

LEEDS CHAMBER OF COMMERCE

RESPONSE TO DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT

“PLANNING FOR THE RIGHT HOMES IN THE RIGHT PLACES: CONSULTATION PROPOSALS”

The following constitute the Leeds Chambers of Commerce’s (“the Chamber”) responses to the Department for Communities and Local Government’s “Planning for the Right Homes in the Right Places: Consultation Proposals”.

Leeds Chamber is part of the West & North Yorkshire Chamber of Commerce and represents businesses which collectively employ a third of the working population of the Leeds City Region. Membership of the Chamber is diverse and reflects all sizes and sectors of organisation across services and manufacturing.

The Chamber has not sought to answer every question posed by the consultation, only those relevant to the Chamber’s view that the proposed method for assessing local need is contrary to the interests of business in the Chambers area.

1. Question 1: Do you agree with the proposed standard approach to assessing local housing need? If not, what alternative approach or other factors should be considered?

No.

The general principal of a standardised approach to calculating housing need is welcomed. However the Chamber has significant concern that the approach proposed will be detrimental to economic growth in Leeds, the Leeds City Region and the Northern Powerhouse.

This is against a background of the following:

- The need to address the North/South Economic Divide.
- The Government’s industrial strategy a significant component of which is about economic growth in the North.
- The objective of the Northern Powerhouse to boost economic growth in the north of England particularly in the core cities of Manchester, Liverpool, Leeds, Sheffield, Hull and Newcastle.
- The Leeds City Region as an important driver in the Northern Powerhouse and an important economy itself with significant potential for growth. The Leeds City Region’s economy is the biggest outside of London, worth over £62 billion and it

generates 5% of England's economic output. It has an ambition to delivery 35,750 additional jobs by 2036.

- The adopted Leeds Core Strategy currently contains ambitious plans for economic growth including a requirement to provide 70,000 homes by 2028.

The proposed methodology is out of kilter with all of the above.

In considering the Chamber's response to this Question 1, it is also important to recognise that new housing is inextricably linked to employment growth in particular:

- It is important in retaining and attracting workforce.
- It is important in attracting new investment to the region.
- It has the ability to generate economic growth in the direct and indirect construction sector.
- It has the ability to create employment in other industries as new residents require retail, leisure and other provision.
- It plays an important role in place making and regeneration.

The proposed methodology fails to have sufficient regard to the need to link housing provision to economic growth ambitions in the Leeds and other Northern regions. Its focus needs to be wider than applying a multiplier for less affordable housing areas. The consequence of applying the methodology as proposed would be increased housing numbers in the South and decreased housing numbers in the North. This would result in more pressure on the already pressurised South, harm to economic opportunity in the North and an exacerbation of the problem of insufficient housing in the South as people and industries from less well-off Northern areas continue to migrate to the South.

It is recognised that the consultation document does make reference to local authorities being able to refer to economic growth in assessing housing numbers in paragraph 28 and 46. However, the wording makes the ability to do so discretionary and is phrased in negative, subjective and ambiguous terms, providing scope for future argument and for local authorities, who want to reduce their housing numbers, to use the methodology as a reason to do so.

Paragraph 28 and 46 should be worded more positively to require local authorities to adjust their figures to reflect economic growth specified in LEP strategic economic strategies or other regional economic strategies, so that the level of housing growth proposed is relative to the planned future scale of employment growth. The obligation should be mandatory.

It is of concern that the consultation has led to agreement between the inspectors of the Leeds Site Allocation Plan and Leeds City Council, to delay the examination of the plan on housing issues until Leeds have reassessed its housing requirement. Business needs certainly and the continued delay of the plan is unhelpful in this respect.

2. Question 3: Do you agree that we should amend National Planning Policy so that a sound plan should identify local housing using a clear and justified method?

Yes provided the methodology requires economic growth to be taken into account as referred to in the answer to Question 1 above.

3. Question 4: Do you agree with our approach in circumstances when plan makers deviate from the proposed method, including the level of scrutiny we expect from the planning inspectors?

The approach will only work if the methodology takes account of the matters referred to in our answer to Q1 above. If this approach is adopted then any deviation would need to be supported by robust, clear and justified evidence and a higher level of scrutiny should be afforded to any local authority producing a plan which has less housing than would result from applying the proposed methodology.

4. Question 7 (a): Do you agree with the proposed administrative arrangements for preparing the Statement of Common Ground?

In principal, statements of common ground should support joint working however, the proposals need expanding as housing needs to be dealt with on a regional or at least a sub-regional basis. The LEP Strategic Economic Plans should be given proper weight in the process given the inextricable link between economic growth and housing provision. LEPs should also be made a mandatory body in the Statement of Common of Ground process and local planning authorities must have regard to LEP strategy, objectives and policy.