

Report of the Chief Planning Officer

Report to Development Plan Panel

Date: 13 November 2018

Subject: Strategic Housing Land Availability Assessment Update 2018

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All	<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 2018 update of the Strategic Housing Land Availability Assessment (SHLAA) has used the Council's established methodology which is in accordance with national planning policy and up-to-date interpretation of planning guidance.
2. The assessment concludes that an improving stock of deliverable land supply exists in Leeds within the context of the strengthening market, recent planning permission activity and ongoing housing growth initiatives.
3. The Council anticipates that it will be able to demonstrate a five year housing land supply upon the adoption of the Site Allocations Plan, if not sooner pending changes to the National Planning Policy Framework and consequent implications for the housing land supply requirement for Leeds.

Recommendation

4. Development Plan Panel is recommended to note, comment and endorse that the contents of this report to be published.

1. Purpose of this Report

- 1.1. To update Development Plan Panel on the progress and conclusions of the 2018 SHLAA prior to its publication.

2. Background Information

Purpose of a SHLAA

- 2.1. Preparation of a SHLAA (with annual updates) is a requirement of the National Planning Policy Framework (NPPF). A SHLAA is a technical study to inform planning policy development and implementation. It is not the purpose of the SHLAA to allocate land for development; this is undertaken through the preparation of a Development Plan. A SHLAA also sets out whether there is a deliverable supply of housing land for five years of housing, known as the five year housing land supply.
- 2.2. The previous Leeds SHLAA worked to a base date of 1 April 2017. This SHLAA Update works to a base date of 1 April 2018. The NPPG provides information to help local authorities fulfil their responsibilities under paragraph 67 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.

Previous SHLAA updates

- 2.3. Preparation of a SHLAA for Leeds 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 has been updated annually to adjust the delivery prospects of sites against updated information and to consider new sites. The SHLAA Update 2011 was published in December 2011, the 2012 Update in April 2013, the 2014 Update in July 2014 and the 2015 Update in January 2016.
- 2.4. In previous years the Council has formed a SHLAA Partnership to steer and oversee the technical work on individual sites. The Partnership has comprised officers, members, the Home Builders Federation (HBF), housebuilders, interested parties (including community representatives) and statutory agencies such as the Homes and Communities Agency now Homes England.
- 2.5. Following the Secretary of State's (and appeal Inspector's) conclusions in December 2016 a revised approach addressed a need for an enhanced and more detailed assessment that reflected the up-to-date interpretation of NPPG assessment of deliverability. A 2017 Update was subsequently published in November 2017 following consultation with the Home Builders Federation (HBF).
- 2.6. The SHLAA has been subject to examination at recent public inquiries regarding Thorp Arch Trading Estate, Wetherby (closed, November 2017) and subsequently updated at Tingley Station (up to 770 dwellings at land at Dunningley Lane) (closed, January 2018). Both inquiries considered the five

year supply position as sourced from the 2017 Update. The Secretary of State's conclusion notes the confidence in the Council's "...thorough and proactive approach to land availability".

2018 SHLAA

The NPPG provides information to help local authorities fulfil their responsibilities under paragraph 67 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.

- 2.7. The preparation of the 2018 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).
- 2.8. In response to this requirement, the Council publishes a SHLAA on an annual basis. The SHLAA is generally published in Winter each year setting out the housing supply position as at 1 April.
- 2.9. A new approach to the SHLAA following consultation with members and the HBF has been implemented that takes into account the conclusions of the Inspector and the Secretary of State towards an improved and more detailed 2018 SHLAA that reflects the up-to-date interpretation of NPPG.
- 2.10. Within this context, the Council has finalised the 2018 update to the SHLAA and has 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 clear evidence and the most up-to-date information that is available on a site-by-site basis. The SHLAA Report is contained at **Appendix 1**.
- 2.11. In order to ensure that the 2018 SHLAA is robust and up to date the Council has been in contact with landowners and developers (via the the Private Sector Housing Acceleration Scheme) and through correspondence (June 2015, July 2016, September 2016 and August 2018) - following the receipt of title information from the Land Registry.
- 2.12. The Council is now in on-going dialogue with developers to keep up-to-date construction programmes for sites with planning permission. This is the across the board approach taken in the 2018 SHLAA in order to obtain detailed site-specific information that informs assessments of deliverability as advocated by the Inspector and Secretary of State in recent decisions. This approach has been taken in the 2018 Update following consultation with members of the HBF, landowners and agents in August and September 2018.

Planning Appeals

- 2.13. The 2017 Update to the SHLAA was tested under the terms of the NPPF as part of public inquiries regarding at land south of Pool Road, Pool in Wharfedale and The Ridge, Linton.
- 2.14. In addition, two Secretary of State decisions were issued involving land at Tingley Station and Thorp Arch Trading Estate. Both of these recovered appeals were dismissed on 12 July 2018.
- 2.15. The findings of the Secretary of State in July 2018 on the land supply in Leeds were based upon the conclusions of his Inspectors relating to the evidence tested as part of the public inquiries at Thorp Arch Trading Estate (closed, November 2017) and subsequently updated at Tingley Station (closed, January 2018). Both inquiries considered the five year supply picture as sourced from the 2017 SHLAA updated from a base date of 1st April 2017 for the five year period from 2017/18 to 2022/23.
- 2.16. In the Tingley Station decision, the Secretary of State “*agrees with the Inspector...that the Council’s housing land supply is around four years*” against an agreed requirement inclusive of under delivery and a 20% buffer. As Tingley Station involved the updated evidence base, when compared with Thorp Arch Trading Estate, it must be treated as taking precedence over the Secretary of State’s decision in Thorp Arch.
- 2.17. The following table sets out a chronology of the consideration of housing land supply in Leeds at recent appeals.

Site	Size	Status	Decision	Supply
Church Close, Pool in Wharfedale	55 homes	Inspector	18 June 2018	"3 to 4.4 years probably tending towards the lower end of that range"
Thorp Arch Trading Estate	874 homes	Secretary of State	12 July 2018	"Closer to 4.38 years"
Land at Tingley Station	770 homes	Secretary of State	12 July 2018	"Around 4 years"
Ridge Meadows, Linton	26 homes	Inspector	Awaited	

- 2.18. The Council’s calculation of forward housing supply, and what amounts to ‘deliverable’ supply, is considered to be both realistic and robust in the light of how the assessment of ‘deliverability’ (properly construed for the purposes of the NPPF) must be approached. ‘Deliverability’ under the NPPF and NPPG, national policy requires a ‘realistic prospect of delivery’ be disclosed by a given site. Annex 2 of the NPPF defines a deliverable site in the terms of an assessment of the timescale for delivery and the planning status of the site. To be considered deliverable, sites for housing 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. The Council adopts this approach in the SHLAA.

- 2.19. The Council is of the view that there has been a marked and important step change, by which the Council has considerably improved its housing supply position. This is well reflected by the decisions of the Secretary of State noting a continued increase in the stock of outstanding planning permissions alongside a range of implemented and progressing housing growth funding and regeneration-led policy initiatives.

Planning, Housing and Regeneration Programmes

- 2.20. Housing regeneration and growth is a key priority for Leeds; it is a Breakthrough Project in the Best Council Plan in place to help materialise the efforts needed to meet annual targets.
- 2.21. As part of the positive actions of the Council, over the past year the Council has been working with the Homes England (previously HCA) and MHCLG (previously DCLG) to unlock early, accelerated growth in the city centre housing market. Leeds has a good track record in working with partners across sectors to stimulate and support the housing market in our existing residential neighbourhoods, through schemes such as; the Housing PFIs; Brownfield Land Programme delivery; private sector housing investment; and the Housing Growth Programme (including a large new build council housing programme)
- 2.22. The initiative 'Leeds Living' has emerged as a principal project to stimulate city centre growth and the necessary interventions which will enable it. This has developed alongside a separate discussion between MHCLG and core cities on the need for bespoke housing deals to further assist growth. It is intended for Leeds Living to serve this purpose.
- 2.23. As with other core cities, the Council benefits from ongoing dialogue with MHCLG and Homes England towards establishing a Housing Deal for the city that could unlock financial assistance and offer policy flexibilities and freedoms to enable accelerated and additional housing delivery.
- 2.24. The Council's Housing Growth Team works across a range of Council services including: Planning, Regeneration, Asset Management and Housing to identify and implement interventions to stimulate housing growth primarily in areas in need of regeneration and on brownfield land.
- 2.25. The Council will be working closely with the development industry and other partners to clarify and encourage high quality growth and share ideas and experience – and actively use our own assets and knowledge to unlock housing opportunities and deliver more homes.

3. Main Issues

- 3.1. The preparation of the 2018 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).
- 3.2. The 2018 Update assesses 1,215 sites with a total capacity of 203,917 dwellings. Of these, 282 sites are considered to be suitable, available and achievable contributing a total of 59,229 units to the identified deliverable supply between 1 April 2018 and 31 March 2028.
- 3.3. In accordance with paragraph 37 of the NPPG a 5% buffer has been applied to ensure choice and competition in the market (where the delivery of housing over the previous 3 years, has not fallen below 85% of the requirement). This buffer is applied to the Core Strategy housing requirement and the shortfall since the start of the Plan period. The total adjusted five year requirement for the period 1st April 2018 to 31st March 2023 stands at 31,860 dwellings, a requirement of 6,372 dwellings per annum.
- 3.4. With the inclusion of windfall development at 2,500 per annum, the return of empty properties to the housing stock together with the discount of demolitions the **overall five year supply is 4.76 years and 30,492 dwellings** (Appendix 2). There is a policy compliant deliverable supply of 28,217 as at 1st April 2018 (SHLAA sites are shown in Appendix 3).
- 3.5. The 2018 SHLAA is thorough and robust, developed in conjunction with landowners, developers, the HBF and the SHLAA Partnership. Individual site assessments have been undertaken through the SHLAA process in line with best practice. The SHLAA assessment has been populated on the basis of the best evidence of a realistic prospect of delivery and is consistent with the Council's proactive activities and interventions to deliver much needed homes more quickly.

4. Consultation and Engagement

- 4.1. Evidence reports such as the SHLAA are not subject to the need for public consultation. Evidence reports are informed largely by factual investigation and may have limited involvement of particular specialist interests. In the case of the SHLAA, it has been prepared by officers from across City Development as a draft for consultation with partnership members including the house builders. The Council's website contains advice for anybody wishing to submit a site for inclusion in a SHLAA update although these have mainly been via the Site Allocations Plans process, which has been subject of extensive consultation and engagement.

5. Equality and Diversity / Cohesion and Integration

- 5.1. It is considered that the publication of the SHLAA Update raises no issues about equality.

6. Council Policies and City Priorities

- 6.1. Keeping the SHLAA up-to-date helps implement the Local Plan i.e. the Core Strategy, AVLAAP and SAP. The Local Plan 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 addressing a range of social, environmental and economic objectives, these Plans seek to implement key City Council priorities. These include the Best Council Plan in particular to 'promote sustainable and inclusive economic growth'. The SHLAA also supports the delivery of breakthrough projects on the delivery of housing.

7. Resources and value for money

- 7.1. The in-house technical exercise of preparing the SHLAA Update 2018 has been achieved within the City Council's budget for the Local Development Framework.

8. Legal Implications, Access to Information and Call In

- 8.1. Preparation and upkeep of a SHLAA is a requirement of national government planning policy and informs consideration of planning applications. The report is not eligible for call in as no decision is being taken.

9. Risk Management

- 9.1. The evidence of the SHLAA has in the past been subject to challenge from the development industry, seeking to overturn decisions to refuse planning permission for housing development at appeal, and objecting to development plan policies and proposals concerning the quantity and distribution of housing in Leeds. It is important to maintaining an up-to-date annual SHLAA to minimise the risk of successful challenges to the land supply position.

10. Conclusion

- 10.1. The report sets out how the 2018 SHLAA has been prepared and provides overall results. The Council can demonstrate a 4.76 year land supply.

11. Recommendation

- 11.1. Development Plan Panel is recommended to note, comment and endorse that the contents of this report to be published.