeds and City Region. [Chris Martin \(Barton Willmore\)](#), [Leeds Chamber of Commerce](#), [Paul Leeming \(Carter Jonas\)](#), [Andrew Rose \(Spawforths for Miller Homes\)](#)
4. Pegasus has modelled Leeds' OAN using a 15 year pattern of net migration which produces a housing requirement of 71000 (c.4440/pa) 2017-33. Long term trends are preferable because they iron out short term volatilities. [Ian Deverell \(Pegasus Group\)](#).
5. Plan period should extend to 2035 to allow for slippage in plan preparation. [Paul Leeming \(Carter Jonas\)](#),
6. Review of the housing requirement via a SHMA should consider household formation rates, market sensitivities and affordable housing. [Anna Turton \(Lichfields for CEG\)](#)
7. Objectively assessed need for the housing requirement should exclude students. [Deryck Piper \(Little Woodhouse NPF\)](#)
8. Under-delivery backlog should be wiped away. [Cllr Tom Leadley](#). Under-delivery should be addressed. [Persimmon Homes](#), [Andrew Rose \(Spawforths for Miller Homes\)](#), [Iceni Projects \(Ideal Standard\)](#).
9. The effects on the strategic highway network of additional dwellings 2028 – 2033 will need to be modelled. [Highways England](#)
10. Unqualified support. [Dandara](#)
11. A higher housing requirement will have implications for mineral extraction in North Yorkshire. [North Yorks County Council](#).

Housing Space Standards

1. Introduction of space standards are supported. [Cllr Tom Leadley](#)
2. Standards should apply to student accommodation. [Deryck Piper \(Little Woodhouse NPF\)](#). Should not apply to student accommodation. [Simon Grundy \(Carter Jonas\)](#), [David Smith \(Indigo Planning\)](#)
3. Ensure Housing Standards will not reduce housing delivery. [Persimmon Homes](#), [David Smith \(Indigo Planning\)](#)
4. Demonstrate need for Housing Standards, including localities. [Persimmon Homes](#).
5. Housing Standards will reduce viability and choice. [Chris Martin \(Barton Willmore\)](#)

6. Housing Standards can stymie innovation, flexibility and increase development costs. [Anna Turton \(Lichfields for CEG\)](#), [David Smith \(Indigo Planning\)](#)
7. Exemptions are necessary for listed buildings. [David Smith \(Indigo Planning\)](#)
8. LCC evidence lacks consideration of other factors that influence quality of housing including volume, amenity, common areas, technology, glazing ratios, ventilation and running costs. [Anna Turton \(Lichfields for CEG\)](#)
9. Holistic viability testing is necessary. [Paul Leeming \(Carter Jonas\)](#)
10. Concern about impact of Housing Standards on PRS Schemes. [Dandara, James Benyon \(Quod\)](#), [Richard Frudd \(Quod\)](#)
11. Should be introduced through an SPD. [Iain Bath Planning. Icen Projects \(Ideal Standard\)](#)

Housing Access Standards

1. Concern about impact of Housing Standards on PRS Schemes. [Dandara, James Benyon \(Quod\)](#), [Richard Frudd \(Quod\)](#)
2. Access standard percentage requirements need evidence of need and consultation with Access Groups. [Cllr Tom Leadley](#)
3. Support. [Jennifer Kirkby, Aireborough NDF](#)
4. Should be introduced through an SPD. [Iain Bath Planning. Icen Projects \(Ideal Standard\)](#)

Affordable Housing

1. Policy should not accept commuted sums for PRS schemes. [Mixed delivery and mixed communities are important. Cllr Tom Leadley](#)
2. Affordable housing target requirements should be increased. [Horsforth Town Council.](#)
3. Review supported as a means of incorporating recent national policy changes. [Rachel Flounders \(ID Planning\)](#), [Persimmon Homes](#), [Chris Martin \(Barton Willmore\)](#), [Aecom \(M&G\)](#), [Anna Turton \(Lichfields for CEG\)](#), [David Smith \(Indigo Planning\)](#)
4. Affordable housing policy must be viability tested. [Paul Leeming \(Carter Jonas\)](#)
5. Concern about impact of Affordable Housing on PRS Schemes. [Dandara, Richard Frudd \(Quod\)](#)
6. New policy should have more flexibility to take commuted sums for delivering affordable housing in innovative schemes in off-site locations. [Conservative Group.](#) [Anna Turton \(Lichfields for CEG\)](#)
7. Review unnecessary now. Should await clarification of national guidance. [Iain Bath Planning.](#)

Greenspace

1. Requirements of current Greenspace policy should not be watered down. [Cllr Tom Leadley.](#) [Conservative Group.](#)
5. The review of Greenspace policy (80sqm/dwelling) is needed to viability test and change an onerous requirement. [Rachel Flounders \(ID Planning\)](#), [Persimmon Homes](#), [Chris Martin \(Barton Willmore\)](#), [Simon Grundy \(Carter Jonas\)](#), [Icen Projects \(Ideal Standard\)](#)
2. Concern about impact of Greenspace on PRS Schemes. [Dandara](#)
3. Commuted sums should be exceptional. [Cllr Tom Leadley](#)

4. Greenspace should not be provided on adjacent GB land, but be on-site. [Cllr Tom Leadley](#)
5. Policy should have regard to Government Policy on ancient woodland. [Forestry Commission](#).
6. Policy should extend to retrofitting existing spaces. [Deryck Piper \(Little Woodhouse NPF\)](#)
7. Expect review to improve delivery of greenspace to achieve Policy G3 Standards. [Natural England, David Smith \(Indigo Planning\)](#)
8. Policy should prevent existing greenspaces from being built on. [Horsforth Town Council](#).
9. Policy review should consider the role of eco-corridors/green infrastructure. [Jennifer Kirkby, Aireborough NDF, Aecom \(M&G\)](#)
10. Review should be addressed via an SPD. [Iain Bath Planning](#)
11. Implementation practice should also be reviewed. [Paul Leeming \(Carter Jonas\)](#)

EN1 and EN2

1. There is no evidence to support Leeds adopting the higher optional water standard, using the Environment Agency Water stressed areas – final classification 2013 as recommended by PPG, ID 56-016. [Point raised by: Home Builders Federation](#)
2. Evidence base for water standards. What is the current daily water use in Leeds? Is there any evidence that Leeds water use is excessive in comparison to other areas? [Point raised by: Councillor Tom Leadley](#)
3. Standards beyond those of Building regs are not needed. [Point raised by: Matthew Shipman, Persimmon Homes, Home Builders Federation](#)
4. Energy efficiency standards should apply to small developments. There is no logic to exempting smaller developments, because without energy efficiency measures they are 'out-classed and out-sold'. [Point raised by: Councillor Tom Leadley](#)
5. The definition of Sustainability should be expanded, to include housing mix. Housing mix has an impact on the sustainability of communities and therefore policy on sustainable development should include a consideration of housing mix. [Point raised by: Little Woodhouse Neighbourhood Plan Forum](#)
6. Standards are inadequate. [Point raised by: Dr Alistair Watson, Mr John Kennedy](#)
7. Standards should be dealt with in an SPD. The matter is too detailed for Core Strategy and should be dealt with in an SPD. [Point raised by: Iain Bath Planning](#)
8. Support for Sustainable Construction policies. [Point raised by: Martin Fox, Councillor Andrew Carter](#)
9. 'All new homes should be built to a minimum of national standards providing this meets the current LCC housing standards. Sustainable homes need to be built in sustainable developments both in terms of construction, local infrastructure, health and educational provision' [Point raised by: Mrs McQuire, Garforth Neighbourhood Planning Forum](#).
10. Policy will need to be subject to viability testing. [Point raised by Simon Grundy, Carter Jonas, Icen Projects \(Ideal Standard\)](#)
11. Opportunity to use dwellings at Parlington new settlement as exemplars. [Aecom \(M&G\)](#)

Supportive of all Review Topics: [John Kennedy](#)

Procedural

1. Reg 18 Consultation is premature, given that the SHMA 2017 was incomplete and unavailable. [Rachel Flounders \(ID Planning\)](#)

Additional Matters for CSSR

1. Review the need for employment land up to 2033 for consistency and for highway modelling. [Highways England](#), [Chris Martin \(Barton Willmore\)](#), [Nicola Berry \(Pegasus Group\)](#), [North Yorkshire County Council](#), [Paul Leeming \(Carter Jonas\)](#), [Andrew Rose \(Spawforths\)](#), [Andrew Rose \(Spawforths for Miller Homes\)](#), [Matthew Shepherd \(Turley\)](#)
2. Review all CS Policies which are calculated on a fixed period should also be reviewed up to 2033. [Andrew Rose \(Spawforths for Miller Homes\)](#)
3. Review retail needs up to 2033. [Anna Turton \(Lichfields for CEG\)](#)
4. Review Distribution of Housing (SP7). [Simon Grundy \(Carter Jonas\)](#), [Paul Leeming \(Carter Jonas\)](#), [James Seabury \(Banks Property\)](#), [Joanne Austin](#), [Neil Beaumont](#), [Dawn Beaumont](#), [Adrienne Sykes](#), [Save Parlington Action Group](#), [Kathy Horne](#), [Karen Baxter](#), [Celia Moran](#), [Howard Bedford](#)
5. Review Spatial Strategy (Policy SP1). [James Seabury \(Banks Property\)](#)
6. Address community and natural infrastructure (schools, health, roads, greenspace) needs. [R&SE Tindall](#), [Jennifer Kirkby Aireborough NDF](#), [Yorkshire Greenspace Alliance](#), [Sue McQuire \(Garforth NPF\)](#), [Martin Fox](#), [Joanne Austin](#), [Neil Beaumont](#), [Dawn Beaumont](#), [Adrienne Sykes](#), [Save Parlington Action Group](#), [Kathy Horne](#), [Karen Baxter](#), [Celia Moran](#), [Howard Bedford](#)
7. Infrastructure (Policy ID2) to review the Community Infrastructure Levy. [Simon Grundy \(Carter Jonas\)](#), [Paul Leeming \(Carter Jonas\)](#)
8. Transport Infrastructure Priorities (Policy SP11). [James Seabury \(Banks Property\)](#)
9. Strategic Green Belt Review. [Yorkshire Greenspace Alliance](#), [Sue McQuire \(Garforth NPF\)](#), [Conservative Group](#), [Martin Fox](#), [Joanne Austin](#), [Neil Beaumont](#), [Dawn Beaumont](#), [Adrienne Sykes](#), [Save Parlington Action Group](#), [Kathy Horne](#), [Karen Baxter](#), [Celia Moran](#), [Howard Bedford](#), [James Seabury \(Banks Property\)](#)
10. Green Belt Policy exceptional circumstances development criteria. [Yorkshire Greenspace Alliance](#)
11. Green Belt land review at Leeds Bradford Airport. [Charles Johnson LBA](#)
12. Housing site release phasing, including availability of PDL. [Yorkshire Greenspace Alliance](#), [Sue McQuire \(Garforth NPF\)](#), [Martin Fox](#), [Simon Grundy \(Carter Jonas\)](#), [Paul Leeming \(Carter Jonas\)](#), [James Seabury \(Banks Property\)](#)
13. Housing Density (Policy H3). [Yorkshire Greenspace Alliance](#)
14. Housing Mix (Policy H4). [Simon Grundy \(Carter Jonas\)](#), [Paul Leeming \(Carter Jonas\)](#)
15. Address air Quality. [R&SE Tindall](#), [Dr Alistair Watson \(Otley NF\)](#), [Jennifer Kirkby, Aireborough NDF](#)
16. Sustainability Issues affecting Otley. [Dr Alistair Watson \(Otley\)](#)
17. The evidence base needs to be extended to sustainability issues: environment, place making, community infrastructure. [Jennifer Kirkby, Aireborough NDF](#)
18. More research is needed on the effects of large scale housing development on flooding and traffic/air quality. [Norma Kaczmar](#)
19. A strong link with neighbourhood plans is needed. [Jennifer Kirkby, Aireborough NDF](#)
20. The proposed siting of the HS2 depot at the Aire Valley Crofton site would sterilise 25 - 35ha of employment land that ought to be made up elsewhere. [Andrew Rose \(Spawforths\)](#)
21. Bring forward defunct employment sites (such as the Ideal Standard site), Otley. [Iceni Projects \(Ideal Standard\)](#)
22. Policy H4 (housing mix) should not be applied prescriptively. [David Smith \(Indigo Planning\)](#)

