

Five Year Housing Land Supply Statement

2017 Update

1. Background

- 1.1. The National Planning Policy Framework (NPPF) states that local planning authorities must identify a deliverable five year supply of housing sites.
- 1.2. The preparation of a Strategic Housing Land Availability Assessment (SHLAA) is a requirement of the NPPF with guidance provided in the National Planning Practice Guidance (NPPG). The SHLAA is a technical study that assists in the monitoring of whether there is an adequate supply of deliverable housing land at any point in time.
- 1.3. The Council was adjudged by the Secretary of State in his decisions at Breary Lane, Bramhope, Leeds Road, Collingham and Bradford Road, East Ardsley on 23rd December 2016 not to have a five year housing land supply. This was based on the 2015 Update to the SHLAA.
- 1.4. At those conjoined appeals decided in December, which considered supply from 1 April 2016, the Appellants submitted 2.9 years supply against the Council's 5.4 years supply. The Inspector concluded the true position would be between the two but closer to the Appellants - between 2.9 and 4.2 years.
- 1.5. In moving forward, the Council has since continued to increase the stock of outstanding planning permissions whilst progressing the Site Allocations Plan towards adoption alongside a range of housing growth initiatives. These actions have strengthened the five year housing land supply position.
- 1.6. This statement reflects to up-to-date assessment of sites as part of the 2017 Update of the SHLAA.

2. National Policy

National Planning Policy Framework

- 2.1. The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development. For housing, this means providing the supply of housing required to meet the needs of present and future generations. Local planning authorities are required to prepare a SHLAA in order to establish realistic assumptions about the availability, suitability and achievability of land to meet the identified need for housing over the plan period.
- 2.2. The NPPF states that local planning authorities must identify a deliverable five year supply of housing sites. Footnote 11 of the NPPF states that to be considered deliverable, sites should be available now, offer a suitable location for development now and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable.
- 2.3. The NPPF identifies the need to consider:

- A supply buffer - local planning authorities are required to include an additional allowance or 'buffer' of five percent (moved forward from later in the plan period) in terms of supply to ensure choice and competition in the market for land. Local planning authorities with a record of persistent under delivery of housing should consider applying a 20 percent buffer (Paragraph 47).
- Windfall sites - local planning authorities may make an allowance for windfall sites in their five year supply if they have compelling evidence such sites have consistently become available in the local area and will continue to provide a reliable source of supply (Paragraph 48).

2.4. Paragraph 49 of the NPPF states that relevant policies for the supply of housing should not be considered up to date if the local planning authority cannot demonstrate a five year supply of deliverable housing sites.

National Planning Practice Guidance

2.5. On 6 March 2014 the Department for Communities and Local Government (DCLG) published the planning practice guidance accompanying the NPPF. The PPG provides clarity on what might constitute a 'deliverable' site. This has been used to determine the approach taken in this document.

3. The requirement

3.1. The starting point for establishing a five year supply requirement is the housing target set out in the up to date Local Plan¹.

3.2. It is agreed the adopted Leeds Core Strategy sets the base requirement for housing provision in the District. Policy SP6 informs of a plan requirement of 70,000 dwellings between 2012 and 2028. For the purposes of monitoring and reporting, the base dates for each year is 1st April.

3.3. Whilst the average net additional housing requirement over the Core Strategy plan period is 4,375 dwellings per annum, Policy SP6 contains a 'step up' in the requirement within the first five years of the plan (1st April 2012 to 31st March 2017) being at the lower rate of at least 3,660 dwellings per annum with subsequent years then being at least 4,700 dwellings per annum thereafter.

3.4. The five-year period that should be used for calculating both the requirement and supply for the purposes of the appeal is the 1st April 2017 to the 31st March 2022. The baseline requirement for this period = 5 x 4,700 = 23,500 dwellings.

3.5. The five-year housing land requirement is calculated by considering the average annual Local Plan requirement and rolling over any previous shortfall since the base

¹ In accordance with ¶3-030 of NPPG which states "Housing requirement figures in up-to-date adopted Local Plans should be used as the starting point for calculating the five year supply".

date of the Local Plan. Any accrued shortfall is to be made up within five years, which is often referred to as the 'Sedgefield' approach. An appropriate buffer is added and then the annual residual requirement is multiplied by five to generate the five-year housing land requirement.

- 3.6. The delivery and associated undersupply for the first five years of the plan (1st April 2012 to 31st March 2017) are agreed as follows:

Net Delivery: 1st April 2012 to 31 March 2017 = 13,824

Requirement: 1st April 2012 to 31 March 2017 = 5 years x 3,660 = 18,300

Undersupply: 1st April 2012 to 31st March 2017 = 4,476

- 3.7. In line with paragraph 47 of the NPPF, a 20% buffer has been applied to the housing requirement to account for under delivery since the start of the Plan period (2012/13). This buffer is applied to the Core Strategy housing requirement and the shortfall since the start of the Plan.

- 3.8. For the 5 year period 1st April 2017 to 31st March 2022, the calculation is as follows:

Baseline Requirement: 2017 to 2022 = 5 x 4,700 = 23,500

Undersupply: 2012 to 2017 = 4,476

Base Requirement + Undersupply = 27,976

20% Buffer = 5,595

Base Requirement + Undersupply + 20% Buffer = 33,571

- 3.9. The total adjusted five year requirement for the period 1st April 2017 to 31st March 2022 stands at 33,571 dwellings, a requirement of 6,714 dwellings per annum.

- 3.10. It should be noted that the requirement of 6,714 dwellings per annum relates to the supply of deliverable land only as it includes a significant supply buffer. Accordingly, whilst the proper test is to provide sufficient deliverable land to meet the five-year residual requirement as per the NPPF, it should not be taken that 6,714 dwellings per annum is the delivery requirement for the next five years.

- 3.11. The NPPF does not demand probability or certainty of delivery in fact before a site can be counted as being deliverable, but a 'realistic prospect of delivery'. The assessment of supply is done in terms of what is deliverable, which is different from expected actual delivery.

4. The SHLAA 2017 Update

- 4.1. The National Planning Practice Guidance (NPPG) provides information to help local authorities fulfil their responsibilities under paragraph 47 of the NPPF. As well as establishing a five-year supply position to support the preparation and examination of Local Plans, the NPPG confirms that the supply position should be updated annually.
- 4.2. The preparation of the 2017 SHLAA reflects the most up to date guidance available, including the NPPG. In particular, the NPPG provides more detailed advice for carrying out a SHLAA, noting that it should:
- identify sites and broad locations with potential for development;
 - assess their development potential; and
 - assess their suitability for development and the likelihood of development coming forward (the availability and achievability).
- 4.3. The Council have finalised the 2017 update to the SHLAA and have contacted agents, landowners and promoters of sites to comment upon the availability and achievability of each site as part of a positive approach to update the SHLAA according to the most up-to-date information available on a site-by-site basis.
- 4.4. The sites included in the five-year supply satisfy the requirements of paragraph 47 of the NPPF and in particular, footnote 11. The Council uses the information it has on suitability, availability, achievability and constraints to assess the timescale within which each site is capable of development.
- 4.5. The has contacted landowners as part of considering the availability of sites for allocation under the Aire Valley Area Action Plan, and under the Site Allocation Plan and as part of informing overall 'deliverability', including the "realistic prospect that housing will be delivered within 5 years".
- 4.6. The evidence which underpins the SHLAA satisfies the approach that is advised to be taken under paragraph 47, footnote 11 of the NPPF when considering the deliverability of sites for the five year housing land supply that:
- "To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans".*
- 4.7. The Council confirms that no site included within its supply discloses any legal or ownership constraint, militating against the realistic prospect of delivery or overall deliverability.

4.8. The Council has properly taken into account improving housing market conditions. The housing market in Leeds has recovered and signposts continued and marked improvement. It is considered that comparatively with most recent years, stable economic conditions are prevalent to aid the promotion of housing market performance. The Leeds Crane Survey 2016 observes that national and international developer interest is continuing to grow and that the planning pipeline is strong with numerous high-rise developments proposed. Today, Leeds is firmly in ‘growth mode’ and is committed to additionality, and to accelerating delivery of the City’s housing requirement in line with the Core Strategy (and consistently with very advanced Site Allocations Plan) and its economic growth strategy.

5. The Five Year Housing Land Supply

5.1. The SHLAA 2017 Update shows 32,153 units in the short term with 4,988 units on Green Belt sites to be released by the highly advanced Site Allocations Plan and 557 dwellings on safeguarded land sites. Accordingly, the Council discounts 5,545 dwellings from the SHLAA short-term deliverable supply to complete the five year supply picture from identified supply (i.e excluding windfall).

5.2. This leaves a minimum policy compliant deliverable supply of 26,608 (Appendix A with Note on Deliverability) comprised of:

Identified Supply (SHLAA exc. Green Belt, safeguarded & other uses)	26,606
Under construction	3,649
Planning permission	10,954
UDP Allocations	2,714
Expired planning permission	2,475
No planning permission	6,816

5.3. Of the 26,606 dwellings in the Identified Supply, 25,977 (98%) are emerging allocations in the Site Allocations Plan or Aire Valley Area Action Plan. Of the 9,291 dwellings with no or expired planning permission, 7,018 (76%) are on brownfield sites that will be granted Permission in Principle (PiP) through the Brownfield Land Register route in early 2018. PiP is a new instrument which has the strong likelihood of enabling a significant level of housing growth in Leeds. PiP will confirm the principle and amount of residential development for relevant sites, thereby providing developers with increased certainty, subject only to the technical details stage.

5.4. With the inclusion of windfall at 500 per annum (Adopted Core Strategy), the return of empty properties together with the discount of demolitions the overall supply is 4.38 years:

Total Five Year Requirement 1st April 2017 to 31st March 2022	33,571
Annual Requirement	6,714
Identified Supply (SHLAA exc. Green Belt, safeguarded & other use)	26,608
Windfall	2,500
Empty Homes	500
Demolitions	-225
Total Supply	29,383
Five Year Supply	4.38

6. Conclusion

- 6.1. The assessment determines that although a **five year housing land supply cannot be demonstrated** the extent of the shortfall is **marginal** following the continued boosting of supply through recent approvals, housing growth initiatives and the advancement of the Site Allocations Plan.
- 6.2. The Council will be able to demonstrate a five year housing land supply within the context of the strengthening market, ongoing housing growth initiatives and upon the adoption of the Site Allocations Plan if not sooner with forthcoming changes housing land supply requirement for Leeds.