



Report of the Director of City Development

Development Plan Panel

Date: 9th November 2010

Subject: Leeds LDF Core Strategy – Evidence Base Work & Employment Land Review

Electoral Wards Affected:

All



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

Following consideration of consultation responses to the Core Strategy Preferred Approach consultation (October – December 2009), work is continuing to consolidate and the complete the evidence base for the Core Strategy. This work is essential in informing the overall strategy, the direction of specific policy areas and as a basis to ensure that the Core Strategy is underpinned with a sound and proportionate evidence base. Key pieces of technical work have already been completed (including the Strategic Flood Risk Assessment in 2007). The outstanding work outlined in this report relates to updates of existing technical studies or additional studies as a consequence of national guidance / advice from the Planning Inspectorate (PINS) which are currently underway.

These studies include: the Leeds Strategic Housing Land Availability Assessment, the PPG 17 Audit & Needs Assessment, the Retail & Town Centres Study, Housing Growth Options, Strategic Housing Market Assessment, Infrastructure Delivery Plan and the Employment Land Review Update. The purpose of this report is to provide Development Plan Panel members with an overview of progress on each of these studies and in particular outlines the details of the Employment Land Review (2010 Update) which is at a more advanced stage.

1.0 Purpose of this report

- 1.1 The purpose of this report is to update Development Plan Panel on progress being made in respect of the consolidation and completion of the evidence base for the LDF Core Strategy. National Guidance (Planning Policy Statement 12), emphasises the need for planning documents to be supported with the necessary evidence base to underpin the development of the overall strategy and approach to policy. Consequently, a series of technical studies are currently being completed in parallel, to assist the formulation of the Publication draft of the Core Strategy.

2.0 Background information

- 2.1 Following consideration of consultation responses to the Core Strategy Preferred Approach consultation (October – December 2009) – subsequently reported to Development Plan Panel in February, May and June 2010, work has continued to consolidate and complete the evidence base for the Core Strategy. This work is essential in informing the overall strategy and the direction of specific policy areas, as a basis to ensure that the Core Strategy is underpinned with a sound and proportionate evidence base. Key pieces of technical work have already been completed (including the Strategic Flood Risk Assessment in 2007). The outstanding work outlined in this report relates to updates of existing technical studies or additional studies as a consequence of national guidance / advice from the Planning Inspectorate (PINS) and issues arising from the Preferred Approach consultation which are currently underway.
- 2.2 These studies include, the Leeds Strategic Housing Land Availability Assessment (2010 Update), the PPG 17 Audit & Needs Assessment, the Retail & Town Centres Study, Housing Growth Options, Strategic Housing Market Assessment, Infrastructure Delivery Plan and Employment Land Review Update. Initial work is also underway to refresh the Landscape Assessment (1994), as a basis to inform environmental and development issues within the Core Strategy.
- 2.3 The focus of this report is to provide Development Plan Panel members with a progress update on each of these studies and in particular outline the details of the Employment Land Review (2010 Update) which is at a more advanced stage.

3.0 Main issues

- 3.1 As noted above a series of technical studies have been completed or are underway to support the preparation of the Core Strategy to Publication and Submission stages. These are:

Leeds Strategic Housing Market Assessment (SHMA, completed May 2007, update due for completion, early 2011)

- 3.2 It was felt necessary to update Leeds' SHMA 2007 because of the impact of the recession on the housing market. GVA Grimley consultants were appointed in the summer to undertake the update. With the revocation of the Regional Spatial Strategy (RSS) Leeds' SHMA will assemble evidence to help set a new housing requirement for Leeds. It will examine closely the impact of the recession and undertake a reality check on the Office of National Statistics forecasts of international migration. The SHMA also has the role to estimate size and types of housing needed in different parts of Leeds. This is particularly important evidence to determine Leeds' targets for provision of affordable housing.

- 3.3 The SHMA update is being overseen by a partnership of key stakeholders and a wider consultative event is scheduled for 16th November at the Carriageworks. It is anticipated that early results may be available in December with the study being completed early in 2011.

Leeds Strategic Housing Land Availability Assessment (SHLAA completed February 2010, further update due for completion early 2011)

- 3.3 Involving partnership with key stakeholders, the SHLAA 2009 assessed the availability of land for housing development and reached conclusions on over 750 sites. The “suitability” of sites in planning policy terms was determined as either:
- “Yes”
 - “Yes with physical interventions”
 - “LDF to determine”
 - “No, will never be appropriate for housing development”
- 3.4 Also, the number of dwellings achievable on a site was determined in terms of total capacity and expected delivery periods: the first 5 years, 5-10 years and beyond 10 years. A range of characteristics was recorded for each site such as public transport accessibility, flood risk, landscape quality which are helping to inform the Core Strategy’s choices on future housing supply.
- 3.5 The SHLAA is currently being updated to a 1st April 2010 base date. Primarily, this involves adjusting delivery expectations in the light of new planning permission and completion data, but a handful of new sites are being advanced. The SHLAA Partnership is being reformed in order that initial officer conclusions can be considered. It is hoped that the update will be signed off by the Partnership in early 2011.

PPG 17 Audit & Needs Assessment (December 2010)

- 3.6 At the 13 July 2010 Development Plan Panel meeting, members will recall receiving a report and presentation on the scope and next steps in relation to this study. Within this context, work is continuing to develop a series of draft standards for each of the greenspace typologies identified and their implications for policy formulation and implementation.

Retail & Town Centres Study (December 2010)

- 3.7 Following the introduction of new national guidance (Planning Policy Statement 4, Planning for Sustainable Economic Growth, 2009) and further advice from the Planning Inspectorate (PINS), technical work has been commissioned to review the retail capacity of Town, District and Local Centres across the district. The purpose of this is to establish a baseline to consider the vitality of existing centres (and future needs) and to plan for longer term growth, linked to future population and housing requirements.

Housing Growth Options (Jan 2011)

- 3.8 A key dimension of the Core Strategy Preferred Approach consultation and the consequences of the subsequent abolition of the RSS (July 2010), is the need to determine what level of housing growth Leeds should be planning for. In July 2010, the City Council’s Executive Board, considered a report specifying an interim housing requirement for Leeds. Further work is however required to determine what the longer term requirement for Leeds should be, linked to the City’s overall aspirations, demographic change and spatial priorities. A key component of the SHMA (outlined above) is to consider population change in the District and the relationship to longer term housing requirements. The conclusions of this study will help inform the overall approach of the Core Strategy to the level of longer term housing growth and its

location. In reflecting on the consultation comments received in respect of the Preferred Approach, is the need to more clearly identify the overall quantum and locations for housing growth. A key spatial aspect of the Core Strategy's approach has been to give first priority to regeneration and future growth on brownfield land within the main urban areas of Leeds. The work on Housing Growth Options will help quantify the achievability of this overall commitment and in the light of the information arising from the SHMA, provide a context to consider longer term growth requirements.

Infrastructure Delivery Plan (PAS Project due for completion December /January 2010)

- 3.9 As reported previously to Development Plan Panel, Following changes to Planning Policy Statement 12 (PPS 12) in 2008, Core Strategies need to be supported by an Infrastructure Delivery Plan. This is an extensive task for a city the size and complexity of Leeds. There are key questions also in respect of the current financial circumstances, regarding the ability to deliver the scale and range of infrastructure to meet the city's current and future requirements. In seeking to progress this work the City Council is working closely with the Planning Advisory Service (PAS) as part of a national project to develop an infrastructure plan to underpin the Core Strategy. Work is ongoing to develop this plan in conjunction with key stakeholders but this will need to be reviewed in the light of the national Spending Review and the overall scope of the Core Strategy's approach to policy delivery, regeneration and longer term growth.

Employment Land Review (2010 Update)

- 3.10 The Employment Land Review currently being prepared by officers contains information on, and provides justification for the amount of land that will be proposed for employment use in the Local Development Framework. Employment uses in this case mean uses falling under class 'B' of the Planning Use Classes Order (largely offices, industry, warehousing and including some waste uses). These sectors account for about half of the total number of jobs in Leeds.
- 3.11 The City Council published an Employment Land Review (ELR) in March 2006 but it is recognised that the evidence it provided is now out-of-date in most aspects. The 2010 update seeks to reflect changed circumstances, in particular:
- Changes to national planning policy including the publication of Planning Policy Statement 4 (Planning for Sustainable Economic Growth)
 - The recent recession and its impact on the property market and development sector;
 - Revisions to economic and employment growth forecasts for Leeds; and
 - New guidance and advice on how to prepare ELRs.

Methodology

- 3.12 The ELR identifies the need for employment land in Leeds up to 2026. The need for land is derived from forecasts for the number of jobs likely to be based in Leeds over the study period. The jobs forecasts come from the Regional Econometric Model provided by Experian which is updated twice a year. This is the approach recommended by guidance. Briefly, the methodology for identifying need takes into account forecast changes in the number of jobs in each sector, employment densities (jobs per area of floorspace) and plot ratios (the amount of development that can usually fit into an area of land). It also makes an allowance for expected losses of existing employment premises and provides some margin of choice of sites which allows the market to operate more efficiently and flexibility.
- 3.13 The ELR also assesses the existing supply of undeveloped employment land in the district. The existing supply mainly consists of sites which are allocated for

employment development in the UDP and/or benefit from a planning permission for such uses. The purpose of the assessment is to identify a portfolio of sites which are suitable, available and viable for employment use and which can be carried forward into the LDF and help to meet the identified need. The assessment recommends whether sites should be retained (most sites) or removed from the employment supply or whether it should be left to LDF documents to determine the most appropriate future uses of sites. There is some overlap with the Strategic Housing Land Availability Assessment here, particularly where the landowner has proposed an existing employment site for housing.

Interim Results

- 3.14 The ELR estimates that the following amount of development will need to be planned for to accommodate the forecast number of jobs over the period to 2026:
- 1.1 million square metres of office floorspace; and
 - 500 hectares of industrial and warehousing land.
- 3.15 In both cases this estimate represents an increase on the targets set out in the Core Strategy Preferred Approach document -October 2009 (1 million sq m and 375 hectares respectively). This reflects a need to ensure that a flexible supply of employment land will be available in the future to support new jobs in growth sectors of the economy.
- 3.16 The supply assessment recommends that 365 hectares of the existing portfolio of sites should be retained for industrial and warehousing uses and shows that nearly 950,000 square metres of floorspace has planning permission of office use (about 50% of which is in the city centre). Therefore, existing sites can accommodate a substantial proportion of the future employment land requirement but not all of it.

Ongoing work

- 3.17 Work is continuing to look at the overall balance of employment in these sectors across the district (existing premises and development land), and in particular whether this can meet local needs for employment. This work also needs to take into account the locational requirements of the market and the importance of providing sites in accessible locations which make the best use of current and planned infrastructure.
- 3.18 A presentation will be given at Development Plan Panel to highlight the main issues arising from ELR work so far.

4.0 Implications for Council policy and governance

- 4.1 As outlined in para. 1.1 above, the consolidation and completion of the evidence base for the Core Strategy is critical in supporting the preparation of a sound plan (consistent with national guidance and the LDF Regulations).

5.0 Legal and resource implications

- 5.1 Once adopted, the LDF, will be the development plan for Leeds and will need to be consistent with corporate objectives and the objectives of the community strategy. Preparing evidence for the council's emerging LDF is time consuming and resource intensive. Resource commitments will need to be addressed and reviewed within the context of existing provision and the council's overall budget position and priorities.

6.0 Conclusions

6.1 This report has provided information on the progress made in preparing the evidence base for the Core Strategy and in particular the Employment Land Review 2010 Update. The completion of these studies in turn, is essential in preparing a Publication draft of the Core Strategy for further consultation and future Submission.

Recommendation

7.0 Development Plan Panel is recommended to:

- i) Note and comment on the contents of the report and presentation in respect of the work in relation to the Core Strategy evidence base.

Background documents

LDF Core Strategy 'Preferred Approach'