

5 Year Housing Land Supply Assessment of Leeds

On behalf of Hallam Land Management Limited;
DW Wilson and Trustees of the Thurstaston Park Trust

July 2012

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1.0 Introduction

- 1.1 This report has been prepared on behalf of Hallam Land Management Ltd, DW Wilson and the Trustees of the Thurstaston Park Trust (the "Applicants") by Barton Willmore with regards to their residential development proposals at Fleet Lane, Oulton and Royds Lane, Rothwell.

Background to Housing Land Supply in Leeds

Position at May 2011

- 1.2 Leeds City Council has been the subject of a number of recent appeal decisions, many of which has focused on the lack of a 5-year housing supply. The most recent was an appeal by Persimmon Homes and Taylor Wimpey (Planning Application Reference No. P/09/03238/OT) (PINS Reference Number AP/N4720/A/09/2117920), which was the subject of a Public Inquiry between 27th April and 14th May 2010, and between the 19th and 21st January 2011.
- 1.3 On the 1st December 2009, the appeal was recovered for the Secretary of State's determination, in pursuance of section 79 of, and paragraph 3 of Schedule 6 to, the Town and Country Planning Act 1990.
- 1.4 Paragraph 5.19 of Lyla Peters (LCC Officer) Proof of Evidence to the Grimes Dyke Inquiry states that if it is the intent to release all Phase 2 and 3 sites to attempt to meet a five year supply at the RSS annual average requirement rate, then a further release of sites equalling 6,231 units would be required. As all the allocations within the UDP will have been released, the Council would be forced into looking at further land release.
- 1.5 Paragraph 5.20 of her proof goes onto state that the Council's view is that once the allocated sites have all been released, planning permissions would be sought on Protected Areas of Search land (PAS).
- 1.6 Paragraph 5.22 of the proof also states that if Leeds is expected to "fill the gap" between its five year supply and the RSS requirement, releasing the Phase 2 and 3 sites will still leave a gap, in the Council's view of 6,231 units. If the PAS sites are the next port of call, it can not be expected that all 8,800 units could be delivered in the first five years.

- 1.7 Having considered these arguments the Inspector recommended that the appeal be allowed and planning permission be granted subject to conditions. A decision was issued by the Secretary of State on the 25th May 2011, which allowed the appeal.
- 1.8 Paragraph 7.81 of the Inspectors Report compares the five year housing land supply requirement with the identified five-year supply. This lead to the following conclusions:
- a. **"If the higher end of the supply range (11,023) is compared with the lower end of the requirement range (20,842, giving an annual average requirement of 4,096), the shortfall over the five-year period is 9,459 dwellings and the housing land supply amounts to 2.7 years.**
 - b. **Comparing the minimum supply figure of 9,348 with the maximum requirement of 21,655, on the other hand, gives a shortfall over five years of 12,307 dwellings and a housing land supply of 2.2 years at an annual average requirement of 4,331."**
- 1.9 Paragraph 7.82 of the Inspectors Report concludes that *whichever position on the requirement and supply ranges are assessed, LCC cannot demonstrate a five-year supply of deliverable housing sites. In fact, the identified supply falls well short of the established requirement. The proposed development would therefore comply with YH RSS policy H1.*
- 1.10 This means that based on the evidence presented at that Public Inquiry, Leeds City Council had a shortfall of between 9890 and 12040 dwelling. It is also noted that the Grimes Dyke Public Inquiry followed a series of other inquiries, which Leeds City Council lost on five year housing land supply and which confirmed the supply figure to be the lower end of the range (about 9,500 units).

May 2011 to December 2011

- 1.11 Following the Inquiry, the officers of the Council reported the implications of the Grimes Dyke decision to Leeds Executive Board. In view of the housing land supply shortfall across the city it was agreed that *" proposals for the remaining Phase 2 and Phase 3 housing sites should be favourably considered, subject to the proposals being otherwise acceptable in planning terms"*.
- 1.12 The 3rd November 2011 report to Plans Panel East includes the case officers report on application 10/04762/OT (Outline application for residential development, land adjoining 7 Waterwood Close, West Ardsley). Section 2 of that report refers *to proposals for residential development on Greenfield sites not allocated for such use.*

1.13 Paragraph 2.1 of that report states that

“National guidance is clear that in determining planning applications, local planning authorities should consider whether a 5 year supply of housing land is available. It is clear from the appeal decisions on the allocated phase 2 and 3 housing sites, that little or no weight can be attached to the Council’s interim target. In the circumstances, and given that RSS remains part of the development plan, the Council’s Executive Board has agreed that the RSS provides the basis for assessing the five year land supply pending the Core Strategy. The RSS figure is 4,300 dwellings per annum.”

1.14 Paragraph 2.2 states that *even with all the Phase 2 and Phase 3 sites available, the Council would not have a five year land supply. As a consequence, other greenfield (non-allocated) sites may need to be considered favourably, and this was acknowledged by Executive Board (June 2011) when the implications of the Secretary of State’s decision on the Grimes Dyke appeal was considered.*

1.15 The Leeds Annual Monitoring Report (AMR) (December 2011) includes the latest information on what the Council considers to be its housing supply. Paragraph 4.1.15 states that Table A identifies that the 5 year land supply rests at approximately 19605 dwellings (net). It goes on to state that removing windfall units, the total identified supply is 18,355 units net. This is below the RSS annual target of 21,500 for the same time period, but this requirement is proposed to be abolished and a new higher target is proposed to be adopted as part of the Core Strategy, albeit with an initial period where the Council suggest not meeting the full needs. Paragraph 4.1.16 states that the five year supply rests at 85% of the RSS target.

1.16 At the time of writing that report, the Council were precluded from including an allowance for windfall in the first ten years of their supply.

December 2011 to March 2012

1.17 Following the publication of the 2011 AMR, the National Planning Policy Framework (“the Framework”) was published on the 27th March 2012.

1.18 Part 6 (Delivering a wide choice of high quality homes) sets out the Government’s objectives to boost significantly the supply of housing. Paragraph 47 states that local planning authorities should:

- Use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far

as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;

- Identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;
- Identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15;
- For market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period and set out a housing implementation strategy for the full range of housing describing how they will maintain delivery of a five year supply of housing land to meet their housing target; and
- Set out their own approach to housing density to reflect local circumstances.

1.19 Paragraph 48 of the Framework states that local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens.

1.20 Paragraph 49 of the Framework states that housing applications should be considered in the context of the presumption in favour of sustainable development. 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.

Pre application consultation

The Council's Position

1.21 The Council's current position (as of 1st April 2012) is set out in the AMR (December 2011). Table A (Leeds Housing Trajectory 2004-2028, as at 30th September 2011).

Table 1.1 – Leeds Housing Trajectory 2004 – 2028

Source – Leeds 2011 AMR

Table A:
Housing
Trajectory
Year

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
H2 (a) (Net) Dwellings Completed	2.63	3,436	3.32	3,579	3.62	2,238	1,688																		
Identified for completion - Gross								1,905	2,952	3,322	3,634	3,932	6,060	5,204	4,548	4,530	5,465	9,572	7,258	7,337	6,439	4,677	3,311	2,130	
H2 (c) Projected Net Completion								1,665	2,700	3,072	3,434	3,880	6,710	4,954	4,298	4,260	5,215	9,322	7,708	7,037	6,165	4,637	3,061	1,890	
Cumulative Completions - Net	2.63	6,069	9.39	12,97	16.3	19,04	20,727	22,362	25,062	28,124	31,588	35,277	41,967	46,941	51,238	55,819	60,754	70,056	77,784	84,851	91,039	95,663	98,727	100,607	
H2 (d) Managed Delivery Target - RSS	2.28	2,280	2.28	2,280	4.30	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
Cumulative RSS	2.28	4,520	6.78	9,040	13.3	17,64	21,940	26,240	30,540	34,540	39,140	43,440	47,740	52,040	56,340	60,640	64,940	69,240	73,540	77,840	82,140	86,440	90,740	95,040	
Monitor - No. dwellings above or below development average requirement (RSS)	373	1,549	2.61	3,936	3.42	1,421	-1,213	-3,855	-5,458	-6,638	-7,562	-8,163	-5,753	-5,099	-5,101	-6,121	-4,208	818	4,224	7,011	8,809	9,225	7,987	5,667	
Number of years left in Plan(s)	23	22	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0	

01 April 2011 - 30 September 2011: 1072 units (gross) have completed

- 1.22 Table C (Contribution to Housing Supply by Site Category, 2004 – 2028) outlines the Council's position on what it considers to be its housing land supply. The Council believes that it has a supply of 19605 dwellings (net). Please refer to Section 3 which sets out the details of the Council's supply.
- 1.23 It is understood that this is based on an estimation of delivery from existing sites and therefore this position will be updated in the Council's 2012 AMR when all the data has been collated for the 2011/12 build out year.

Baseline Position

- 1.24 To reflect the most up to date position, we have used the **1st April 2012** as the base date for this assessment and reviewed the information that has been made available by the Council. This includes the completions and projected completions from 1st April 2004 to 31st March 2012.
- 1.25 Therefore the relevant five year supply period is 1st April 2012 to 31st March 2017 (herein referred to as 2012-2017).

Overview of our case

- 1.26 Section 4 of this report, sets out an assessment of the Council's housing land supply. Following this detailed review, it is our case Leeds City Council **does not** have a 5 year

supply of deliverable housing land. Therefore the lack of a 5 year supply is a material consideration justifying the release of these sites for development.

- 1.27 Paragraph 49 of the Framework states that housing applications should be considered in the context of the presumption in favour of sustainable development. 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.
- 1.28 In this context paragraph 14 of the Framework applies, where for decision taking where the development plan is absent, silent or relevant policies are out-of-date, granting permission unless:
- *Any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or*
 - *Specific policies in this Framework indicate development should be restricted.*
- 1.29 The Planning Supporting Statement (PSS) which also accompanies these planning applications justifies that the sites meets the tests set out in the Framework. Therefore, in accordance with paragraph 49 of the Framework the proposals at Fleet Lane, Oulton and Royds Lane, Rothwell, should be granted planning permission.

Structure of Report

- 1.11 The report will be structured as follows:
- Section 2 sets out the methodology of assessment of 5 year land supply;
 - Section 3 presents the Council's position on its 5 year land supply;
 - Section 4 provides an overview of Leeds' housing needs;
 - Section 5 presents the findings of the assessment;
 - Section 6 provides an overview of the 5 year land supply assessment; and
 - Section 7 concludes this report.

2.0 Barton Willmore Methodology

- 2.1 The methodology applied in this assessment has taken into consideration guidance from the Framework as well as the Strategic Housing Land Availability Assessment Guidance (SHLAAG) (July 2007) and the Council's methodology from the draft 2011 SHLAA.
- 2.2 In arriving at the conclusions set out in this report, Barton Willmore has also consulted with other planning agents who also represent national and regional housebuilders within Leeds.
- 2.3 Paragraph 47 of the Framework states that to boost significantly the supply of housing, local planning authorities should:

- Identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements....

- 2.4 Footnote 11 of the Framework defines deliverable sites as follows:

"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."

- 2.5 Paragraph 33 of the SHLAAG states that for assessing the suitability, availability and achievability of a site a judgment can be made as to whether a site can be considered deliverable, developable or not currently developable for housing development.
- 2.6 The guidance sets out definitions of the following:
- **Deliverable** – a site is available now, offers a suitable location for housing development now and there is a reasonable prospect that housing will be delivered on the site within five years from the date of adoption of the plan; and
 - **Developable** – a site should be in a suitable location for housing development, and there should be a reasonable prospect that it will be available for and could be developed at a specific point in time.

- 2.7 Where it is unknown whether a site could be developed, paragraph 34 of the SHLAAG states that it should be regarded as not currently developable. This may be, for example, because one of the constraints to development is severe, and it is not known when it might be overcome.
- 2.8 In order to assess whether a site can be considered deliverable, the SHLAAG identifies that sites should be considered to be available, suitable and achievable for residential development when assessed against the following criteria: -

Table 2.1 – Issues to assess the deliverability of sites

Deliverability Criteria	Assessing Deliverability
Available	A site is considered available for housing, when, on the best information available, there is confidence that there are no legal or ownership problems. Meaning the site is controlled by a housing developer who has expressed an intention to develop, or the land owner has expressed an intention to sell. The guidance informs that as planning applications can be made by persons who do not need to have an interest in the land, the existence of a planning permission does not necessarily mean that the site is available.
Suitable	A site is suitable for housing development if it offers a suitable location for development and would contribute to the creation of sustainable mixed communities. Sites allocated in existing plans for housing, or with planning permission for housing will generally be suitable, although it may be necessary to assess whether circumstances have changed which would alter their suitability. For other sites, the guidance identified factors that should be considered to assess their suitability: <ul style="list-style-type: none"> ▪ policy restrictions – such as designations, protected areas, existing planning policy and corporate, or community strategy policy (see paragraph 21 above); ▪ physical problems or limitations – such as access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination; ▪ potential impacts – including effect upon landscape features and conservation; and ▪ the environmental conditions – which would be experienced by prospective residents.
Achievable	A site is considered achievable for development where there is a reasonable prospect that housing will be developed on the site at a particular point in time. The guidance asserts that this is essentially a judgement about the economic viability of a site, and the capacity of the developer to complete and sell the housing over a certain period. This judgement should be based on: <ul style="list-style-type: none"> ▪ market factors – such as adjacent uses, economic viability of existing, proposed and alternative uses in terms of land values, attractiveness of the locality, level of potential market demand and projected rate of sales (particularly important for larger sites); ▪ cost factors – including site preparation costs relating to any physical constraints, any exceptional works necessary, relevant planning standards or obligations, prospect of funding or investment to address identified constraints or assist development; and

Deliverability Criteria	Assessing Deliverability
	<ul style="list-style-type: none"> ▪ delivery factors – including the developer’s own phasing, the realistic build-out rates on larger sites (including likely earliest and latest start and completion dates), whether there is a single developer or several developers offering different housing products, and the size and capacity of the developer. <p>In addition to the above, the guidance asserts that the views of house builders and local property agents will be useful where a more scientific approach (such as the use of residual valuation models) is not considered necessary.</p>

- 2.9 The above criteria has therefore been used to inform the following three stages of assessing Leeds’ housing land supply:

Stage 1 – Overview of Housing Need (Section 3)

- 2.10 **Stage 1** identifies the housing requirement for the Leeds for 2004 to 2026. To identify the residual requirement for 2012 to 2017, the number of dwellings completed from and projected completions 1st April 2004 to the 31st March 2012 was discounted. Because of the variables of the overarching housing requirement, this assessment assumes a total of nine scenarios.

Stage 2 – Council’s Position (Section 4)

- 2.11 **Stage 2**, presents the Council’s position on what it believes its supply position is. This is based on evidence presented in those documents outlined in Section 1 of this report.

Stage 3 – Assessment of Housing Land Supply (Section 5)

- 2.12 **Stage 3** is the assessment of the supply provided to Barton Willmore by Leeds City Council. This assesses the following sources of sites and their relative deliverability from 1st April 2012 to 31st March 2017:

- Allocated sites with planning permission within years 1-5;
- Allocated sites with no planning permission within years 1-5;
- Large sites with planning permission within Years 1-5;
- SHLAA sites with no planning permission within years 1-5;
- Small sites (5+ units) with planning permission within years 1-5; and
- Anticipated Windfall.

- 2.13 The deliverability of the sites was considered against the suitability, availability and achievability criteria set out in national guidance.

Availability Assessment

- 2.14 The information presented within the Council's 2011 SHLAA was used to identify whether there were any known land ownership constraints. Where evidence was available to identify different assessment findings to that identified by the Council this evidence is considered in this assessment.

Suitability Assessment

- 2.15 The information presented within the Council's draft 2011 SHLAA was used to identify whether there were any known suitability issues.

Achievability Assessment

- 2.16 In order to gain a full understanding of whether there was a reasonable prospect that housing will be developed on a site in the period 2012 to 2017, an assessment was undertaken to identify whether there were any market, cost or delivery factors that would impact on the capacity of a potential developer to complete and sell housing during the 2012 to 2017 period.

Lead in times

- 2.17 Neither the 2009 nor 2011 SHLAA provided an indication of pre-build lead in times for the delivery of sites. Pre-build lead in times need to be taken into consideration for the delivery of sites and will vary depending on the specifics of a site, for example their size, whether there are any specific constraints such as access or contamination.
- 2.18 Nevertheless it is pragmatic to assume a *general rule of thumb programme* for outline and full applications, which have not already been granted planning permission.

Table 2.2 – Lead in times for sites without planning permission progressed via an outline Application

Key Stages	Time (months)					
	Preparation of application	Determination of application	Section 106 (signed)	Preparation of site	Start of Completions	Total time per stage
Outline	3	4	3			10
Reserved Matters	3	4				7
Discharge Pre-Commencement Conditions	2	2		3	6	13
Overall timeframe from start of preparation to start of completions						30

Table 2.3 – Lead in times for sites without planning permission progressed via Full Application

Key Stages	Time (Months)					
	Preparation of application	Determination of application	Section 106 (signed)	Preparation of site	Start of Completions	Total time per stage
Full Application	3	4	3			10
Discharge Pre-Commencement Conditions	2	2		3	6	13
Overall timeframe from start of preparation to start of completions						23

Build-Out Rates following planning permission (full or reserved matters)

- 2.19 The 2011 SHLAA cross refers to the 2009 SHLAA to build out rates. Paragraph 4.2 of the 2009 SHLAA states that, *"the housebuilder representatives expressed concern that the agreed methodology did not set out rules of thumb for "build-out" rates and recommended using rates agreed with Wakefield and Doncaster councils (Appendix 10).*
- 2.20 *These rates assume 25-35 houses and 35-50 flats would be completed per-annum on typical suburban sites in normal market conditions and that rates could be doubled for large sites where two builders may be involved. The Partnership agreed to use these rates as a rule of thumb for the Leeds SHLAA with the exception of the city centre, where the dwellings of large purpose built blocks tend to be completed en masse."*

Stage 4 – Overview of Housing Land Supply (Section 6)

- 2.21 **Stage 4** reviews what Barton Willmore believes is a more realistic assumption on the supply, against those nine scenarios presented in section 3 of this report.

3.0 Stage 1 – Leeds' Housing Needs

- 3.1 This section takes into consideration the completions from 2004/5 to 2010/11, as well as the projected completions for 2011/12. It then calculates the residual housing requirement for the study period of 2012 to 2017.

Housing needs

Regional Spatial Strategy for Yorkshire and the Humber (RSS)

- 3.2 Table 3.1 presents the housing requirements for Leeds, which have been extracted from Table 12.1 (Annual average net additions to the dwelling stock 2004 – 2026) of the RSS and the Council's emerging Core Strategy (Publication Draft) (February 2012).

Table 3.1 – Leeds' Housing Requirement

Period	RSS		Emerging Core Strategy	
	Annual Net Requirement	Net Requirement for period	Annual Net Requirement	Net Requirement for period
2004/05 – 2007/08	2260	11,300	N/A	N/A
2008/09 – 2011/12	4,300	17,200	N/A	N/A
2012/13 – 2016/17 Assessment period	4,300	21,500	3,660	18,300
2017/19 – 2025/26	4,300	38,700	4,700	42,300
2026/27 – 2027/28	N/A	N/A	4,700	9,400
Totals 2012 - 2026		60,200		60,600
Totals Overall		88,700 (2004 – 2026)		70,000 (2012 – 2028)

- 3.3 Leeds currently has an overall requirement for 88,700 (net) additional dwellings from 2004 to 2026, with an annual requirement of 2,260 dwellings per annum in the first four years of the plan and 4,300 (net) per year thereafter.

- 3.4 The Council's emerging Core Strategy (Publication Draft) is planning to deliver 70,000 dwellings from 2012 to 2028. Table 3.1 includes a direct comparison for 2012 – 2026, which shows that the emerging Core Strategy is planning to provide 400 dwellings more than the RSS. However, the Council are putting forward the case to decrease its housing requirements in the first five years (2012 – 2017) of the plan period to 3,360 dwellings and increase it to 4,700 thereafter.
- 3.5 The Framework, seeks to boost significantly the supply of housing (paragraph 47) and Leeds approach is contrary to national guidance with Leeds City Council not meeting their full, objectively assessed need for market and affordable housing in the housing market area.
- 3.6 Paragraph 216 of the Framework includes three tests of the weight to relevant policies in emerging plans according to the stage of preparation, the extent to which there are unresolved objections and the degree of consistency of the relevant policies in the emerging plan to the policies in the Framework. In the case of Leeds' emerging Core Strategy, representations have been submitted on behalf of the applicants putting forward the case for Leeds to plan for at least 99,600 homes, which is based on the 2008 ONS population projections, as well as its past under delivery.
- 3.7 Therefore this issue remains unresolved and may be the subject of examination in 2013. As such limited weight should be given to Leeds' Core Strategy, until this issue has been resolved.

Completions from 2004/05 – 2010/11 and Projected Completions for 2011/12

- 3.8 Table 4 (Net additional dwellings – 2004/05 to 2010/11) of the AMR sets out the completions during the plan period.
- 3.9 The Council states that between 1st April 2011 and 30th September 2011, 1072 units (gross) were completed. Table A of the 2011 AMR predicts that 1905 (gross) would be completed during 2011/12, which is then assumed to be 1,655 (net) during this period.
- 3.10 For the purposes of this assessment at this stage, this figure is accepted by Barton Willmore, until further evidence is produced by the Council, which may mean that this would need to be amended at a later date.
- 3.11 This is set out below in Table 3.2:

Table 3.2 – Completions from 2004 – 2011

Year	Net Completions	Annual Target	Over/Under Annual Delivery	Cumulative total Completions	Cumulative total requirement	Cumulative over/under annual delivery
2004/05	2633	2260	373	2633	2260	373
2005/06	3436	2260	1176	6069	4520	1549
2006/07	3327	2260	1067	9396	6780	2616
2007/08	3576	2260	1316	12972	9040	3932
2008/09	3828	4300	-472	16800	13340	3460
2009/10	2238	4300	-2062	19038	17640	1398
2010/11	1686	4300	-2614	20724	21940	-1216
2011/12	1655	4300	-2645	22379	26240	-3861

3.12 Table 3.2 shows that during this period, 22,379 dwellings are projected to have been completed which represents an overall **shortfall of 3,861 homes delivered**.

Residual Requirement 2012 – 2017

- 3.13 Paragraph 47 of the National Planning Policy Framework (NPPF) states that where there is a record of persistent under delivery of housing, local planning authorities should increase the requirement by a further 20% in determining the five year requirement to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land.
- 3.14 In the case of Leeds, given that there is an **overall shortfall of 3861 dwellings**, which has accumulated over the last four consecutive years of the eight years of the plan, Barton Willmore believes that this establishes evidence of a “persistent under delivery” of housing.
- 3.15 Therefore the Council needs to add a further 20% and also deliver their undersupply within the first 5 years of the plan, i.e. 2012 – 2017. This approach is based on a number of appeal decisions, the most recent being for Land at Sellars Farm, Hardwicke, Gloucestershire (Appeal Ref: APP/C1625/A/11/2165865). Paragraph 15 of the Inspectors Report states that in view of the emphasis on Government policy on delivery, the shortfall should be added to the 5 year target.
- 3.16 Therefore, based on the RSS, undersupply, and guidance set out in paragraph 47 of the NPPF, Leeds' 5 year requirement is as follows:

- $5 \times 4,300$ (RSS) = 21,500 + 3,861 (under supply) + 4,300 (further 20%) = 29,661 or 5,932 per annum

- 3.17 The Council has put forward the case that the RSS is to be abolished "soon", however no definitive timetable has been released by the Government. We understand that the process will involve a number of stages of legislation and further consideration of Strategic Environmental Assessment before it can be formally revoked.
- 3.18 Since the outcome of the Cala High Court decision a number of successive appeal decisions have confirmed the Government's and the Inspectorate's position on the status of Regional Spatial Strategies.
- 3.19 For example the Grimes Dyke decision (APP/N4720/A?08/2117920) indicates that *'The Secretary of State's has made it clear that it is the Government's intention to revoke RSS's and the provisions of the Localism Bill which is now before Parliament reflects this intention. While he has taken this matter into account in determining this case, the SOS gives it limited weight at this stage of the Parliamentary process'*.(para 11).
- 3.20 We also note that in another recent case in Padstow, Cornwall (APP/D0840/A/10/2141605), the Inspector states, *'I can give very little weight to the intended abolition of the RSS'*.(paragraph 13). Therefore, until Regional Strategies are replaced they must continue to carry considerable weight.
- 3.21 Table 3.3 below provides a total of nine scenarios for which Leeds' housing land supply will be tested against. These relate to RSS, Leeds' emerging Core Strategy and Barton Willmore's representations submitted to the Core Strategy Publication Draft (April 2012).
- 3.22 The evidence submitted by Barton Willmore put forward the case that to ensure the 2011 Experian projection for employment growth is met, the economic-led scenario of the Chelmer Model shows a minimum of 5,938 new dwellings per annum would need to be provided over the Plan period in order to provide the requisite growth in the labour force.

Table 3.3 – 5 year land supply base scenarios

Scenario	RSS (Annual)	Core Strategy (first 5 years annual requirement)	Barton Willmore Scenario (annual)	Plus 20% of annual requirement (annual)*	Under Delivery (5 years) (annual)**	TOTAL (annual)	TOTAL (2012 – 17)
1 - RSS requirement only;	4,300					4,300	21,500
2 – RSS requirement + 20%;	4,300			860		5,160	25,800
3 - RSS requirement + 20% + under delivery in 5 years	4,300			860	772	5,932	29,660
4 – Emerging Core Strategy;		3,660				3,660	18,300
5 – Emerging Core Strategy + 20%;		3,660		732		4,392	21,960
6 – Emerging Core Strategy + 20% +under delivery in 5 years;		3,660		732	772	5,164	25,820
7– Barton Willmore Scenario;			5,938			5,938	29,690
8 – Barton Willmore Scenario + 20%;			5,938	1,188		7,126	35,630
9 – Barton Willmore Scenario + 20% + under delivery in 5 years.			5,938	1,188	772	7,898	39,490

* = $4,300 \times 20\% = 860$, or $3,660 \times 20\% = 732$, or $5,938 \times 20\% = 1,188$

** = $3,861 / 5 = 772$

3.23 Therefore, based on the scenarios in Table 3.3, Leeds' 5 year housing requirement for 2012 – 17 ranges from 18,300 (3,660 per annum) to 39,490 dwellings (7,898 per annum).

3.24 This report considers what Barton Willmore believes is Leeds' housing supply (see section 6) tested against all nine scenarios set out in Table 3.3 above.

4.0 Stage 2 - The Council's Position on Supply

- 4.1 The 2011 AMR has been reviewed in order to fully understand the Council's position on its 5 year land supply. The AMR was reported to the Cabinet in December 2011 and the report findings were accepted by the Council.
- 4.2 Leeds City Council assumes gross completions and then reduces these completions by 250 dwellings to reach the "net completions".

5 year supply (2012 – 2017)

- 4.3 Paragraph's 4.1.15 to 4.1.17 of the 2011 AMR sets out that the Council believes the 5 year land supply rests at approximately 19,605 dwellings (net). This supply assumes the following:
- 250 units of demolition each year, which have been removed from the gross figure of 20,855 units;
 - The supply includes 2500 units of windfall (500 units x 5 years); and
 - Removing windfall units the total identified supply is 18,355 units net.
- 4.4 Barton Willmore notes that there is no clear or compelling evidence of how and why the Council has applied these figures and if the windfall figure referred to is a gross or net figure. It is also noted that by adding the Council's "windfall" figures set out in Table C from the 2011 AMR equals 2,317 dwellings and not the 2,500 referred to above. This therefore requires clarifying by the Council.

Table 4.1 – Leeds’ 5 year housing land supply position

Source – Extract from Table A of the 2011 AMR (apart from final 2 columns, which have been inserted by BW)

SHLAA REF.	Gross Delivery 1 April 2004 - 31 March 2011	Capacity	Remaining Capacity at 31 March 2011	Remaining Capacity at 30 September 2011	Under Construction at 30 September 2011	Not Started at 30 September 2011	Number of residual which are expected to be completed in 5 years (2012 - 2017)	Adjusted 2011/12 completions	1 April - 30 Sept 2011 (ACTUAL COMPLETIONS)	1 October 2011 - 31 March 2012 (ESTIMATED COMPLETIONS)	2012/13	2013/14	2014/15	2015/16	2016/17	TOTALS	Number of sites as a source of supply
Extant Planning Permissions on Allocated Sites		3873	2403	2250	337	1913	1461	296	153	143	320	313	346	324	158	1461	24
Large Sites with PP		18219	15779	15227	1055	14172	7317	1069	553	516	1427	1627	1527	1287	1449	7317	177
Allocated Sites No PP		13553	13544	13544	0	13544	4391	16	0	16	398	581	748	866	1798	4391	69
SHLAA Sites No PP		50385	50286	50286	0	50286	5186	24	0	24	305	301	563	962	3055	5186	245
Small Sites (5+ Units) with PP		456	374	264	162	102	165	200	119	81	114	30	9	3	9	165	35
Sites Less Than 5 Units		8128					0	300	247	53						0	
Anticipated Windfall							2335				386	470	491	497	491	2335	
Total	22323	94614	82386	81571	1554	80017	20855	1905	1072	833	2950	3322	3684	3939	6960	20855	550
Net Delivery	20727							1655			2700	3072	3434	3689	6710	19605	

- 4.5 The Council acknowledges in the AMR that this is below the RSS annual target of 21,500 for the same time period.
- 4.6 The Council states that the five year supply rests at 85% of the RSS target. However the final year of the supply is uncharacteristically high (at 6960 gross units) and the Council explain this by saying;

This spike is due to the assumptions made on site delivery in the SHLAA. Given past rates of delivery it is unlikely that 2016/17 will deliver at that rate. A more tempered suggestion would likely suggest delivery in the range of 3500 – 4000 units, which would be in keeping with the trend in the previous years. If the delivery rate for 2016/17 was lowered to 3500 – 4000 units, than the five year supply figure would rest at approximately 15000 units.

- 4.7 It is not clear whether this figure includes an allowance for windfall. Nevertheless, the Council accepts that it does not have a five year supply against the RS.
- 4.8 Based on the Council's estimates of its existing supply being 19,605 and when assessed against the RSS net requirement of 4,300 per year, the **Council believes it has a 4.56 year supply.**

5.0 Stage 3 – Barton Willmore Assessment of Housing Land Supply

- 5.1 This section sets out the process of how Barton Willmore has assessed Leeds' housing land supply.

Stage 3a – Identifying anomalies in data

- 5.2 The information received from the Council by email on the 15th May 2012 includes those sites which the Council believes forms part of their 5 year supply.
- 5.3 The Council's "supply" is split into two distinct sources, namely allocations (with or without planning permission), and unallocated sites.

"Supply" from Allocations

- 5.4 The Council estimates that some 5,868 dwellings could be delivered from its allocated sites. This is split as follows:
- Allocated with planning permission – 1,461 dwellings; and
 - Allocated with no planning permission – 4,407 dwellings.

"Supply" from unallocated housing sources

- 5.5 The Council estimates that 15,058 dwellings could be delivered from the following sources which are not allocated for housing development by the Council:
- I - Large sites with planning permission (7372)
 - II - Small sites with planning permission (165);
 - III - SHLAA sites with no planning permission (5186);and
 - IV - Anticipated windfall (2335).

Anomalies in data

- 5.6 There are some anomalies in the data supplied by the Council's worksheets, namely:
- Number of large permissions – capacity is stated to be 7372 when it would appear to be 7317

- Allocated with planning permission – is stated to be 4407 when it would appear to be 4391
- 5.7 When cross referring in the detailed “large permissions” table it is noted that the anomaly relates to SHLAA Site 381 (Beverley’s, LS11 6DS), which follows advice from Sarah Griffiths (Affordable Housing Officer) that the estimate for 2012 – 17 should be lowered to 50, instead of 105. For the purposes of this appraisal, the starting position will be 7317 dwellings.
- 5.8 It was also noted that there was a 16 dwelling anomaly in the “allocated with no planning permission”. This relates to SHLAA Site Reference 473 and Sarah Griffiths (Affordable Housing Officer) comments on delivery. For the purposes of this assessment, 4391 has been used.

Table 5.1 – Baseline position of assessment

Allocated sites with extant planning permission		Large Permissions		Allocated Sites no planning permission		SHLAA Sites no planning permission		Small Permission sites		Windfall		Overall		
i	A	ii	B	iii	C	iv	D	v	E	vi	F	vii	G	H
Number of sites	Total of source	Number of sites	Total of source	Number of sites	Total of source	Number of sites	Total of source	Number of sites	Total of source	Number of sites	Total of source	Total number of sites (excluding windfall)	Total from all sources (Gross)	Total from all sources (Net)
25	1461	177	7317	69	4391	245	5186	35	165	N/A	2335	551	20855	19605

- 5.9 This information was the Council’s position as of 30th September 2011 and since that time we note that all Phase II and III UDP allocations have been released by the Council (see Section 1 of this report), following the Grimes Dyke Decision on the 18th May 2011.

Stage 3b – Aligning the data to base date of 1st April 2012 and assessment of delivery of source

Allocated Sites

New Permissions

- 5.10 The first element considers those allocated sites which the Council identified had not been granted planning permission at 30th September 2011.
- 5.11 Seven sites were identified, however. it appears most of the sites had planning permission at 30th September 2011. However, it does not appear that they were included in the committed supply, but were within those allocated sites without planning permission. Therefore there does not appear to be any “double counting” of sites
- 5.12 By following the methodology set out in Section 2 of this report and reviewing the details of each planning permission, Barton Willmore concludes that 96 fewer dwellings than those identified by Leeds City Council would be delivered during 2012 – 2017.
- 5.13 The second part considers the deliverability of the phase 2 and 3 allocations which had been granted planning permission between 1st October 2011 and 31st March 2012. By adhering to the methodology in Section 2 of this report, Barton Willmore concludes that 76 fewer dwellings than those identified by Leeds City Council will be delivered from this source.
- 5.14 Overall Barton Willmore believes that **1969** dwellings could be delivered from those allocated sites with planning permission at 1st April 2012, which is 173 lower than what Leeds City Council has calculated.

Allocations without planning permission

New Applications

- 5.15 As of 1st April 2012, ten allocated sites are currently subject to a planning application, but remain undetermined. The number of dwellings applied for differs slightly from the UDP capacity figures provided by the Council.

- 5.16 Following a review of those sites against the methodology in Section 2 of this report, Barton Willmore believes that 2,102 dwellings will be delivered from this source, compared to the Council's which stands at 3,710 dwellings.. This represents a difference of 1,608 dwellings.

Large sites with planning permission (Source i)

Expired permissions

- 5.17 Following a review of those "large sites with planning permission", it is believed that 46 sites planning permission's had lapsed by 1st April 2012 or the applications had been withdrawn. This is because there is no evidence of any completions since planning permission had been granted, no extension of time applications being submitted or that all of the conditions precedents had been discharged and the permission had been implemented.
- 5.18 This means that large permissions figures for the first 5 years could be reduced by 2479 dwellings in the first instance. However, we have also considered their deliverability against those tests outlined in the Framework.

Phasing of large extant sites with planning permission

- 5.19 Overall, when taking into consideration issues which could impact on the delivery of sites, Barton Willmore believes that 3,922 dwellings would be delivered during 2012 - 2017, compared Leeds City Council's 7,317. This represents a difference of 3,395 dwellings.
- 5.20 We do note that the "large sites with permission" will need to be amended once the Council sends through this information for those application granted planning permission between 1st October 2011 and 31st March 2012. However, because this information is not publically available, this has not been included within this assessment.

Review of Small sites with planning permission (Source ii)

- 5.21 Barton Willmore does not seek to challenge the Council's delivery assessment. Therefore it is agreed that 165 dwellings could be delivered from these 35 sites. It is noted that there is a difference when reviewing the detailed site analysis, where SHLAA Reference 2304180 (Chapel Hill, Morley) is included to reach a figure of 187 dwellings. The overall summary does however, exclude this site from delivery within 2012 – 2017.

Review of SHLAA sites with no planning permission (Source iii)

- 5.22 The third stage involves the assessment of those 245 sites which are identified in the SHLAA, but which do not have the benefit of a planning permission.

- 5.23 The Council has included 14 of Protected Areas Search (PAS) sites within its anticipated 5 year supply. It is not clear why the other 20 PAS sites have been excluded from this source of supply. Those 14 sites total 629 dwellings, which account for 12% of Leeds' identified' housing supply from this source. Therefore there is a need for consistency and they should only be included in the supply if the Council confirms that all PAS land is now released.

- 5.24 Overall, Leeds City Council believes that 5,186 dwellings could be delivered from this source. However, Barton Willmore believes that 3,177 could be delivered, which represents a difference of 2,009 dwellings.

Anticipated Windfall (Source iv)

- 5.25 The Council has included 2,355 dwellings that could be delivered from what it terms to be windfall. However, no compelling evidence has been presented by the Council over where this source of site comes from at this stage. We would therefore request greater clarification from the Council. However, for the purposes of this assessment, this source has been included but is subject to change once further discussions are held between Barton Willmore and Leeds City Council.

Overall Supply

- 5.26 It is noted that the completions provided by the Council are "gross" and the Council's approach is to deduct 1,250 dwellings (250 per year) to calculate their "net supply". This method has also been applied and is set out in Table 5.2 below.

Table 5.2 – Gross to Net of supply

Source	Leeds City Council expected delivery. 2012-2017	Barton Willmore Anticipated delivery form Source – 2012 - 2017	Difference between LCC and BW
Allocations with planning permission	1461	1365	96
Allocations with planning permission (granted between 1/10/11 and 31/3/12)	681	604	77
Allocations with no planning permission	3710	2102	1608
Large Sites with planning permission (Source I)	7317	3922	3395
Small sites with planning permission (Source II)	165	165	0
SHLAA sites with no planning permission (Source III)	5186	3177	2009
Anticipated Windfall (Source IV)*	2335	2335	0
TOTAL (Gross)	20,855	13,670	7,185
TOTAL (Net)	19,605	12,420	

5.27 Overall, Barton Willmore believes that the Council's "net" supply for 2012 - 2017 is in the region of 12,420 dwellings.

6.0 Stage 4 - Overview of Housing Land Supply Assessment

Summary of the Leeds' Housing Land Supply

- 6.1 Table 6.1 below considers the housing land supply identified by Barton Wilmore against those nine scenario's outlined in Section 3 of this report.

Table: 6.1 – Overview of Leeds' 5 year land supply

Scenario		1	2	3	4	5	6	7	8	9
		RSS Only	RSS + 20%	RSS + 20% + under delivery in 5 years	Emerging Core Strategy	Emerging Core Strategy + 20%	Emerging Core Strategy + 20% + under delivery in 5 years	Barton Willmore Scenario	Barton Willmore Scenario + 20%	Barton Willmore Scenario + 20% + under delivery in 5 years.
Total BW Supply Calculation	12,420									
Scenario Requirement (Annual)		4,300	5,160	5,932	3,660	4,392	5,164	5,938	7,126	7,898
Total Years of Housing Land Supply = (Housing Land Supply / Annual Requirement)		2.9	2.4	2.1	3.4	2.8	2.4	2.1	1.7	1.6
Shortfall		9,080	13,380	17,240	5,880	9,540	13,400	17,270	23,210	27,070

- 6.2 Table 6.1 shows that at best Leeds has a **3.4 year supply**. This is considered against the Council's emerging housing Core Strategy figure of 3,360 dwellings per annum. However, little weight can be given to this housing requirement, until it has been examined in 2013. Furthermore, that scenario fails to take account of the NPPF approach to adding 20% and does not take into account the under delivery against the requirement to date.
- 6.3 Scenario's 7 to 9 (inclusive) consider the supply against Barton Willmore's Core Strategy Publication Draft housing requirements. As set out earlier in this report, Scenario 7 is based on Leeds needing to meet its economic aspirations.
- 6.4 The RSS is part of the Statutory Development Plan and is the only housing requirement that has been adopted through an Examination in Public. This is the starting position for Leeds' housing requirement. When factoring in the guidance of the NPPF , as well as under delivery which should be addressed within the first 5 years, this provides two additional scenarios 8 and 9.
- 6.5 Depending on which other scenario the Barton Willmore calculated supply is considered against, the Council's supply ranges from 1.6 years (scenario 9) to 2.9 years (scenario 1). It is clear that whichever scenario Leeds' housing supply is assessed against, the Council cannot demonstrate a 5 year housing supply.

7.0 Conclusion

- 7.1 This assessment has considered Leeds' identified housing land supply against the existing and potential future requirements.
- 7.2 The baseline date that has been used is the 1st April 2012. There are shortfalls in the Council's data, which have been noted in this report.
- 7.3 Overall based on the most up to date available information, we believe that Leeds has, at best a 3.4 year supply when assessed against their emerging Core Strategy housing requirement. . However, little weight can be given to this figure, as the Council's Core Strategy has not been the subject of an Examination in Public. .
- 7.4 Therefore when assessed against the only housing requirement that has been subject of independent examination (RSS – Scenario 1), **Leeds has around a 2.9 year supply**. When factoring in its persistent under delivery and the need to make up the shortfall in the first five years, this leaves the Council with between a **2.1 and 2.4 year supply**.
- 7.5 Clearly which ever scenario Leeds' existing housing supply is assessed against, the Council cannot demonstrate it has a deliverable five year housing land supply.