

Housing Mix Tracking Report

Date: 1st March 2023

Report of: Director of City Development

Report to: Infrastructure, Investment and Inclusive Growth Scrutiny Board

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

This report relates to a regular update originating from an inquiry by Scrutiny Board in 2015/16 relating to housing mix matters.

The current position against the original recommendations for 2023 is provided within the body of the report, and where relevant, links to the Leeds Local Plan 2040 (LLP 2024) scoping consultation documentation are highlighted, where they relate to housing related issues going forward. This report should be read in conjunction with the LLP 2040 report.

Recommendations

That Members of the Infrastructure, Investment and Inclusive Growth Scrutiny Board are asked to:

- I. Note progress made on recommendations
- II. Note the update in relation to the recommendations.
- III. Identify any recommendations where further progress is required and to determine the action the Board wishes to take as a result.
- IV. Note the contents of the (separate) Leeds Local Plan 2040 report regarding relevant recommendations included in the scoping consultation and recommend that in the future this Scrutiny Board receives updates on the Local Plan at key stages of plan preparation.

What is this report about?

1. In 2015/16 two former Scrutiny Boards – Scrutiny Board (City Development) and Scrutiny Board (Environment and Housing) - agreed to undertake a joint inquiry focused on the delivery of Policy H4, which considers delivery, as expressed in the Core Strategy, of the right property type and tenure within criteria of affordability.
2. The inquiry completed in 2016 and the Scrutiny Board’s recommendations have been subject to annual monitoring in the subsequent years. Due to the significant changes in the landcape an update is provided to the recommendations on the current position and should be read in conjunction with the Leeds Local Plan 2040 update report which is also on this Board’s Agenda.
3. In previous years the board has determined a position statement for each recommendation, as set out in 2021/22 update against a standard set of criteria. Due to the significant changes within the proposed scope of the Leeds Local Plan 2040, it is proposed that such updates in the future will be provided through Local Plan Updates.
4. Since the original inquiry members of successor boards have agreed that four recommendations have been achieved – these are detailed below for information.
5. It should be noted that when recommendations 1 and 2 were agreed in 2018 the Board did also request that it be kept informed of developments on the Core Strategy (CS) and the National Planning Policy Framework (NPPF).

Inquiry Recommendations Achieved

Recommendation 1	<i>That the Director of City Development maintains the commitment to a selective review of the Core Strategy, which should commence following the release of the 2014, based household projections.</i>
Recommendation 2	<i>That the Chief Planning Officer writes to the Secretary of State and the department of Communities and Local Government urging the Government to standardise the methodology for assessing viability tacking into account the experiences of local planning authorities, and the full range of policy requirements for delivering sustainable development.</i>
Recommendation 6	<p><i>That the Chief Planning Officer writes to the Secretary of State and the Department of Communities and Local Government making the following points;</i></p> <ul style="list-style-type: none"> <i>• That as the current Strategic Market Assessment Practice Guidance 2007 was out of date that government revises Strategic Market Housing Assessments Practice Guidance (including approaches on how to calculate and monitor an Objectively Assessed Need) as a matter of urgency.</i> <i>• The Council would expect that revised Practice Guidance takes full account of the desirability of engaging Neighbourhood Planning forums in the preparation of the evidence base underpinning SHMAs and thus the objectively assessed housing need for the City, and requests clarification on how this might best be achieved.</i>

Recommendation 7	<i>That the Chief Planning Officer implements proposals to include a heading on Housing Mix on each panel report and to report back to the appropriate Scrutiny Board the subsequent outcomes of the initiative.</i>
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Current Position 2023

The continuous improvement of elected members skills and knowledge

Recommendation 3 – That the Chief Planning officer arranges for Plans Panel Members to receive further information and training on best practice in dealing with scheme viability appraisals, in collaboration with other West Yorkshire authorities and the Planning Advisory Service.

6. Viability is now a recurring theme of the annual Member training programme. Affordable Housing is the generally the largest cost to developers and less so than other Section 106 requirements. A viability training session is due to be delivered early in the next financial year with an intention to cover: -
 - Current market situation
 - Approach to assessment
 - Government approach
 - Impact of Local Plan Update 1 policies – seeking better design, quality, zero-carbon etc.
7. Members further discretionary training is provided by Andrea Holgate - Member Development Lead.

Raising the awareness of Housing Assessments and their importance in the planning process

Recommendation 4 – That the Chief Planning Officer reports back to the relevant Scrutiny Board the implementation and success of the proposed assessment guidance and other proposed actions around Housing Needs Assessments (HNAs).

8. There is no programme for individual HMAs/ HNAs. However, as part of the Leeds Local Plan 2040 a new Strategic Housing Market Assessment (SHMA) has been commissioned and this will cover all relevant housing needs. The 2023 SHMA will be a key piece of evidence to support preparation of LLP 2040 and will be completed in stages to support plan preparation. As part of LLP 2040 scoping consultation material, a baseline report on the current position and issues relating to each of the agreed topics areas has been prepared to allow the Council to undertake consultation on the scope of LLP 2040.
9. A SHMA is not a point in time assessment and should provide the strategic evidence to enable the Council to understand how the housing market will change over the next 17 years, including the cyclical nature of the housing market and implications for projections. The SHMA will be used by the Council to inform the scope of LLP 2040 and provide the evidential basis for detailed policies on each of the housing topics to support the Council's housing strategies.

Improvement in the quality of Neighbourhood Plans

Recommendation 5 – That the Chief Planning Officer ensures that appropriate assistance is offered to Neighbourhood Forums to assist in the drawing up of Neighbourhood Plans.

10. There continues to be significant levels of neighbourhood planning activity in every type of community across Leeds. Of the 40 designated neighbourhood areas in Leeds, about half have a 'Made' neighbourhood plan after a successful Referendum.
11. Since the last update, three areas have been taking part in a National pilot to simplify neighbourhood planning, testing the Leeds idea of a 'Community Priorities Statement' as set out in the 'Levelling Up Bill.' Such statements can be prepared within a year and set out both planning and non-planning priorities. These documents are informal in nature and intended to incorporate a more 'holistic' approach to help influence and deliver. In Leeds, three areas in inner east are taking part in the pilot – Chapeltown; Harehills; and Mabgate, Lincoln Green and Burmantofts. Elsewhere, seven other local authority areas are involved. The statements will be completed by October 2023.
12. One plan has been 'Made' since the last update – Headingley. There are now 20 Made Neighbourhood Plans forming part of the Development Plan for Leeds.
13. Tracking of Neighbourhood Plans occurs through the Authority Monitoring Report which is due to be published soon for 2021/22 and the Local Development Scheme.

The Housing Mix is discussed with the developers at the earliest opportunity.

Recommendation 8 – That the Chief Planning Officer Reports back to the appropriate Scrutiny Board the improvements to housing mix achieved through the practice of discussing mix at pre-application stage.

Table 1: Monitoring of 2021/22 – proportion of new sites for housing per room across the district

Year	Number of bedrooms			
	1	2	3	4+
2012/13	22%	27%	25%	27%
2013/14	21%	22%	28%	29%
2014/15	21%	15%	37%	28%
2015/16	26%	29%	28%	17%
2016/17	29%	25%	30%	16%
2017/18	29%	25%	22%	24%
2018/19	34%	28%	21%	18%
2019/20	34%	29%	14%	23%
2020/21	61%	22%	11%	6%
2021/22	57%	46%	15%	24%
Policy H4 target	10%	50%	30%	10%
Range	0% - 50%	30% - 80%	20% - 70%	0% - 50%

14. Across the district significant improvements have been made against the targets. 1 bed units reduced but this does include the CC which includes students housing, Build to Rent and permitted development to residential. 2 bed units had increased by over 20%. 3 bed units

have increased, and 4 bed units have increased beyond the target which includes student cluster flats.

15. The supporting text of the policy provides a 'Preferred Mix Table', whilst the maximum /minimum ranges and the target, are set out to reflect a diversity across sites in Leeds depending on the nature of the development and character of the area.

Table 1A: Monitoring of 2021/22 – proportion of all new housing per room excluding the City Centre/ Central HMCA.

Year	Number of bedrooms			
	1	2	3	4+
2012/13	19%	35%	25%	21%
2013/14	8%	24%	40%	29%
2014/15	17%	27%	30%	26%
2015/16	16%	28%	27%	29%
2016/17	13%	25%	31%	31%
2017/18	13%	25%	27%	35%
2018/19	13%	25%	27%	35%
2019/20	19%	27%	27%	26%
2020/21	20%	41%	23%	17%
2021/22	22%	42%	24%	12%
Policy H4 target	10%	50%	30%	10%

16. Figures continue to move closer to targets reflective of improved policy implementation and efforts during the development management process.

Table 1B: Monitoring of 2021/2022 - proportion of all new housing per room City Centre/Central HMCA only

Year	Number of bedrooms			
	1	2	3	4+
2012/13	78%	4%	18%	0%
2013/14	75%	24%	2%	0%
2014/15	71%	20%	9%	0%
2015/16	59%	40%	1%	0%
2016/17	48%	41%	10%	2%
2017/18	73%	24%	2%	0%
2018/19	44%	36%	15%	5%
2019/20	72%	25%	3%	0%
2020/21	85%	11%	3%	0%
2021/22	62%	30%	1%	8%
Policy H4 target	10%	50%	30%	10%

17. Nos of 1 bed units have reduced by over 20% which is significant progress, 2 bed units have increased by just under 20% change. Whilst the proportion of 3 beds has reduced this is largely due to majority of new approved units being reflective of a single large scheme at the Former Goods Yard, Shannon Street (for over 1,000 units), which provides 1 and 2 bed flats

and a small number of 4 bed houses. 4+ bed units have gone up which is a result of student accommodation which comprise of cluster flats.

Table 2: Affordable Housing completions

AFFORDABLE COMPLETIONS BY DELIVERY VEHICLES				
Period	Section 106	Grant assisted	LCC Programme & Non-assisted	Total
2012/13	72	119	14	205
2013/14	109	175	45	329
2014/15	79	288	88	455
2015/16	129	78	249	456
2016/17	112	302	143	557
2017/18	88	130	20	238
2018/19	169	117	147	433
2019/20	166	203	70	439
2020/21	127	369	99	595
2021/22	138	366	52	556
TOTAL	1,052	1,779	1,031	3,862

18. Delivery continues to meet net arising in-year need and make a modest contribution towards remedying the backlog, however, overall completions remain significantly below the 1,230 affordable homes per annum that would be needed to clear the backlog entirely.
19. The Affordable Housing Growth Partnership Action Plan sets out how the Council and its partners will scale up delivery of Affordable Housing over the next 3 years, moving from average delivery of c475 affordable homes per annum to c750 affordable homes per annum.
20. The Council's own Council Housing Growth Programme aims to deliver 1,500 new affordable homes by 2025, alongside the Council utilising its land assets at St Cecilia Street, Railway Street, Copperfields, Meadow Lane, and Farrar Lane to support affordable housing delivery via the Registered Provider sector.
21. Registered Providers are scaling up activity in the city by delivering Affordable Homes at scale through Homes England Strategic Partnerships. The Guinness scheme at Points Cross is set to deliver 311 affordable homes in its first phase and the Clarion scheme on Kirkstall Road is due to deliver 230 affordable homes in phase 1.
22. There are currently 40+ operational/active Registered Providers in the city delivering affordable housing across a range of sites and tenures. A training session has been set up focusing on the role of Registered Providers in delivering affordable housing. This can be rolled out to a wider group of Members if required/ helpful.
23. As part of the Scoping of Leeds Local Plan 2040 and consultation, Housing is one of the topic areas being consulted on. The Housing Topic Paper scope includes housing mix and also affordable housing. At Scrutiny Board on 11th January a performance paper included

information on Affordable Housing and the associated Action Plan ([Performance Summary for the Scrutiny board \(Infrastructure, Investment & Inclusive Growth\)](#)).

24. Tracking of Housing Mix and Affordable Housing indicators occurs through the Annual Monitoring Report. The information in this recommendation is the most up-to-date information available as it has been gathered for the AMR 2021/22 which is due to be published soon.

Raising the knowledge of Elected Members on the Implementation of Policy H4.

Recommendation 9 – That the Chief Planning Officer advises Joint Plans Panel of actions to be taken regarding the Implementation of Policy H4 and proposed actions to ensure improved delivery.

25. Housing mix is a matter regularly discussed at Plans Panels and Officers are aware of the focus that Members of Panel give to the issue. Recommendation 8 above details data tables and supporting text showing that significant progress is being made on housing mix and that this is through discussions with the development industry across the board for all size of developments at the earliest opportunity.
26. As part of the Scoping of Leeds Local Plan 2040 and consultation, Housing is one of the topic areas being consulted on. The Housing Topic Paper scope includes housing mix. Tracking of Housing Mix and indicators occurs through the Annual Monitoring Report.

The development of a policy identifying and meeting specialist housing need

Recommendation 10 – That the Director of Environment and Housing and the Chief Planning Officer explore a more coherent and detailed approach to identifying the need for specialist accommodation and how this can be met, and report back to the relevant Scrutiny Board

27. Policies H9 and H10 of the Core Strategy Selective Review (2019) are monitored through the Annual Monitoring Report. This monitoring of approvals for planning permissions shows that the policy is being met on the applicable developments.
28. As part of the Scoping of Leeds Local Plan 2040 and consultation, Housing is one of the topic areas being consulted on. The Housing Topic Paper scope include accessible housing and bespoke needs, including older persons accommodation.
29. In dealing with planning applications and pre-application the Council's Accessibility Officer is consulted and provides responses to officers about Policy H10 – Accessibility standards. Planning works closely with Age Friendly Leeds Team and Board to ensure that policies are prepared and implemented to meet the needs of older and disabled people.
30. Tracking of accessible housing indicators occurs through the Annual Monitoring Report which is due to be published soon for 2021/22.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

31. Where internal or external consultation processes have been undertaken with regard to responding to the Scrutiny Board's recommendations, details of any such consultation will be referenced against the relevant recommendation.

What are the resource implications?

32. Details of any significant resource and financial implications linked to the Scrutiny recommendations will be referenced against the relevant recommendation.

What are the key risks and how are they being managed?

33. Details of any significant risk management implications linked to the Scrutiny recommendations will be referenced against the relevant recommendation.

What are the legal implications?

34. Details of any significant legal implications linked to the Scrutiny recommendations will be referenced against the relevant recommendation.

Appendices

Appendix 1 - SB – Housing mix report 17/2/22 and historic SB reports

Background papers

[Director's Response – Scrutiny Inquiry, Housing Mix \(July 2016, item 16 on the agenda\)](#)