

## **Development Plan Panel**

**Tuesday, 17th September, 2024**

**PRESENT:** Councillor J Garvani in the Chair

Councillors J Akhtar, B Anderson,  
C Campbell, P Carlill, J Lennox, J Pryor,  
J Heselwood, A Lamb and P Wray

### **11 Appeals Against Refusal of Inspection of Documents**

There were no appeals.

### **12 Exempt Information - Possible Exclusion of the Press and Public**

There were no exempt items.

### **13 Late Items**

There were no late items.

### **14 Declaration of Interests**

Members did not declare any interests at the meeting.

### **15 Apologies for Absence**

Apologies for absence were received from Councillor R Finnigan.

### **16 Minutes**

**RESOLVED-** That the minutes of the Development Plan Panel meeting held on the 16<sup>th</sup> of July 2024 be approved as an accurate record.

### **17 Matters Arising**

Minute 7 – As it had been agreed at the previous meeting that the Chair of the Panel was to write to the Planning Minister to request clarity as to how the Written Ministerial Statement would impact local planning policy and the Government's overall approach to planning policy, it was noted that this letter had not been sent in light of the proposed reforms to the NPPF and wider planning system with the need to review proposals for further information.

### **18 Consultation Response to Proposed Reforms to the NPPF and Other Changes to the Planning System**

The report of the Chief Planning Officer outlined that on the 30<sup>th</sup> of July 2024 the Government launched an 8-week consultation on proposed changes to the National Planning Policy Framework (NPPF) and a series of wider national planning policy reforms. The report summarised the key proposed changes as part of this consultation, such as a new standard method for calculating Local Authority housing requirements and, in conjunction with Appendix 1, highlighted the proposed Council response, collated in conjunction with a range of Council departments.

The Group Manager for Policy and Plans presented the report, providing Members with the following information:

- On the 30<sup>th</sup> of July 2024, the Government had published a proposal detailing revisions to the NPPF and wider planning reforms, alongside a consultation on its contents, with responses due by the 24<sup>th</sup> of September 2024. Appendix 1 outlined the draft response, which was to be reviewed, subject to Members comments, and submitted by the Chief Planning Officer, in consultation with the Executive Member for Economy, Transport and Sustainable Development.
- The key changes proposed by the reforms were highlighted as the revised approach to calculating housing numbers and new policy for green and grey belt land.
- Housing number reforms proposed that Local Authorities were to make best efforts to allocate land to meet the needs of housing targets using new methodology for calculating overall housing stock and an affordability multiplier which generated a figure for Leeds as 4,159 new housing units per annum.
- The new calculated housing number raised challenges given that in previous years housing number targets had not been met and also had implications on the development of new local planning policies, including Leeds Local Plan 2040 (LLP2040).
- Leeds held an excess of the 5 year land supply requirement, however, this was to be reduced by the new housing number target but would still remain as an excess.
- Paragraph 10 of the report noted that the draft response supported a number of measures proposed by the reform, but concerns regarding deliverability were raised as it was developers, and not planning authorities that built housing units. The onus should be on developers to deliver housing, where sound policy and permissions were in place in order to not create additional pressures on land release and a risk in public trust, undermining local plan making, was outlined.
- The draft response also noted that greater weight should be given to affordable housing numbers given that affordability was a major element of the of new calculation method.
- The proposed reforms noted a clear requirement for housing needs to be considered an exceptional circumstance for land release from green belt. A green belt review was being undertaken alongside LLP2040.
- A new definition for grey belt land had been provided as any land within green belt that had been previously developed or that make limited contribution to the five purposes of green belt. These measures weakened protection of green belt against the interest of housing provision and other development.
- Concerns for the decision making process supporting development of green belt land were raised in the draft response as allowances were made outside of the plan making process.
- Paragraph 17 of the report detailed other changes proposed by the reforms, with the draft response supporting the affordable housing changes, removal of the term beauty, renewable energy, highways, previously developed land, planning fees, duty to co-operate and broad design measures.
- Further information was requested for economic development, infrastructure levy changes, renewable energy, energy efficiency and reviewing or revoking the Written Ministerial Statement, as part of the draft response.

Members discussed the following key matters:

- As the reforms were understood to create pressures on the functions of green belt land, an approach to prioritise higher value green belt or in areas where its overall size was limited was needed. In response it was outlined that national policy did not add weight to any of the five purposes of green belt over one another, but where limited green belt was available, the function of preventing settlements from merging was significantly weighted.
- The green belt review was an appropriate vehicle for identifying higher value green belt land where larger segments could be grouped and then assessed against the five purposes, to inform suitable site allocation. Prior to the release of green belt, other sources of land were to be satisfied first, however, green belt was performing a spatial function within the context of the five purposes and a strategic, consistent approach was needed to determine land supply against character and function.
- It was outlined that the Conservative Group were submitting their own response to the NPPF reforms.
- There was concern expressed for the additional pressures the reforms placed on Local Authorities to increase housing numbers, whereas there was limited influence over developers carrying out planning permissions within quicker time frames. The reforms reflected a need for an increase in houses built but required greater focus on affordability and there was a risk in releasing additional land without increasing housing delivery or whole system change as the planning system was only one part of the solution.
- A greater enforcement model was needed to bring planning permissions into fruition and in addition, the idea that building more houses would decrease house prices was limited by an often fixed market approach on developer profit margins.
- The proposed national methodology for determining housing numbers was supported as a broad principle but there was some confusion as to how local planning policies were to hold up the methodology in principle, alongside land supply capacity and the housing target within the core strategy now being 5 years old. There was some ability to dispute NPPF housing numbers using specific exemptions.
- Clearer definitions for green belt exemptions and grey belt land were requested as the increased housing number targets created significant pressure on land supply. Previous definitions and exemptions had been vague to allow decision maker discrepancy, but the reforms provided a measure for release to meet housing needs.
- Mandatory national targets for affordable housing for all sites was required in order for public needs to be met. Current material considerations of viability were often barriers to widespread affordable housing provision.
- A well considered review was needed to create a sound approach to infrastructure levy's and associated CIL contributions, to ensure enough infrastructure was in place to support new developments.
- It was suggested that the response needed to be bolder in order to be clear what policies and processes Local Authorities needed to support the delivery of high quality development. It had been too common for viability to be a major material consideration for decision making bodies and greater weight should be available to local needs in policy terms.

- Reflecting on the housing affordability crisis, the ability for Local Authorities to inform the percentage of affordable houses required, as well as the focus on social rent levels were supported. The draft response, alongside partnership working with Homes England, provided a welcome opportunity to provide a meaningful impact on tackling the housing crisis and any additional mechanisms available to increase truly affordable housing was essential.
- The removal of first homes requirement from the NPPF was supported as this approach did not address the reality of housing needs.
- Methods for enforcing the implementation of planning permissions were discussed, including a suggestion regarding reducing the timeframes offered to developers.
- Members supported the response for the approach to energy efficiency and associated targets.
- The definition of affordable housing was required to be reviewed in order to provide truly affordable housing across all areas. An arbitrary rent reduction was not enough for meeting needs and addressing the housing crisis.

**RESOLVED** –That the contents of the report and Appendix 1, along with Members comments on the proposed response to the National Planning Policy Framework consultation, prior to the Chief Planning Officer submitting these in consultation with the Executive Member for Economy, Transport and Sustainable Development, be noted.

## **19 Housing Need and Supply Update**

The report of the Chief Planning Officer provided an update regarding that the Council’s planning service maintains up to date evidence on housing needs mainly for the purposes of plan-making and also needs to maintain information on a 5-year housing land supply to ensure that there is sufficient land to meet those needs across the city.

The Principal Planner from City Development, presented the report, providing Members with the following information:

- This item was an update on the progress of the Strategic Housing Market Assessment (SHMA) which maintains up to date evidence on housing needs mainly for the purposes of plan-making and also information on the need to maintain a 5-year housing land supply to ensure that there is sufficient land to meet those needs across the city.
- The previous iteration of the SHMA had been conducted in 2017, prior to the Core Strategy being developed in 2019. The new SHMA was developed in partnership with consultants Arc4 and Edge Analytics.
- Government methodology, as part of the NPPF reforms, for determining housing number requirements had changed, with an updated approach to size, type, location and tenure of housing development needs.
- A wide scope of consultation had been run, including 100 stakeholders, a public consultation and a steering group.
- An update on the following headline finding on the SHMA were outlined as:
  - *Overall Housing Requirements* - The requirement figure for housing using the Government’s standard method forecast the need of a 35% urban uplift. The overall housing requirement in the SHMA was a 3,022

average each year and 4,080 per annum including the uplift. this data informed planning and allocation which translates to delivery.

- *Affordable Housing Need* – A significant uplift in affordable housing provision was required, with the calculations determining the net shortfall as 2,136 per annum, based against the previous 10 year backlog, over 900 new affordable homes were required per annum. This was reflective of the Council Housing waiting list, housing benefit levels and the cost of living crisis leading to significant demand despite best efforts.
- *Housing Mix* – The current policy position was considered to have a narrow focus looking only at the number of bedrooms city wide; a more detailed model was in preparation to consider size, type and tenure across 11 sub areas as part of LLP2040.
- *Student Accommodation* – Demand and supply had changed, with a stark increase in the number of student housing developments, which was outlined as part of the Unipol report at appendix 2. There was a shift away from the previous standard of co-living models to self contained units more concentrated within the city centre. These housing models largely catered for international students and postgraduates, with a decrease in demand forecast. The Council had approved over 17,000 bed spaces since 2017, with 7,500 over the past 2 years.
- *Older Persons Housing* – There was a need for this housing type with a calculation for 8,805 new older persons units by 2040 calculated, as C3 class houses and extra care home bed spaces to support various needs.
- *Specialist Housing Needs* – This housing type was to support various health and life experience needs, with a shift away from understanding this as age related. The exact needs requirements were difficult to scope but available data was to inform plans.
- The reforms to the NPPF had implications in regard to the update to the standard method of the stock-based approach, with an increased affordability multiplier and the need to increase housing land supply. The new calculation outlined a target of 4,159 new houses per annum and an addendum to the SHMA was anticipated by the end of 2024 to set out the response to the reforms.
- The Core Strategy was 5 years old, and the housing target was replaced by the Government standard method with the 35% uplift now applied. This impacted the 5 year land supply position, reduced from 7.7 years to between 6.1 and 6.4 years.
- The next steps were outlined as the SHMA being published and used as an evidence base for LLP2040, becoming a material consideration as well as an updated 5 year land supply position to be calculated as part of the Strategic Housing Land Availability Assessment (SHLAA) in 2024.

Members discussed the following key matters:

- There was a need to build more affordable student accommodation as current provision incurred substantial costs to students and was considered to contribute to an unfair system. High cost rent had also impacted other areas, with HMO's previously occupied by co-living students being occupied by

young professionals. This was a clear issue outlined by the evidence and a policy response was required.

- As the demographic of residents within the city centre had changed, well thought out policy was needed to respond to needs, including family friendly developments. The evidence gathered by the SHMA was more nuanced in terms of bedroom numbers and property size to inform policy development to compliment the amenities and services within the city centre, which were noted to be good for all demographics.
- It was confirmed that the housing income and cost data was based on a 2022 data set from the original commission of the SHMA. Consideration as to what up to date data would reflect was noted given further inflation and wage stagnation; policy needed to focus on meaningful affordability to combat the housing crisis.
- As less than 1% of dwellings within the city centre contained three bedrooms, policy needed to encourage more affordable and diverse housing options. Demand had changed for city centre housing and options for new development locations to meet needs were ongoing.
- The issue of affordability was to be understood via the lens of housing cost but also wage level and wider societal and economic change was integral to address the housing crisis, outside of the planning system.
- If targets were continually missed back claiming shortfalls was somewhat ineffective. It was noted that the new Government methodology reflected wage levels against house prices across different areas to determine targets and the SHMA considered net arising needs and contribution to back logs.
- Effectively increasing the variety of housing options was going to be through stronger, enforceable policy positions and the SHMA was a good evidence base to inform policy to cater to local needs.
- The economic benefits for purpose built student accommodation and the affluent individuals it brought to the city was recognised, whilst understanding the issue of affordable student accommodation as difficult given traditional student areas had become mixed or displaced and decent living condition were expected but not always provided.
- Cluster models for student housing was often more affordable and Members noted that young people should not be priced out of taking further education; it was important to get suitable housing and space standards for this type of housing.
- The issues of housing quality in HMOs and co-living models were mainly due to an increase in demand and competition for units.
- The Unipol report at appendix 2, and the student housing working group, were noted to be a useful source of data but were not bound to policy outcomes.
- The issues noted with purpose build student accommodation translated to supported living facilities within outer areas and resolutions were best sought through in depth understanding of wider communities specific to each area.
- A reduction in houses prices was outlined as undesirable to developers and also some house owners and increased wages was the best method for addressing the affordable housing crisis. Pre-reform methodology had not focused on need projections, whereas the revised approach was to consider location, size, and tenure across the eleven sub areas, being mindful of existing capacity to translate into need and land allocation plans.

- How housing need balanced against demand was queried, given affordable housing was required across all areas to support the economy and different job types.
- Although evidence for specialist needs housing and support living models for people aged 18 to 64 was difficult to scope, the need for supported living options should be captured in forthcoming policy, which would alleviate pressure on SEND provision. It was noted that approaches were being considered, including conditions which could be added to planning permissions and the SHMA identified gaps which required further research.
- The figures detailed on the number of people across all age groups with learning disabilities in table 4.13 at page 145 of the report were agreed to be checked again with the Adults Health and Social Care department and the relevant steering group, prior to publication. It was noted that delays in young people receiving Education, Health and Care Plans (EHCP) assessments and diagnosis impacted data that was required to scope needs.
- Whether reductions in affordable housing, for example through instances of right to buy, were taken into consideration as part of the housing need methodology and forthcoming policy considering the needs of sub areas, were queried. In response it was noted that affordable housing needs assessment as part of overall housing delivery considered remedying past effects of homelessness and waiting lists in order to maximise provision and reduce need and pressures from affordable homes.
- A balanced approach for the mix of housing option needs was to be maximised by policy and work with other services, including Regeneration assisted in delivery of affordable homes through specific providers as well as work to maximise the effects for Section 106 allocation.
- The 50% of affordable homes to be delivered on permissions for green belt land was also proposed by the reforms but viability issues may arise for developer delivery on other sites such as brown field and consideration of a realistic approach was to be considered.
- How in depth the data was for the sub areas was queried given that SHMA data was integral to neighbourhood plans; the SHMA had utilised data from the various output areas and from the Office of National Statistics to inform as required. Nuanced policy for each area's needs was required to get housing supply levels correct which were considered by LLP2040 including a settlement hierarchy. Agent summaries were useful data, but strategies required a multi factor input.
- House prices were relative and, although dependant on mortgage payments, a reduction in overall housing costs equated to more affordable housing.
- Retirement complexes were a good model between independent and supported living, however, these models were forthcoming through a market response, but Officers agreed to review the approach for this.
- It was confirmed that the removal of section 21 evictions had be considered during student housing working groups.
- Average income was confirmed to be determined through median data and utilised Leeds specific data.
- Granular neighbourhood data needed significant consideration as areas nearby, including different areas of the city centre, had a very different demographic make ups and micro economies.

- To address future projections for city centre, in particular student housing, it was noted that a mix of provision was needed and that the Universities could hold influence of affordability rates.

**RESOLVED** – That the report, along with Members comments be noted.

## **20 Update on Leeds Local Plan 2040**

The report of the Chief Planning Officer outlined that the Leeds Local Plan 2040 was earmarked to begin its second round of Regulation 18 public consultation in November 2024. A consultation on a revised National Planning Policy Framework (NPPF) was published at the end of July 2024. This proposed significant changes to national planning policy that will have a bearing on the Leeds Local Plan 2040. In light of this, it was proposed that the planned public consultation before the end of 2024 will instead happen in early 2025, pending finalisation of the NPPF.

The Group Manager from Policy and Plans, presented the report, providing Members with the following information:

- With the Government’s proposed NPPF and wider planning system consultation and reforms, there were tangible benefits and a reduction in risk for the ongoing development and adoption of LLP2040 in delaying the consultation.
- The next stage of consultation for LLP2040 had been paused in order for the impacts of the NPPF and wider reforms to be assessed in terms of the approach to the standard methodology for housing numbers, green and grey belt, employment land and affordable housing, among other topics.
- The LLP2040 consultation was paused in order for work not to be duplicated and to allow questions or concerns that were to be covered by NPPF reforms and its wider context for national and local planning policy to be addressed.
- In the interim period between recommencing the LLP2040 consultation work was ongoing work to research policy options such as site assessments and green belt review.
- The new timescales for the development and adoption of LLP2040 was noted to not be heavily impacted and could save time if a further round of consultation at a later stage could be avoided.
- An amended timetable was to be produced and was expected to be published early in the new year of 2025 after the new NPPF was published and available.

**RESOLVED** – That the report, along with Members comments be noted.

## **21 Date and Time of Next Meeting**

**RESOLVED** – To note the date and time of the next meeting the 5th of November 2024, at 1:30pm.