
Report of the Director of City Development

Report to: Scrutiny Board (Housing and Regeneration)

Date: 30 October 2012

Subject: SHLAA 2012

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	x No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	x No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	x No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	x No

Summary of main issues

1. This report describes the preparation of the SHLAA 2012 Update and considers issues raised by the Chair of Scrutiny (Housing and Regeneration), Cllr Procter including whether house builders have undue influence in the process and the build-out-rates suggested for the SHLAA new settlement site, Spen Common Lane, near Bramham.

Recommendations

Scrutiny Board (Regeneration) is recommended to:

- i). note and comment on the contents of the report.

1. Purpose of this Report

- 1.1. The Principal Scrutiny advisor emailed the following to Cllr Taggart as the basis for the inquiry into the SHLAA 2012:
- The fact that sites where planning approval has been granted are in the main not being developed.
 - That developers are now stating a lower annual build out rate of houses on approved sites than previously expected. The East Leeds extension which will provide 9,000 houses will have a current build out rate of only 200 houses per annum which will take 40 years to complete. Reference was also made to a site in Bramham which was also of concern.
 - The view that some developers have an unfair advantage in being a member of the SHLAA and that membership of the SHLAA should be reviewed as a matter of urgency. The Chair referred to Royal Tunbridge Wells which did not include developers in its land availability assessment. It was pointed out that the planning inspector had been critical of this fact.
 - The concern that the Council is being too lenient with developers in meeting their development obligations.

2. Background Information

- 2.1. Essentially, the Strategic Housing Land Availability Assessment (SHLAA) seeks to identify and assess all land that could be used for housing development with estimates of how many dwellings could be delivered and when. It is evidence designed to inform the preparation of plans, including Leeds' Core Strategy and Site Allocations Plan and inform the 5 year supply. SHLAAs became a requirement of all local authorities in England from the mid 2000s. National practice guidance was issued in July 2007.
- 2.2. Preparation of Leeds' SHLAA 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 is updated annually to adjust delivery prospects of sites against new information and to consider new sites. The first update was in 2011 and published in December of that year. The 2012 Update is the subject of this report.
- 2.3. The SHLAA was called in for Scrutiny in 2011 and a substantial review was carried out. In particular the scrutiny exercise examined the role of the Partnership and whether housebuilders have an undue influence on the outcome of the SHLAA. As a result, officers reviewed the approach of all neighbouring local authorities and all of the Core Cities in England. On request of the Chair, the approach of Royal Tunbridge Wells was also examined because they had not set up a SHLAA partnership. The conclusion was that most authorities allowed the housebuilding industry as much if not more influence on their SHLAAs than Leeds. Tunbridge's planning inspector found their SHLAA flawed for not having input from housebuilders.

3. Main Issues

Leeds' SHLAA 2012 Update

- 3.1. As an overview, the update divides into two parts. One involves updating details of existing sites where new information is available. The other involves consideration of new sites. The process starts with officers undertaking the update and reaching conclusions. The new information is then circulated to members of the SHLAA Partnership for comment, with a meeting held to discuss points of disagreement and seek to agree revised conclusions.

Updates of Existing Sites

- 3.2. Each SHLAA Update has a base-date of 1st April. This is to ensure that all sites are updated to a consistent point in time. The main source of new information is the progress made with planning applications and with construction on site. Where full planning permission had previously been granted, checks are made through Building Control records to ascertain the number of dwellings commenced construction and the number of dwellings completed. Where outline permissions had previously been granted, checks are made to see whether reserved matters applications have been received and whether they have been granted. This information provides the basis for updating the future annual delivery predictions of individual sites.
- 3.3. It is also necessary to review the sites which had dwellings expected to complete during the last year. Where construction has not commenced, it is necessary to try to ascertain whether the scheme is delayed and by how much, or whether it is abandoned. As such, the delivery of dwellings needs to be reapportioned accordingly.
- 3.4. Site update information is provided to Partnership members in the form of spreadsheets that illustrate the changes in annual dwelling apportionment and a brief or coded explanation of the reason for the change.

New Sites

- 3.5. The City Council accepts submissions of new sites all year round. For each annual SHLAA update there has to be a "cut-off" point whereby only those new sites submitted up to that date can be included in that year's assessment. Exceptionally, the 2012 Update dealt with a particularly large number of new sites as a result of a "Call-for-sites" exercise carried out in March 2012. This was designed to attract submissions of land for employment and retail uses, but had the indirect effect of generating over 100 submissions of housing land and even more mixed-use submissions involving some housing potential.
- 3.6. The process for considering new sites is as follows
- i. The submission is expected to include key details including a clear map of the site boundary, availability (eg when tenants will vacate, site assembly issues,

- active involvement of housebuilders etc), constraints (eg access to a highway, contamination, etc) and achievability (ie how many dwellings and annual delivery)
- ii. Officers to check whether site submission is for entirely new land, or overlaps or is subsumed within existing SHLAA sites. If there is overlap, judgements have to be made about whether to extend existing sites, or create new. The SHLAA has facility to record submitted sites as “dormant” if the land is included in another site. This avoids double counting of dwellings but keeps an audit trail of site submissions.
 - iii. All sites are given a unique SHLAA reference number
 - iv. Officers to have the site boundaries digitised to provide an accurate measurement of gross site size and for site identification purposes
 - v. Officers to assemble an array of site details including existing planning designations (eg Minerals Safeguarding Areas, levels of flood risk) and constraints (eg high pressure gas pipelines) and other attributes (eg public transport accessibility and housing market strength).
 - vi. Officers calculate the dwelling capacity of the site using an agreed standard methodology. Essentially, this ascribes an assumed density of dwellings for different zones of Leeds (City centre, edge of city centre, other urban areas, edge of urban areas and other rural areas) and an assumed net developable area depending on the size of site.
 - vii. The site details help the officer to draw conclusions on suitability, availability and achievability which are provided as written narratives
 - viii. The site details also help the officer to draw conclusions on likely dwelling delivery years.

The role of the Partnership

- 3.7. When officers have completed the update work, a Partnership meeting date is agreed and material is emailed to Partnership members around 2 or 3 weeks before the meeting date in order to provide enough time for members to give proper consideration to the material. Partnership members are asked to raise “queries” on those sites where they feel the conclusions ought to be changed. They are asked to set out the reasons why a conclusion ought to be changed. It is convention that the details and conclusions of sites that are not “queried” are agreed by default.
- 3.8. For the 2012 Update, material was emailed to Partnership members on 31st August ready for the Partnership meeting on 18th September. Queries were received from two of the housebuilder representatives (Rebecca Wasse of Barratt David Wilson Homes and Chris Hull of Persimmon Homes) who reviewed the site material together) and from the community representative (George Hall). Officers had a day before the Partnership Meeting to investigate the queries so that an informed response could be given at the meeting.
- 3.9. The Partnership meeting on 18th September was attended by the following members:

Cllr Neil Taggart (Chair)
David Feeney (LCC Planning Officer)
Robin Coghlan (LCC Planning Officer)

Charlotte Brown (Renew)
Dilys Jones (Homes and Communities Agency)
George Hall (Community representative)
Rebecca Wasse (Barratt David Wilson Homes)
Chris Hull (Persimmon Homes)
Steve Varley (Ben Bailey Homes)

- 3.10. Apologies were given by:
Steve Speak (LCC Planning Officer)
David Cooke (Campaign for Protection of Rural England)
Prew Lumley (Leeds Property Forum)
Andy Haigh (Leeds City Region)
- 3.11. The Partnership meeting considered 63 queried sites and reached consensus on all of them. Some had conclusions and delivery figures altered; others stayed the same. It was agreed that an additional week would be given for members to respond to an update paper that had only been circulated on the morning of the meeting. This concerned reapportionment of dwellings from schemes that had been expected to deliver dwellings in 2009/10, 10/11 and 11/12. Rebecca Wasse asked if officers could provide a list of sites on previously developed land (PDL) with a substantial number of dwellings that were apportioned to medium term years in the 2011 SHLAA Update. Her concern was that very large schemes (in the order of 500 dwellings) could have large numbers of dwellings moving into the short term years.
- 3.12. Agreement was given through email to the reapportionment table circulated on the morning of the SHLAA Partnership meeting.
- 3.13. A list of sites with 70 or more dwellings in the key year of 2016/17 were circulated on 27th September with suggestions for re-apportioning delivery. This was subsequently accepted as agreed.
- 3.14. On reflection after the Partnership Meeting, George Hall raised concern about the build-out rates for the Spen Common Lane (ref 3391). This is addressed below.

Influence of Housebuilders on the Process

- 3.15. The national practice guidance sees house builders as key stakeholders to be involved as an integral part of the SHLAA process. Paragraph 12 of the guidance states they
- “... should be involved at the outset of the Assessment, so that they can help shape the approach to be taken. In particular, house builders and local property agents should provide expertise and knowledge to help the partnership to take a view on the deliverability and developability of sites, and how market conditions may affect economic viability.”
- 3.16. This advice is unequivocal. It means that SHLAAs that exclude house builders from the process or are structured to unduly diminish or over-ride their views on site deliverability and viability will be contrary to national guidance. In these circumstances the SHLAA is likely to be viewed as an unreliable piece of evidence

in support of Development Plans such as Leeds' Core Strategy and Site Allocations Plan. As these plans are subject to independent examination, and because housing growth will be the most important issue in these plans, the SHLAA will be a key piece of evidence that needs to be considered "sound" by the Planning Inspector.

- 3.17. It is considered that the Leeds SHLAA Partnership is structured to satisfy the requirement of national planning guidance of enabling house builders to influence the SHLAA conclusions but to also enable council officers and other partnership members to hold that influence in check through dialogue and reliance on evidence to inform conclusions as much as possible.

Spen Common Lane, Bramham

- 3.18. This is an exceptionally large SHLAA site with potential to provide a new settlement of circa 5,000 dwellings. It was submitted by the University of Leeds that owns this land east of the A1(M) and north of the A64.
- 3.19. There are major questions still to be resolved about whether this proposal should be taken forward in principle. These need to be decided through the plan making process rather than through the SHLAA. However, the SHLAA does have a role in recognising the potential of the site, including how many dwellings could be delivered over what period. It is the latter point that has become a matter of dispute, following the apparent consensus conclusion at the SHLAA Partnership meeting of 18th September.
- 3.20. The submission by Leeds University suggested a capacity of up to 5,000 dwellings and anticipated a completion rate of 300 – 400 dwellings per annum depending on market conditions.
- 3.21. After digitising the site boundary to give a site area of 261 hectares and potential for 5881 dwellings using the standard methodology, officers proposed the following build-out rate. As a Green Belt site it is standard practice¹ to put the dwellings into the long-term years:

2023/24	200
2024/25	400
2025/26	400
2026/27	700
2027/28	700
2028/29	700
2029/30	700
2030/31	700
2031/32	500
Total	5,000

- 3.22. This was the delivery trajectory sent out by officers to Partnership members. It was raised as a query site and Chris Hull, housebuilder for Persimmon Homes

¹ Standard practice for the SHLAA, but the Site Allocations Plan could determine earlier releases for sites that might be allocated

suggested that 700 dwellings per annum would be unusually high. Reference was made to the Sharp Lane site in Middleton only delivering 150 dwellings p.a. It was agreed that 200 dwellings p.a. would be appropriate with a 100 dwellings in the first year to account for the fact that a lot of facilitating infrastructure would be necessary in the first year before work could commence on the dwellings.

- 3.23. After the meeting, George Hall reflected on the implications of the revised build-out rate conclusion and discussed the matter with Cllr Procter who is the chair of the Scrutiny Board (Housing and Regeneration). He was concerned that an unduly low build-out rate would reduce the contribution that this site would make over the life of the Plan, potentially leading to the unnecessary release of further sites. Whilst the Bramham New Settlement proposal has no status at this stage, it was nevertheless considered that it warranted making the issue an emergency item for the Scrutiny Board meeting on 25th September 2012.
- 3.24. As a result of the Scrutiny meeting, officers emailed the SHLAA Partnership to re-open the matter of the build-out rate for the Bramham New Settlement site. It was pointed out that the submitter (University of Leeds) had suggested a build-out-rate of 300-400 dwellings p.a. subject to market conditions, and this information had not been included in the material circulated to SHLAA Partnership members prior to the SHLAA Partnership meeting on 18th September. It was also pointed out that the SHLAA site east of Garforth with a capacity of over 6000 dwellings had had a build out rate of 420dpa agreed in the 2011 SHLAA update.
- 3.25. Further comments were sent by email, including evidence of build rates from new settlements in Newcastle and Cheshire. Taking new evidence and comments into account a suggestion by officers was made to revise the build-out-rate to 350dpa, and giving a deadline for responses. A further suggestion to revise the build-out-rate to 300dpa was made by Charlotte Brown, representing Renew. At the time of writing no conclusion had been made on this point.

4. Corporate Considerations

- 4.1. The SHLAA forms part of the evidence base to support preparation of plans including the Core Strategy. Adoption of the Core Strategy is recognised as a corporate priority.

5. Consultation and Engagement

- 5.1. The SHLAA is subject to input from local housing interests through the SHLAA Partnership. This input is a requirement of national planning good practice guidance.

6. Equality and Diversity / Cohesion and Integration

- 6.1. The SHLAA is one element in the wider planning process that can help to ensure that Leeds' housing needs are met. This raises equality issues in terms of access of different groups to housing.

7. Council Policies and City Priorities

- 7.1. The SHLAA is a key piece of evidence to support preparation of the Core Strategy and other plans of the Local Development Framework. The Core Strategy, 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 meeting a host of social, environmental and economic objectives, where relevant the Core Strategy also seeks to support and advance the implementation of a range of other key City Council and wider partnership documents. These include the Leeds Growth Strategy, the City Priority Plan, the Council Business Plan and the desire to be a 'child friendly city'.

8. Resources and value for money

- 8.1. The SHLAA is prepared within the context of the LDF Regulations, statutory requirements and within existing resources.

9. Legal Implications, Access to Information and Call In

- 9.1. The SHLAA is being prepared within the context of the LDF Regulations, national planning guidance and statutory requirements.

10. Risk Management

- 10.1. As discussed in Section 3, the SHLAA needs to be prepared according to national planning practice guidance in order to be considered "sound" as a key piece of evidence to support plan making, including the Core Strategy. As such, there is a risk that if the SHLAA methodology and process is altered so that it does not accord with national practice guidance, the Core Strategy will be found unsound at examination and not be adopted.

11. Conclusions

- 11.1. This report provides a summary of the preparation of the SHLAA 2012 Update and the issues of whether house builders have undue influence in the process and the build-out-rates suggested for the SHLAA new settlement site, Spen Common Lane, near Bramham. The summary provides basis for discussion and further scrutiny enquiry into the SHLAA.

12. Recommendations

- 12.1. Scrutiny Board (Regeneration) is requested to:
- i). note and comment on the contents of the report.