
Report of Head of Transport Strategy & Head of Strategic Projects

Report to Chief Planning Officer

Date: 24th February 2015

Subject: South Bank connectivity improvements and s106 contributions

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): City & Hunslet	<input checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input 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. The purpose of this report is to gain approval for the release of £250,000 of developer s106 monies to part fund the provision of a new bus service linking the city centre to the South Bank. A report to Executive Board on 19 November 2014 approved the principle of use of £250,000 s106 monies towards connectivity improvements to the South Bank. This report expands on the detail of the service and discussions with Allied London, and specifies exactly which developer s106 funds are proposed to be used to make up the £250,000.
2. The report also outlines the other draws on developer public transport s106 contributions to demonstrate that adequate funds are available to cover all commitments.

Recommendations

The Chief Planning Officer is requested to:

- i. Approve the release of £250,000 of section 106 monies (as detailed in this report) to cover the partial funding of a new bus service to serve the South Bank regeneration area of Leeds City Centre.
- ii. Approve spend of £250,000 from City Development's revenue accounts for a 3 year contribution towards the South Bank bus service. This is to be fully funded from S106 contributions as detailed within in this report.
- iii. Note the comments in relation to other approved / expected draws on developer public transport s106 monies.

1 Purpose of this report

- 1.1 The purpose of this report is to seek the authorisation to release developer s106 monies towards a new bus service serving the South Bank regeneration area. The route would run from directly outside the railway station main entrance via City Square, Infirmary Street, Neville Street, Crown Point shopping centre, Crown Point Road, Leeds Dock, Armouries Drive, Sayner Road, Hunslet Road and back to the railway station via Leeds Bridge and the Headrow. The service therefore links key city centre public transport hubs and destinations such as Leeds Dock, The Royal Armouries, Crown Point shopping centre, Trinity shopping centre and the centre of the South bank regeneration area. The route plan is attached as Appendix 1.
- 1.2 The owners of Leeds Dock have agreed to pay the majority costs for a seven day a week bus service operating between 7am and 7pm. This funding period covers three years, after which is it expected the bus service will be operate on a commercial basis (or at a much lower subsidy), with a review to be undertaken at the time.
- 1.3 This report identifies appropriate development funds for contributing towards the cost of the scheme. It also sets out, to enable an informed decision to be made, what others demands are being made / may be made on developer s106 monies for public transport schemes.
- 1.4 A report to Executive Board on the 19 November 2014 approved the principle of use of £250,000 developer s106 monies towards a new bus service for South Bank connectivity improvements.
- 1.5 The Chief Planning Officer is requested to approve the release of £250,000 to part fund a new bus service linking the city centre to the South Bank regeneration area.

2 Background information

- 2.1 The revitalisation of Leeds Dock (formerly Clarence Dock), is a key component of the regeneration of the South Bank and the continued growth of the city centre to help achieve the city's vision to be Best City. The proposals set out in this report are in line with the objective of the Leeds City Council Best Council Plan to promote sustainable and inclusive economic growth.
- 2.2 A full summary of the background information and issues can be found in the Executive Board report of 19 November 2014 (Appendix 2).
- 2.3 Since November colleagues in the WYCA have defined a route for the bus service (Appendix 1) and gone out to a number of bus operators to tender to run the service. First Bus came back with the most attractive package. It is expected that after three years the bus service will be largely self-funded or operating at a significantly reduced subsidy, with a review to take place at that time.

- 2.4 The service will operate on a similar basis to the existing city centre bus service with an initial flat fare of 50p. Options were considered to extend the existing city centre bus service but service patterns and stops didn't give such a good service.
- 2.5 The South Bank area will be served by NGT with stops at Leeds Dock and on Waterloo Street proposed. However, assuming a positive decision from the Secretary of State on the scheme, NGT will not be operational until late 2020 at the earliest. There is a need for improved public transport services into the South Bank now.

3 Main issues

Funding

- 3.1 The Combined Authority would prefer to operate the new service from 28 April 2015 in line with their annual review of services. The provision of an additional bus service from the station requires permission from Network Rail, which has been secured.
- 3.2 Development funds specific to public transport measures have been collected under Section 106 as follows. From 1998 to 2006 developer contributions were secured using SPG5 'Guidelines for Assessing Developer Contributions to Leeds Supertram', from proposals within 800m of a proposed tram stop towards the Leeds Supertram scheme. At the time of withdrawal of funding for Supertram and effective cancellation, a report went to DMT Technical Board on 11 November 2005 recommending that SPG5 monies collected or due in the future would be held and safeguarded for the 'Bus Rapid Transit' alternative or related 'Plan B' schemes (these Plan B schemes were not elaborated on in the report). This was justified as virtually all the agreements signed were worded in such a way that the contributions 'shall be held in trust by the Council for the purpose of contributing towards Leeds Supertram or *such other enhancement to public transport infrastructure improvements in the vicinity of the land*'.
- 3.3 Since 2007 developer contributions towards public transport have been secured via the 'Public Transport Improvements and Developer Contributions' SPD.
- 3.4 The standard s106 wording allows the SPG5 and SPD monies to be spent on schemes other than Supertram / NGT. This process also has the full support of the Chief Highways and Transportation Officer.
- 3.5 It should be noted that the original developers of New Dock paid £535,000 in contributions towards public transport secured using SPG5. This was released in 2009 under Executive Board approval and used towards NGT development costs.
- 3.6 Appendix 1 of the adopted SPD lists those schemes upon which contributions should be spent. Under the City Centre, one of the schemes listed is the '*Extension of the City Centre Bus Service.*' It goes on to state '*To provide public transport access to the expanding southern commercial area and Holbeck Urban Village.*' While the proposed service does not cover the HUV, it clearly falls within the remit of the southern commercial area and therefore accords with the SPD policies.

3.7 A number of s106 pots from city centre development have been identified where development is in close vicinity of the site / proposed bus route. Table 1, overleaf, gives the full details of these s106 monies which total £250,000 (this includes any interest accrued). As can be seen, six contribution pots are proposed to be used where a reasonable benefit could accrue to the development through improved accessibility / linkages. Three of the contributions were secured via the SPG5 policy and three via the SPD.

3.8 The s106 agreements for the contributions have been checked all use either use the standard Supertram or SPD wording as follows:

means the sum of £xx.xx being a contribution towards Leeds Supertram or other such other enhancement to public transport infrastructure improvements in the vicinity of the Site as the Council in its absolute discretion shall decide

means the sum of £xx.xx relating to public transport or other environmental improvements within the vicinity of the development or elsewhere within the administrative area of the Council required as a consequence of the development as the Council may in its absolute discretion decide

Table 1 – Development s106 pots to be used towards the South Bank bus service

Development address	Application number	Available	Policy	S106 comments
King Street, Park Place	20/515/01	£44,517	SPG5	Standard SPG5 wording
17/19 Hunslet Road	06/02946	£21,000	SPG5	No direct reference to Supertram in agreement – standard wording with references to public transport
Trinity Quarter	11/00382	£50,875	SPD	£719,716 received (inc contributions from 7 applications associated with Trinity). £120,365 so far spent, leaving £548,476 after LSSE contribution Standard SPD wording
Alf Cook Printworks	11/04293	£109,000	SPD	Standard SPD wording
Whitehall Quay	14/00507	£24,608	SPD	Standard SPD wording
TOTAL		£250,000		

Standard Supertram s106 wording means the sum of £xx.xx being a contribution towards Leeds Supertram or other such other enhancement to public transport infrastructure improvements in the vicinity of the Site as the Council in its absolute discretion shall decide

Standard SPD wording means the sum of £xx.xx relating to public transport or other environmental improvements within the vicinity of the development or elsewhere within the administrative area of the Council required as a consequence of the development as the Council may in its absolute discretion decide

Other demands on developer s106 monies

3.9 There are a number of other committed / potential draws on developer public transport s106 monies in the next few years.

3.10 The table below shows the contributions that have been collected from implemented development, the amounts spent to date and the current balance.

	Monies collected	Monies spent	Balance (inc interest as at Feb 2015)
SPG5	£6,077,783	£4,474,877	£2,027,062
SPD	£4,814,706	£842,592	£3,973,330
TOTAL	£10,892,489	£5,317,469	£6,000,392

3.11 It should be noted that the £6m current balance includes contributions from development all over the district and is therefore not available for all schemes.

3.12 The £6m balance set out above includes sums formally or provisionally allocated totalling approximately £5.12m towards schemes including:

- £3.5m NGT (total sum approved by Executive Board)
- £0.5m LSSE Little Neville St works
- £250k towards the extension to city centre bus service to South Bank bus service (the subject of this report)
- £108k White Rose bus service improvements
- £123k Woodhouse Lane pedestrian improvement scheme
- £112k Airport access provision
- £258k Middleton local PT schemes
- £238k Aire Valley P&R
- £27k Morley Rail Station car park

3.13 The remaining balance of approximately £0.9m can be split between approx. £500k covering the NGT east alignment / EASEL area and £400k spread across the rest of the city. An assessment of these s106 pots against the current programme of public transport works and future schemes is currently being undertaken by officers in Transport Strategy.

3.14 It is noted that there is development under construction across the district with approximately £1.2m contributions secured which could be used towards NGT or city centre schemes.

3.15 As the figures above show there are sufficient funds for the proposed bus service and other commitments.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members in City & Hunslet Ward have been notified of the intended spend of s106 monies in their Wards (by email 06/02/15). At the time of writing no response had been received.
- 4.1.2 The City Development Finance team has confirmed that there is no objection in using up to £250,000 of s106 funding towards the South Bank bus service and that these funds are immediately available.
- 4.1.3 The Chief Highways and Transportation Officer fully supports the South Bank bus service and the use of appropriate developer monies towards a scheme that is an essential element of the city centre transport strategy and improved accessibility to this regeneration area.
- 4.1.4 NGT - WYCA and the City Council support the use of developer s106 monies towards the works.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality Impact Assessment has been undertaken, of the proposed bus service as outlined in the Executive Board report. Implementing the public realm and public transport proposals will make it easier and potentially safer for families and those with disabilities to access leisure opportunities in South Bank particularly at Leeds Dock and the Royal Armouries, thereby helping us to have a more child and age friendly city centre. They will make also it easier for those with disabilities arriving at or near the train station to access employment opportunities in South Bank.

4.3 Council policies and City Priorities

- 4.3.1 The South Bank bus service complies with various council and partnership policies and strategies relevant to improving the quality and access to public transport and regeneration areas.
- 4.3.2 The Planning & Economic Policy Service Plan sets targets of agreeing the spending of Section 106 monies. Approval of the scheme outlined in this report will assist in meeting this target.
- 4.3.3 The proposals accord with the Leeds City Priority Plan 2011 to 2015 which sets out a shared set of strategic outcomes and improvement priorities for the city. The South Bank regeneration zone fits within 'Best City... for business' in helping the economic growth of Leeds and in particular regeneration areas to the south of the city centre, and improving public transport reliability and journey times. This plan also supports the delivery of the longer term objectives in the Vision for Leeds 2011 to 2030.
- 4.3.4 UDP policies T9, T12, T13, and T14 support the implementation of new public transport schemes. Core Strategy policies SP3, SP4, SP8, SP11, CC3, T1 and T2 support the improvement of public transport and city centre connectivity.

Policy T2ii sets out that developer contributions may be required towards, amongst other highways and transport infrastructure, public transport provision.

- 4.3.5 Better public transport connections are considered to be a vital aspect in the redevelopment of the South Bank.

4.4 Resources and value for money

- 4.4.1 The South Bank bus service is to be funded for three years by developer s106 money and private sector funding. Therefore no LCC capital or revenue funds are to be used.

Capital Funding and Cash Flow

- 4.4.2 Funding: Developer s106 monies will fund £250,000 towards the bus service with the remaining funding to come from Allied London.

- 4.4.3 Staffing: A limited amount of officer time has been expended and will continue to be expended in managing the provision of the bus service (in conjunction with colleagues at the WYCA)

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The various s106 agreements have been considered and the spend of developer s106 monies towards the scheme is entirely reasonable and justified based on the improvements to access and movement within the city centre that are provided by the scheme.
- 4.5.2 Those contributions secured prior to April 2010 are subject to policy tests, whereas those secured after this date are subject to the CIL legal tests (the principle of which are the same as those earlier policy tests). Those tests are:

- (a) necessary to make the development acceptable in planning terms;
- (b) directly related to the development; and
- (c) fairly and reasonably related in scale and kind to the development

Test (a) Need

The Need test was established at the time of securing the contributions by way of provision of a fulfilling the following criteria:

- Ensures compliance with the objectives of NPPF (and prior to that PPG13) to promote more sustainable travel choices, to promote accessibility by public transport and to reduce the need to travel.
- Reflects the fact that the provision of public transport, from which the developer will gain a service, is outside the scope and control of the individual developer.
- Assists the Authority to finance and provide for the cumulative impact of individual new developments and therefore the contribution assists in addressing the individual travel impact of the development.

Test (b) Directly Related

The contributions will be spent on the provision of a public transport service from which the development will benefit directly. All the development listed in table 1

are within close vicinity of the South Bank or the proposed bus route (in this case close vicinity is considered to be within walking distance).

Test (c) Fairly related in scale and kind.

In terms of scale, Leeds City Council has an adopted mechanism for calculating such contributions which is derived from that set out in the Practice Guidance on Planning Obligations (DCLG 2006). This accounts for the size, scale and impact of the development and allows the amount of contribution to be varied to be proportionate to this.

4.5.3 None of the content of this report is exempt from public display or contains confidential information.

4.5.4 Any decisions arising as a result of this report are eligible for Call In.

4.6 Risk Management

4.6.1 A tender process has been undertaken and contribution agreed with Allied London, which will be secured via a legal agreement. Therefore the bus service will be fully funded and guaranteed for three years. On the approach to the expiration of this time period a full review will be undertaken of patronage and viability going forward. There is no commitment from either party to fund the bus service after three years, if continuing subsidy is required.

5 Conclusions

5.1 The revitalisation of Leeds Dock (formerly Clarence Dock), is a key component of the regeneration of the South Bank and the continued growth of the city centre to help achieve the city's vision to be Best City. There is an identified need to improve the connections into the South Bank area.

5.2 The purpose of this report is to gain approval for the release of £250,000 of developer s106 monies to part fund the provision a new bus service linking the city centre to the South Bank. A report to Executive Board on 19 November 2014 approved the principle of use of £250,000 s106 monies towards connectivity improvements to the South Bank. This report expands on the detail of the service and discussions with Allied London, and specifies exactly which developer s106 funds are proposed to be used to make up the £250,000.

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6 Recommendations

6.1 The Chief Planning Officer is requested to:

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- iii. Note the comments in relation to other approved / expected draws on developer public transport s106 monies.

7 Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.