
Report of the Director of City Development

Report to: Development Plan Panel

Date: 30th April 2013

Subject: SHLAA 2012 Update

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" 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. This report sets out the following:
 - a. describes the preparation of the SHLAA 2012 Update,
 - b. considers whether the update process should be modified to improve the balance of input from external representatives
 - c. sets out the overall results of the 2012 SHLAA Update
 - d. comments on the robustness of the results

Recommendations

Development Plan Panel is recommended to:

- i) Endorse the SHLAA Update 2012 for publication
- ii) Endorse changes to the membership of the SHLAA Partnership as set out in paragraphs 3.17 - 3.21.

1. Purpose of this Report

- 1.1. The purpose of this report is to advise Development Plan Panel of how Leeds' Strategic Housing Land Availability Assessment (SHLAA) was updated for 2012:

2. Background Information

- 2.1. Essentially, the Strategic Housing Land Availability Assessment (SHLAA) seeks to identify and assess all land that could be used for housing development with estimates of how many dwellings could be delivered and when. It is technical information and evidence designed to inform the preparation of plans (including Leeds' Core Strategy and Site Allocations Plan) and inform the 5 year supply. SHLAA information in itself is not a statement of policy or the allocation of sites. SHLAAs became a requirement of all local authorities in England from the mid 2000s. National practice guidance was issued in July 2007 and remains in force, not withstanding recent changes to national planning guidance.
- 2.2. Preparation of Leeds' SHLAA 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 is updated annually to adjust delivery prospects of sites against new information and to consider new sites. The first update was in 2011 and published in December of that year. The 2012 Update is the subject of this report.
- 2.3. The SHLAA was again considered by Scrutiny in 2011 and a substantial review was carried out. In particular the scrutiny exercise examined the role of the Partnership and whether housebuilders have an undue influence on the outcome of the SHLAA. As a result, officers reviewed the approach of all neighbouring local authorities and all of the Core Cities in England. The approach of Royal Tunbridge Wells was also examined because they had not set up a SHLAA partnership. The conclusion was that most authorities allowed the housebuilding industry as much if not more influence on their SHLAAs than Leeds. Tunbridge's planning inspector found their SHLAA flawed for not having input from housebuilders.
- 2.4. The SHLAA was called in for Scrutiny again in October 2012. The concern of Scrutiny Board again centred on the role of the Partnership and whether housebuilders have an undue influence on the outcome of the SHLAA. There was particular concern raised about the way the Spennings Common Lane site (new settlement proposal to the north east of Bramham) was considered and the anticipated build-out-rate changed in response to comments by housebuilders on the SHLAA partnership. Concern was also raised about the way LCC approves the SHLAA Update for publication.

3. Main Issues

Leeds' SHLAA 2012 Update

- 3.1. As an overview, the update divides into two parts. One involves updating details of existing sites where new information is available. The other involves consideration of new sites. The process starts with officers undertaking the update and reaching

conclusions. The new information is then circulated to members of the SHLAA Partnership for comment, with a meeting held to discuss points of disagreement and seek to agree revised conclusions.

Updates of Existing Sites

- 3.2. Each SHLAA Update has a base-date of 1st April. This is to ensure that all sites are updated to a consistent point in time. The main source of new information is the progress made with planning applications and with construction on site. Where full planning permission had previously been granted, checks are made through Building Control records to ascertain the number of dwellings commenced construction and the number of dwellings completed. Where outline permissions had previously been granted, checks are made to see whether reserved matters applications have been received and whether they have been granted. This information provides the basis for updating the future annual delivery predictions of individual sites.
- 3.3. It is also necessary to review the sites which had dwellings expected to complete during the last year. Where construction has not commenced, it is necessary to try to ascertain whether the scheme is delayed and by how much, or whether it is abandoned. As such, the delivery of dwellings needs to be reapportioned accordingly.
- 3.4. Site update information is provided to Partnership members in the form of spreadsheets that illustrate the changes in annual dwelling apportionment and a brief explanation of the reason for the change.

New Sites

- 3.5. The City Council accepts submissions of new sites all year round. For each annual SHLAA update there has to be a “cut-off” point whereby only those new sites submitted up to that date can be included in that year’s assessment. Exceptionally, the 2012 Update dealt with a particularly large number of new sites as a result of a “Call-for-sites” exercise carried out in March 2012. This was designed to attract submissions of land for employment and retail uses, but had the indirect effect of generating over 100 submissions of housing land and even more mixed-use submissions involving some housing potential.
- 3.6. The process for considering new sites is as follows
 - i. The submission is expected to include key details including a clear map of the site boundary, availability (eg when tenants will vacate, site assembly issues, active involvement of housebuilders etc), constraints (eg access to a highway, contamination, etc) and achievability (ie how many dwellings and annual delivery)
 - ii. Officers check whether site submission is for entirely new land, or overlaps or is subsumed within existing SHLAA sites. If there is overlap, judgements have to be made about whether to extend existing sites, or create new. The SHLAA has facility to record submitted sites as “dormant” if the land is included in another site. This avoids double counting of dwellings but keeps an audit trail of site submissions.
 - iii. All sites are given a unique SHLAA reference number

- iv. Officers have the site boundaries digitised to provide an accurate measurement of gross site size and for site identification purposes
- v. Officers assemble an array of site details including existing planning designations (eg Minerals Safeguarding Areas, levels of flood risk) and constraints (eg high pressure gas pipelines) and other attributes (eg public transport accessibility and housing market strength).
- vi. Officers calculate the dwelling capacity of the site using an agreed standard methodology. Essentially, this ascribes an assumed density of dwellings for different zones of Leeds (City centre, edge of city centre, other urban areas, edge of urban areas and other rural areas) and an assumed net developable area depending on the size of site.
- vii. The site details help the officer to draw conclusions on suitability, availability and achievability which are provided as written narratives
- viii. The site details also help the officer to draw conclusions on likely dwelling delivery years.

The role of the Partnership

- 3.7. The Partnership has the status of an informal technical group that sits outside of the City Council's governance structures. It has a very specific limited purpose to bring market testing to the SHLAA process as expected in the national planning guidance. The SHLAA itself has no other role than providing evidence to inform the Local Development Framework and planning decisions. Whilst the Partnership has no formal remit recognised in the governance structures, the participation of the Chair of the Development Plan Panel as Chair of the SHLAA Partnership helps to reinforce the relationship with formal planning governance arrangements; this would be further strengthened through the recommendation (see below) to add two further City Councillors to the Partnership. It should also be noted that the SHLAA Partnership has its own terms of reference to guide the membership and operation of the group. Other local authorities are not believed to have any more formal arrangements than this. Of the 11 respondents to a survey of core cities and Leeds City Region local authorities, none said they have Members sitting on their SHLAA partnership group (see para 3.12 below for further survey details).
- 3.8. The essential role of the Partnership is to check and verify the detailed facts and conclusions reached on sites by officers. Officers circulate material in advance of the Partnership meeting so that an informed discussion can be had on the sites where queries are raised. It is assumed that site details and conclusions that are not queried are agreed.
- 3.9. At the Partnership meeting 63 queried sites were considered and consensus reached on all of them. Some had conclusions and delivery figures altered; others stayed the same. It was agreed that an additional week would be given for members to respond to an update paper that had only been circulated on the morning of the meeting. A further paper was requested on large brownfield developments with dwellings migrating from the medium to short term. The conclusions of these papers were agreed subsequently via email.

Involvement of Housebuilders on the Process

- 3.10. The national practice guidance sees house builders as key stakeholders to be involved as an integral part of the SHLAA process. Paragraph 12 of the guidance states they
- “... should be involved at the outset of the Assessment, so that they can help shape the approach to be taken. In particular, house builders and local property agents should provide expertise and knowledge to help the partnership to take a view on the deliverability and developability of sites, and how market conditions may affect economic viability.”
- 3.11. Consequently, it means that SHLAAs that exclude house builders from the process or are structured to unduly diminish or over-ride their views on site deliverability and viability will be contrary to national guidance. In these circumstances the SHLAA is likely to be viewed as an unreliable piece of evidence in support of Development Plans such as Leeds’ Core Strategy and Site Allocations Plan. As these plans are subject to independent examination, and because housing growth will be the most important issue in these plans, the SHLAA will be a key piece of evidence that needs to be considered “sound” by the Planning Inspector.
- 3.12. Housebuilder representation was extensively reviewed in 2011 when Scrutiny Board (Housing and Regeneration) called in the SHLAA for Scrutiny. This reported on a comparison exercise with other Core Cities and other authorities in Leeds City Region on how they sought opinion of housebuilders and the membership of their SHLAA Partnerships.
- 3.13. The conclusion reached (paragraph 5.26) states:
- “Compared with other authorities, it would not appear that Leeds’ SHLAA Partnership has been structured to give undue influence to housebuilders. It is also apparent that the majority of other authorities surveyed have set up a very similar partnership approach to Leeds which involves housebuilders in the consideration of deliverability of sites”
- 3.14. Most of the authorities surveyed had a higher percentage of housebuilders involved in their SHLAA Partnerships than Leeds.
- 3.15. Despite the fact that Leeds’ SHLAA Partnership has a relatively small housebuilder representation and that is what is expected by national planning guidance, there is a level of public opinion that housebuilders do carry undue influence. This may be perpetrated by the fact that Leeds’ SHLAA Partnership is a closed group with only one community representative and one city councillor. The current composition is as follows:

Leeds City Councillor (Chair)

LCC Planning Officer
LCC Planning Officer
LCC Planning Officer

Community representative
Campaign for Protection of Rural England representative

Renew representative
Homes and Communities Agency representative
Leeds Property Forum representative
Leeds City Region representative

Barratt David Wilson Homes representative
Persimmon Homes representative
Ben Bailey Homes representative

3.16. Public perception of what the Partnership is about can easily be distorted by feelings of the public being excluded. Consequently, it would be helpful if the SHLAA Partnership process could be opened up. A number of options have therefore been considered to do this:

- i. Publishing a SHLAA Guidance Note with all the questions and answers that local communities are likely to be interested in
 - Pros: Can provide a better understanding of the SHLAA process and counter mis-conceptions
 - Cons: there may still be feelings of exclusion, most of the information is already available on the LCC website, a short simple accessible Note will be difficult to produce because the SHLAA process is complex and circumscribed by national good practice rules
- ii. Putting SHLAA Meeting Agendas, Reports and Notes of Meeting etc on the LCC Website
 - Pros: SHLAA meeting proceedings opened up, ability for anyone to see all sites, site information, opinions and conclusions,
 - Cons: written web information may raise further questions, and set “hares” running, there may still be a feeling of exclusion
- iii. Holding public meetings – inviting a range of community and parish representatives – to explain how each year’s SHLAA update was conducted and conclusions reached
 - Pros: potential for meetings to be well-attended, as well as officers other members of the SHLAA Partnership could attend, the full process can be explained, questions can be answered, useful suggestions can lead to the SHLAA process being improved for the following year
 - Cons: the meetings coming after the event would provoke criticism that comments raised come too late, public meetings are often badly attended, criticism for not holding enough meetings, criticism for lack of publicity, considerable extra work for officers, SHLAA Partnership Members may not attend because their contribution is voluntary, objectors to individual sites may be frustrated that the SHLAA does not take decisions on which sites go into the site allocations plan, there may still be a feeling of exclusion
- iv. Allowing observers at SHLAA Partnership meetings

- Pros: meetings are no longer private, anybody can attend and see for themselves how meetings are conducted, people can see and hear everything that's shown or said
 - Cons: It may be frustrating that observers can only observe and not participate, logistics – what if hundreds of people want to attend?, if numbers are limited how to select who can attend? Partnership Members may be inhibited and meetings lose the sense of partnership
- v. Increase the number of community representatives
- Pros: enables more community based people to be part of the SHLAA, local knowledge may be helpful to reaching site conclusions, perspectives of different interest groups can be heard, challenged and understood
 - Cons: frustration that the SHLAA is not designed to record community objection to sites nor to “say no” to objectionable sites, difficulty of identifying willing persons who are able to represent more than a parochial interest, potential to “unbalance” Partnership equilibrium
- vi. Increase the number of city councillors
- Pros: enables more community based persons to be part of the SHLAA, local knowledge may be helpful to reaching site conclusions, perspectives of different interest groups can be heard, challenged and understood, city councillors could be chosen on the basis of party or portfolio holder responsibility which would provide more strategic representation than ward based representation.
 - Cons: difficulty of identifying willing and appropriate candidates, danger that the SHLAA could be politicised beyond its status as a largely technical exercise, potential to “unbalance” Partnership equilibrium
- vii. Introduce expertise on “brownfield” delivery
- Pros: housebuilder representatives nominated by Home Builder Federation have become increasingly interested in low risk sites for building houses rather than flats. It would be helpful to introduce expertise that has specialist interest and knowledge of brownfield land markets.
 - Cons: difficulty of identifying willing candidates
- viii. Rotation of community representative(s) and/or city councillor(s)
- Pros: enable more community based persons to be part of the SHLAA, enable the SHLAA to draw upon a wider local knowledge base
 - Cons: lack of continuity in terms of Partnership Members needing to build knowledge and understanding of the SHLAA process, infrequency of SHLAA Partnership meetings (normally only one or two for each annual update)

3.17. It should be noted that an invitation was extended for a Leeds City Region secretariat representative to attend the meeting. Given the need to review the Partnership membership and the existence of other mechanisms under the Duty to Cooperate, the need for a Leeds City Region representative to attend is no longer necessary.

Recommendations

- 3.18. It is considered that option vi (increase the number of city councillors) would be the most effective and practical way of opening the SHLAA process up with more input about local areas. It is recommended therefore that two additional Members be invited to sit on the SHLAA Partnership, preferably to represent the two second largest parties (Lib Democrats and Conservatives). Like the current Chair, they would be asked to represent the communities of Leeds as opposed to their own wards.
- 3.19. It is also considered that option vii (introduce expertise on brownfield delivery) would better equip the Partnership to deal with the difficult task of forecasting how the housing market for brownfield urban sites will recover over future years. It is recommended that the City Council officers make enquiries and canvass interest around developers, landowners and agents involved in city centre development.
- 3.20. In order to maintain the balance of the SHLAA Partnership, this would mean ending the membership of the current community representative.
- 3.21. It is also recommended that the position on the Partnership for a representative of the Leeds City Region (previously the Regional Assembly) be removed. Except for the inaugural meeting, nobody has attended any SHLAA Partnership meetings since; it is also considered that the level of detailed analysis of sites is not of interest at the strategic sub-regional level at which Leeds City Region staff operate.
- 3.22. As the SHLAA Partnership is a voluntary partnership, the membership changes will need to be recommended for adoption by the SHLAA Partnership at the next meeting. If the changes are not agreed by a majority of the SHLAA Partnership, a further report will be brought back to Members.

Spennings Common Lane, Bramham (SHLAA Reference Number 3391)

- 3.23. This is an exceptionally large SHLAA site with potential to provide a new settlement of circa 5,000 dwellings. It was submitted by the University of Leeds that owns this land east of the A1(M) and north of the A64.
- 3.24. There are major questions still to be resolved about whether this proposal should be taken forward in principle. These need to be decided through the plan making process rather than through the SHLAA. However, the SHLAA does have a role in recognising the potential of the site, including how many dwellings could be delivered over what period. It is the latter point that has become a matter of dispute, following the apparent consensus conclusion at the SHLAA Partnership meeting of 18th September.
- 3.25. Some time after the SHLAA Partnership meeting when it became apparent that the delivery rate conclusions of the SHLAA were under scrutiny, a number of email exchanges were made between SHLAA Partnership members setting out comparisons with similar sites and providing evidence to help reach a conclusion.
- 3.26. In the light of this evidence, in order to bring this to a resolution, it is proposed that the City Council finalises the build out rate as 350 dwellings per annum. This is a

realistic compromise offering a rate of a similar magnitude to what had been agreed for another very large long term site in Leeds, and of a similar magnitude to what had been suggested by the site promoter.

Results of the 2012 SHLAA Update

3.27. The 2012 SHLAA comprises of 1013 active sites with potential to deliver over 170,000 dwellings up to 2035/36.

3.28. From the SHLAA base date of 1st April 2012 dwelling apportionment over the short, medium, long and very long time periods is as follows:

Period	Years	Dwellings
Short	2012/13 to 2016/17	20,106
Medium	2017/18 to 2021/22	44,643
Long	2022/23 to 2027/28	79,244
Very Long	2028/29 to 2035/36	30,123
Total	2012/13 to 2035/36	174,116

3.29. For the period starting from 1st April 2013 (which will be used to generate Leeds' 5 Year Supply requirement), the dwelling apportionment is as follows:

Period	Years	Dwellings
Short	2013/14 to 2017/18	23,668
Medium	2018/19 to 2022/23	57,548
Long	2023/24 to 2027/28	59,972
Very Long	2028/29 to 2035/36	30,123
Total	2013/14 to 2035/36	171,311

3.30. It should be noted that with the passage of time, sites anticipated in earlier SHLAA Updates to deliver dwellings in the medium term have crept into the later years of the short term. For example, if a site was expected to deliver 50 dwellings in 2016/17, those dwellings would be regarded as part of the medium term in the 2011 SHLAA, but would become part of the short term in this 2012 SHLAA. So some sites concluded to be of the "LDF to Determine" category of suitability, which includes Protected Area of Search sites will have moved from the medium term to the later years of the short term simply through the passage of time. It is therefore important to note that there may be valid policy reasons to filter out dwellings from a number of "LDF to Determine" sites that form part of the short term totals. Whilst the SHLAA will provide the starting point, a further exercise is necessary to filter out sites that would not accord with emerging LDF policy.

Comments on the robustness of the 2012 SHLAA Update results

3.31. The methodology of the update follows national guidance in assessing the deliverability of sites and involves "market testing" of officers initial conclusions through the SHLAA Partnership. In the terms of reference for the Partnership, the aim is to reach decisions through consensus. In the case of the 2012 Update, all decisions on updated or new sites were reached through consensus with the exception of the Spennings Common Lane site (see paragraphs above) where officers involved Partnership Members in re-assessing the build-out-rate through email

exchanges after the Partnership meeting had closed, and did not reach a consensus view. This conclusion makes little difference to the overall SHLAA results, but will be a factor for the period beyond 2021/22 in the North East Housing Market Characteristic Area.

Five Year Supply

- 3.32. It is important to take the results of the SHLAA in the round because individual site dwelling delivery forecasts will be prone to revision over time.
- 3.33. It should be noted that the 2012 SHLAA Update works on the basis of only updating sites that have new delivery information. By default, other sites retain all of their previous characteristics and conclusions about dwelling delivery from the 2011 update of the SHLAA. On this occasion, the housebuilder representatives on the SHLAA Partnership asked to be told of all large brownfield schemes that were expected to commence dwelling delivery in 2016/17. This year is important because in the 2011 SHLAA Update it formed part of the medium term (years 6-10), but in the 2012 SHLAA Update it forms part of the short term (years 1-5). The housebuilder representatives wanted to check that this natural seepage of dwelling delivery into the short term was realistic. Hence, large schemes were verified, but there will have been many smaller schemes with commencements in 2016/17 that have not been checked.
- 3.34. Also, there will have been brownfield sites anticipated to commence dwelling completions in years 2012/13, 2013/14, 2014/15 and 2015/16 that have not been re-assessed through the 2012 Update, because there were no known changes to planning delivery information (eg revised planning permissions etc). Hence, their delivery was only actually assessed in the 2011 SHLAA Update, and delivery prospects in the context of market strength may have changed.
- 3.35. In addition, a number of greenfield sites have dwelling delivery apportioned to the first 5 years where the suitability in policy terms is doubtful.
- 3.36. Given the above, the results of the SHLAA 2012 Update ought to be afforded some margin of error for calculating the 5 Year Supply. It is proposed that the 2013 Update of the SHLAA is undertaken with a full assessment of all existing SHLAA sites to re-assess their deliverability

4. Corporate Considerations

The SHLAA forms part of the evidence base to support preparation of plans including the Core Strategy. Adoption of the Core Strategy is recognised as a corporate priority.

4.1 Consultation and Engagement

- 4.1.1 The SHLAA is subject to input from local housing interests through the SHLAA Partnership. This input is a requirement of national planning good practice guidance.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The SHLAA is one element in the wider planning process that can help to ensure that Leeds' housing needs are met. This raises equality issues in terms of access of different groups to housing. These issues were assessed in the Equality Impact Assessment screening (attached as an appendix) with the conclusion that it will be the choices and decisions of the Site Allocations Development Plan Documents and of subsequent planning applications that will give rise to substantive equality issues rather than the SHLAA.

4.3 Council Policies and City Priorities

4.3.1 The SHLAA is a key piece of technical work and evidence to support preparation of the Core Strategy and other plans of the Local Development Framework. 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 meeting a host 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 Leeds Growth Strategy, the City Priority Plan, the Council Business Plan and the desire to be a 'child friendly city'.

4.4 Resources and value for money

4.4.1 The SHLAA is prepared within the context of the LDF Regulations, statutory requirements and within existing resources.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The SHLAA is being prepared within the context of the LDF Regulations, national planning guidance and statutory requirements.

4.6 Risk Management

4.6.1 As discussed in Section 3, the SHLAA needs to be prepared according to national planning practice guidance in order to be considered "sound" as a key piece of evidence to support plan making, including the Core Strategy. As such, there is a risk that if the SHLAA methodology and process is altered so that it does not accord with national practice guidance, the Core Strategy will be found unsound at examination and not be adopted.

5. Conclusions

5.1. This report provides a summary of the preparation of the SHLAA 2012 Update and the issues of whether house builders have undue influence in the process and the build-out-rates suggested for the SHLAA new settlement site, Spen Common Lane, near Bramham, the overall results of the SHLAA and an assessment of its robustness.

6. Recommendations

6.1. Development Plan Panel is requested to:

i) Endorse the SHLAA Update 2012 for publication

ii) Endorse changes to the membership of the SHLAA Partnership as set out in paragraphs 3.17 - 3.21.

7 Background documents¹

7.1 Reports to Scrutiny Board (Housing and Regeneration):

- SHLAA 2012 Report to Scrutiny Board (Housing and Regeneration) 30/10/12
- Review of Strategic Housing Land Availability Assessment Report to Scrutiny Board (Housing and Regeneration) 19/12/11

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.