



Report of the Chief Planning Officer

CITY PLANS PANEL

Date: 6 April 2017

Subject: Planning Application 16/01115/FU - for a mixed use development across three buildings, comprising residential apartments (use class C3), flexible office (use class B1) or food and drink (use class A3), D1 (Clinics and health centres), undercroft parking and associated landscaping, at Granary Wharf Car Park, Wharf Approach, Holbeck, Leeds, LS11 5PY.

APPLICANT

CTP Ltd and U+I Group Plc

DATE VALID

19 February 2016

TARGET DATE

Extended date 13 April 2017

Electoral Wards Affected:

City & Hunslet

Yes

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

RECOMMENDATION: Defer and Delegate to the Chief Planning Officer for approval, subject to the specified conditions (and any others which he might consider appropriate), and following completion of a Section 106 Agreement to cover the following additional matters:

- To accept a commuted sum of £755,996.87 towards off site affordable housing provision in lieu of on-site affordable housing provision to be paid on occupation of the first residential unit. The retention of the building as a Private Rented Scheme (Build To Rent) for a minimum period of 10 years from first occupation. To secure payment of an additional sum of £757,867.13 on the sale of the first of any unit to be sold within 10 years of the occupation of the building
- Publicly accessible areas
- Employment and Training for Local People
- A contribution of £3.567 towards monitoring and evaluation of a Travel Plan
- A contribution of £17,500 for provision of a Car Club provider free trial membership package of 2 year membership with drive time and

- contribution of £42,650 for provision of a Sustainable Travel Fund for sustainable travel incentives to encourage the use of public transport and other sustainable travel modes.
- A Traffic Regulations Order contribution of £15,000 is required, for changes to waiting restrictions and Park and display bays in the vicinity
- A contribution of up to a maximum of £34,015 towards the planting of trees within the wider Holbeck area with potential planting in an area of public realm to be created in front of Temple Works.
- To use reasonable endeavors to agree the re-surfacing of the canal towpath.

In the circumstances where the Section 106 Agreement has not been completed within 3 months of the resolution to grant planning permission the final determination of the application shall be delegated to the Chief Planning Officer.

Conditions

A full list of all planning conditions can be found at Appendix 1 of this report.

1.0 INTRODUCTION:

- 1.1 The Plans Panel on the 9 June 2016 approved the application subject to the completion of a Section 106 legal agreement. The application included a requirement to provide 5% of affordable housing on-site. The application was brought back to Plans Panel on 16 March 2017 to allow Members to consider the Applicant's request to provide a commuted sum in lieu of on-site affordable housing provision, to enable a Private Rental Sector (PRS) model of housing (now known as Build To Rent or BTR) to be delivered on the site. The commuted sum would be paid on occupation of the first residential unit. All other material planning considerations remain as previously reported in the Plans Panel report from 9 June 2016, which can be found at Appendix 2 of this report for information. Members made comments on the proposal to provide a commuted sum for the affordable housing on 16 March 2017, as laid out in Section 5.4 of this report. The proposal is brought back to Plans Panel in response to those Member comments.

2.0 PROPOSAL:

2.1 The Scheme

- 2.2 The proposed development seeks to provide a range of 1, 2, and 3 bedroomed apartments across three buildings. These buildings would range in height from 13.350m and 22.075m for the stepped Building A, 23.175m and 27.635m for the stepped Building B and 30.750m for Building C.

The scheme would bring forward a total of 250 apartments of which 121 are proposed as one bedroomed, 112 are proposed as two bedroomed and 17 are proposed as three bedroomed.

- 2.3 The scheme would also provide a total of 34 car parking spaces within the ground floors of blocks B and C. In addition 291 secure cycle parking spaces are also proposed within the development.

- 2.4 At ground floor two commercial units are proposed to block A of some 5031 sq feet for A3/B1/D1 (restaurant/office/clinics and health centres) use and 955 sq feet to operate as A3 (restaurant). In addition in block B two commercial unit to be used as A3 (restaurant) of some 478 sq feet and A3/B1/D1 (restaurant/office/ clinics and

health centres) use of some 2204 sq feet, and a management suite of some 216 sq feet.

2.5 The buildings would be set within an area of hard and soft landscape features which is intended to connect, in a seamless manner, with the landscape scheme proposed for the adjacent Tower Works scheme.

2.6 Private Rented Sector (Build To Rent)

2.7 The applicant has provided the following statement in respect of the benefits they advise BTR schemes can bring:

“BTR schemes can provide a number of benefits not normally associated with typical for sale schemes or private rental schemes which are operated by multiple smaller scale landlords, including:

- The quick delivery of dwellings using high quality, modern methods of construction - there is no need to phase delivery as the units can be absorbed by the market more quickly, and the requirement to generate rental income quickly also boosts the speed of supply;
- BTR schemes can help regenerate local economies as they tend to attract a skilled workforce;
- BTR schemes are professionally managed on a scale that typically allows a higher level of services (e.g. on-site concierge) and amenities (e.g. communal space) to be offered to their customers;
- Purpose built accommodation can be targeted at sharers or families, and with good property management, residents can move within a scheme as personal circumstances change, avoiding wasted underutilised bedrooms; and,
- BTR schemes can offer a more stable form of rental accommodation than typical private rentals operated by small landlords, as BTR operators are able to offer tenancies of up to 5 years. This provides residents with the security of tenure owner occupation brings but with the flexibility of renting.”

3.0 **SITE AND SURROUNDINGS:**

3.1 The proposal site is currently in use as a surface car park for 100 spaces and is positioned between Leeds and Liverpool Canal and Water Lane. The site is adjacent to Tower Works, which is a complex of Grade II* (and is also subject to redevelopment proposal) and Grade II Listed Buildings and unlisted buildings. The site also abuts the Grade II Listed Lock Keeper’s Cottage.

3.2 Granary Wharf Car Park lies just outside the boundary of the Holbeck Conservation Area, whilst its northern most section is set within the boundary of the Canal Wharf Conservation Area. The Hol Beck runs adjacent to the site at its southern boundary.

3.3 The surrounding area of Holbeck is considered to be an area of local, national, and international importance in respect of the historical significance and architectural merits of its buildings, as well as for the potential archaeological discoveries that the area could elicit. The area is considered to be the foundation of the Industrial Revolution in Leeds

4.0 **RELEVANT PLANNING HISTORY:**

4.1 Approval granted on the site for an outline application for multi level development in three blocks up to 8 storeys high, with offices, residential, A3/A4 use with basement car parking on 9 October 2008, planning reference 06/04922/OT.

- 4.2 Approval granted for an extension of time application to 06/04922/OT for multi level development in three blocks up to 8 storeys high, with offices, residential, A3/A4 use with basement car parking on 25 November 2011, planning reference 11/01976/EXT.
- 4.3 An application has recently been approved for the proposals at the adjacent Tower Works site for Mixed use three-phased development of 158 dwellings (C3) with 30 car parking spaces; 11,860sqm of B1 offices; up to 372sqm of A1 retail; 1,495sqm of A2, A3, A4 or D1; and new public realm, planning reference 15/06578/FU.
- 4.4 Approval has been granted and the scheme implemented for the construction of a temporary pedestrian link between Water Lane and Wharf Approach across the Granary Wharf Car Park site, planning reference 15/06498/LA.

5.0 HISTORY OF NEGOTIATIONS:

- 5.1 The proposals have been the subject of pre-application discussions between the Developers team, Historic England, the neighbouring Tower Works development team and Local Authority Officers since April 2015. The developer's team have worked positively and collaboratively to address a number of planning issues. These discussions have focused on the relationship with the Tower Works development site, the scale massing and design of the proposed development, car parking levels and access, pedestrian connectivity and routes, heritage impact, and the public realm treatment.
- 5.2 Ward Members were consulted on 29 March 2016.
- 5.3 Members considered the pre-application proposals for the currently proposed development at City Plan Panel on 26 November 2015.
- 5.4 Member agreed the formal proposal at the 9 June 2016 City Plans Panel subject to completion of the S106 agreement which included provision for delivery of affordable housing units on site. Members considered the proposed development again at City Plan Panel on 16 March 2017 when they were requested to agree provision of a commuted sum in lieu of provision on-site affordable housing. Members made the following comments in relation to the affordable housing approach (which are draft until they have been agreed by Plans Panel Members at this Panel of 6 April 2017);
- *The use of a commuted sum may be appropriate in some instances*
 - *Discussions with potential investors was proving difficult on this site for the delivery of a PRS model with on-site affordable units*
 - *Concerns were raised as to how the commuted sum was calculated*
 - *Concern that if there was no on-site social/ affordable housing provision, certain groups of tenants would be excluded from the City Centre*
 - *PRS models appeared to work in London with on-site affordable units*
 - *Could Housing Leeds take on the management of the affordable housing units*
- The determination of the application was therefore deferred for further clarification as to how the commuted sum is calculated, further information on why on-site affordable housing provision is not possible in this case and if it would be feasible / acceptable for Housing Leeds to take on the management of the on-site affordable housing units.*

6.0 RELEVANT PLANNING POLICIES:

6.1 National Planning Policy Framework (NPPF)

6.2 The National Planning Policy Framework 2012 (NPPF) was adopted in March 2012 and sets out the Government's planning policies and how they expect them to be applied. The Framework states that Planning should proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth.

6.3 Paragraph 6 of the NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development and paragraph 14 goes on to state that there should be a presumption in favour of sustainable development.

6.4 Paragraph 17 of the NPPF sets out the Core Planning Principles for plan making and decision taking. The 4th principle listed states that planning should always seek high quality design and a good standard of amenity for all existing and future occupants of land and buildings.

6.5 The 8th principle listed states that planning should encourage the effective use of land by reusing land that has been previously developed (brownfield land), provided that it is not of high environmental value.

6.6 Paragraph 50 of the NPPF states that to deliver a wide choice of high quality homes, widen opportunities for homeownership and create sustainable, inclusive and mixed communities, local planning authorities should:
where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.

6.7 National Planning Practice Guidance (NPPG)

6.8 This provides Central Government Guidance on a range of planning matters and provides the following advice:

The Private Rented Sector

Some privately rented homes can come from purpose built schemes held in single ownership which are intended for long term rental. The economics of such schemes differ from build to sale and should be determined on a case by case basis. To help ensure these schemes remain viable while improving the diversity of housing to meet local needs, local planning authorities should consider the appropriate level of planning obligations, including for affordable housing, and when these payments are required. So these homes remain available to rent only, Local Planning Authorities may choose to explore using planning obligations to secure these schemes for a minimum period of time. Local Planning Authorities should enforce these planning obligations in the usual way.

6.9 The Development Plan for Leeds currently comprises the following documents:

1. The Leeds Core Strategy (Adopted November 2014)

2. Saved Leeds Unitary Development Plan Policies (Reviewed 2006), included as Appendix 1 of the Core Strategy
3. The Natural Resources & Waste Local Plan (NRWLP, Adopted January 2013) including revised policies Minerals 13 and 14 (Adopted September 2015).
4. Any Neighbourhood Plan, once Adopted

6.10 **Core Strategy**

6.11 All relevant policy remains as stated in the Plans Panel report of 9 June 2017 in Appendix 2, with the exception of the Holbeck South Bank Supplementary Planning Document which was adopted in June 2016.

6.12 **Supplementary Guidance**

6.13 SPG3. Affordable Housing Supplementary Planning Guidance Annex Note (February 2003) paragraph 5.3 states that commuted sums should be equivalent to the cost which would have been borne by the developer/owner in providing the negotiated number and mix of types and sizes of affordable dwellings on-site, plus cover the reasonable administration costs of the Council in using the money to secure the provision of affordable housing elsewhere

6.14 **Other Material Considerations**

6.15 On the 22 March 2017 Leeds City Council's Executive Board endorsed an approach which recognises that the acceptance of commuted sums from BTR schemes may be appropriate and justified in accordance with Core Strategy Policy H5.

6.16 **Government Papers**

6.17 Planning and Affordable Housing for Build to Rent - A consultation paper (February 2017).

6.18 Fixing our broken housing market - Housing White Paper (February 2017).

7.0 **MAIN ISSUES**

The only issue since the resolution of the Panel on 9 June 2016 is the request to provide an offsite commuted sum for affordable housing in lieu of on-site provision and to provide further clarification to Members on those matters raised at City Plans Panel on 16 March 2017.

8.0 **APPRAISAL**

8.1 Principle of accepting a commuted sum in lieu of on site affordable housing provision

8.2 The proposed development is for 250 units. In accordance with Policy H5 the scheme is required to provide 13 (5% of the total units) affordable housing units as part of the development. The proposed housing would be a Private Rental Sector (Build To Rent - BTR) scheme whereby the entire scheme is owned, operated and managed by one company rather than split into a number of individual landlords. There is a requirement for the provision of 13 (5%) affordable housing units, however the BTR business model differs from a conventional housebuilding model. The main feature of the financial model is that it is intended to produce a regular return to an investor (often institutions such as pension fund holders). It facilitates

institutional investment into rental developments by creating large single investment blocks of “blue chip” quality, introduces economies of scale and transfers an element of investment risk to a third party “operator” or managing organisation who takes on the role of landlord to individual occupier tenants.

- 8.3 There are a number of variants to BTR, however each is underpinned by a commercial approach aimed at providing a long-term return to the investor financing the development whilst giving the managing organisation the flexibility to determine their lettings policy and exposure to risk. Unlike the traditional build for sale product, BTR avoids costs associated with sales and marketing focusing instead on longer term investment return associated with holding the investment rather than initial development profit. Build to Rent tends towards high density development such as apartment blocks (typically 150 plus units) to reduce management costs.
- 8.4 Within BTR, typically some of the investment risk is transferred to the managing organisation that will undertake lettings and bear the risk of managing the accommodation. The operator will be obligated to maintain the investment to the funder’s requirements irrespective of its own lettings approach and to the risks to their own rental stream. The relationship between the managing agent and investor is usually through a long term lease (typically 25 to 40 years) at a head rent geared to the cost of the development at an institutionally acceptable rate of return. Managing agents may seek to either undertake lettings at full market rent or provision of a level of affordable housing at sub market rents. This can however diminish their capacity to meet the head rent required by the lease.
- 8.5 Where BTR development is undertaken on a normal commercial basis the head rent is simply geared at an institutional rate of return to the overall cost of development (including land acquired at full market value and policy levels of s106 requirements).
- 8.6 The BTR business model does not therefore lend itself to multiple ownerships within an individual development. The provision of affordable housing on site, owned and managed by a separate organisation (normally a Registered Provider), means that the more usual application of the policy requirement for on-site provision of affordable housing can be a barrier to BTR Investment in Leeds.
- 8.7 The case is therefore made that BTR housing has specific characteristics, brought about through its funding model, which makes it unsuitable for the delivery of on-site Affordable Housing provision through a separate organisation such as a Registered Social Landlord (RSL) In some BTR schemes it has been possible to secure on site provision of affordable units to be managed directly by the BTR provider with compliance to a Local Lettings Policy, although none of these schemes have yet been built on site.
- 8.8 In this case, the Applicant states that it will not be possible to achieve affordable housing on site provision, and the following points are considered most pertinent in the Applicant’s justification for the provision of a commuted sum in lieu of on-site provision:

“An approach to on-site provision is for an appropriate third party to manage the units. However, given the small quantum of units proposed as affordable units at Granary Wharf, this would create a building that would need to be under two separate managers and management regimes, thereby creating inefficiencies and affecting the investment value of that asset. Any such requirement is therefore likely to undermine the deliverability of the entire scheme.”

8.9 An alternative approach is for the BTR investor to directly provide the affordable units without involvement of a third party. However the Applicant has stated the following in terms of direct provision;

“Since the resolution to grant planning permission subject to the signing of the Section 106 Agreement in June 2016, the applicant has been in discussions with potential investors to develop and manage the scheme for the long term.

These discussions have been conducted in a challenging market where investors are extremely cautious about potential risks which could affect the value of their investment, including the uncertainties brought about through the introduction of social and sub-market units.

Over the past nine months a number of potential BTR investors which expressed an interest in the Granary Wharf site have subsequently withdrawn their interest due to the need to provide affordable and discounted market rent units on site, which they feel unacceptably harms the value of the investment.”

8.10 Following Plans Panel of 16 March 2017 the Applicant has provided further details on why it has not been possible to attract a BTR investor to provide on-site affordable units in this case. (See the letter dated 27 March 2017 in Appendix 3). In particular the following should be noted:

“Investors are, however, particularly risk averse in the context of BTR being a new and untested market in Leeds and also as a result of the ongoing uncertainty surrounding Brexit and resultant potential for income growth. As such, it is our experience that they are presently being very cautious with their investment decisions.

8.11 In terms of direct provision the Applicant states that;

“The Council’s Affordable Housing Policy (H5) is for such housing, when delivered on site, to be provided by way of a mix of intermediate and social affordable units.

Operators and Investors advise us that this direct provision in accordance with Policy requirements creates operational issues, and long term investment value issues which require to be addressed if we are to secure an investor and the required finance to deliver the project.

Operationally there are concerns in connection with tenant affordability when it comes to Service Charges (*especially on the social affordable units*). For example, typically a tenant will have to pay a monthly service charge of between £80-100 per calendar month, which set against a monthly rent of £800-1000 pcm is about 8-10% of their monthly occupational costs. For an occupier in units at the intermediate level, this is circa 9-12%, and for those in *social affordable* units, it could be in the region of 30-40%, or more. All tenants will enjoy the same access to facilities, services and amenities, but recognition of the burden of cost weighs most heavily on some occupiers, not disproportionate to others, but in relation to their means. In addition to this dilemma, for the investor the *social affordable* units are provided at both a capital loss on day one and an operational loss for the long term in to the future and at uncertain level as rental levels are set by Government.”

8.12 Also the Applicant states that BTR investors do not have the on-site staff that are trained to meet the needs of the residents of the social affordable units. The Applicants also note that

“Delivery of BTR schemes in a market such as Leeds is marginal, and this is clearly holding back scheme delivery, further impacted in the post Brexit era when investors have concerns over the impact of growing inflation.”

8.13 In regards to Member’s question on why BTR schemes appear to be able to deliver affordable housing on-site in London the Applicant states

“*The Leeds market* “compares starkly with a southern UK market. If one looked at Walthamstow in London for example, not a particularly affluent area, we are aware that values are in the £690ft² range, and whilst construction costs are also higher in in south, it is clear that financial viability is much more achievable. As a consequence there is the scope and the ability to provide Affordable Housing. That said, we are not currently aware of any scheme in London that is providing *affordable social rents (as required by Leeds affordable housing policy)*, it is at the discounted rent arena in the 80% range of open market rents that Affordable Housing is being provided. It is also worthy of note that not many BTR designed schemes have actually been delivered in London, most have been in previously consented build for sale projects.”

8.14 The Applicant has stated further that:

“The commuted sum contribution of £756k to Leeds City Council enables the Council to leverage additional investment and projects into Leeds City Centre and its immediate surroundings. This could enable other projects to benefit from this investment or, combined with other s.106 sums, a larger pot of fire power to maximise investment in affordable homes. This could help deliver affordable family housing, for example, on a scheme where it may have been considered unviable to do so without such funding. The Council’s Executive Board has now agreed an area where such money will be targeted as well the types of initiatives that such funding could be targeted at. Such new affordable housing will be in addition to the 250 homes provided as part of this scheme.

Lastly, the commuted sum proposal before Members offers considerable wider benefits. The Granary Wharf Car Park site has been vacant and underutilised for a considerable period since the original wider Granary Wharf regeneration. The £55m investment will facilitate 250 new homes in the centre of Leeds and subject to permission being granted at Panel in April, can be delivered in 2019. Furthermore the scheme will complete an important part of the regeneration of the Holbeck area, and act as a catalyst the further regeneration of Holbeck Urban Village and wider South Bank. Investor confidence in such schemes would undoubtedly increase through an early delivery on this site. This is important in the context of the Council not presently being able to demonstrate a 5 year housing land supply, and the need for these schemes (and the wider regeneration effects) to come forward quickly.”

8.15 Members will be aware that report was recently presented to the Council’s Executive Board on 22 March 2017 titled ‘The development of mixed residential communities in Leeds City Centre’ when the Executive Board endorsed an approach which recognises that the acceptance of commuted sums from Build to Rent schemes may be appropriate and justified in accordance with Core strategy Policy H5. In particular the report highlights the following factors.

- 8.16 Build to Rent housing adds to tenure choice in the housing market in addition to a contribution to overall growth. Given that an attractive housing offer is a critical driver of economic growth it is therefore important that the city is able to attract investment in this sector. Whilst investors in Build to Rent are looking beyond London and the South East to opportunities in northern markets, they are relatively footloose and will look to evaluate opportunities across the northern core cities both in terms of financial return and ease of development. Investors will make decisions based on the attractiveness of the investment that they will ultimately hold. In addition, they will also have a mind to the investment's attractiveness to new purchasers should they decide to sell at some future point in time.
- 8.17 The current policy allows flexibility in the application of affordable housing policy and it is proposed that the Council recognises that the payment of a commuted sum in lieu of on-site provision is likely to be more in line with the funding model which underpins Build to Rent delivery. Further, that the Council accepts that the Build to Rent funding model can be taken into account as a justification which supports the financial contribution. This would reflect the practicality of delivering Build to Rent housing whilst supporting the delivery of affordable housing within the city centre housing offer as a whole.
- 8.18 Accepting the affordable housing obligation as a commuted sum would allow the type of housing to be developed to be relevant to neighbourhoods and could include family housing in some circumstances rather than apartments which Build to Rent developments are more likely to deliver on site. Whilst it would result in single tenure Build to Rent developments, it would enable the Council to deploy the resources generated through commuted sums to support the housing needs of communities by investing them in the type and tenure of housing needed in neighbourhood areas. It could be viewed therefore that the benefits of bringing forward new housing in this sector whilst generating resources for affordable housing for the city centre overall outweighs the lack of tenure mix on specific sites. Also, as indicated above, Build to Rent itself is a new form of rented accommodation which will add diversity to the city's offer. The investment of commuted sums will be informed by Housing Market Assessments to help determine the type of properties required to support sustainable communities and contribute to the linking and blending of city centre and fringe of city centre markets.
- 8.19 With regards to Member's question about the level of the commuted sum the Applicant is seeking to make a payment of £755,996.87 in order that this contribution can assist in the provision of units elsewhere, at a location which is within the discretion of the Council.
- 8.20 The commuted sum has been based on the BTR value of the flats, rather than their value as open market housing. This approach accords with the requirements of the SPG3: Affordable Housing Supplementary Planning Guidance Annex Note at paragraph 5.3 with regard to the methodology for calculating off site commuted sums, whereby the calculation of the market price of the property(ies) minus the benchmark price equals the amount of subsidy the developer pays for affordable housing. The sum is therefore fully policy compliant and accords with long established practice.
- 8.21 Whilst this is acceptable, provided the flats remain as BTR units, The Council would expect an up-lift in value for open market flats. As a result it is proposed that, should the applicant decide to sell just one of the units within 10 years of first occupation,

then the further payment of £757,867.13 (in addition to the commuted sum of £755,996.87) would be made to the Council.

- 8.22 Members should note that the NPPF supports a flexible approach to the delivery of affordable housing on BTR sites where this is justified. In addition, the Government's Housing White Paper entitled 'Fixing our broken housing market' and the DCLG Government Consultation Paper entitled 'Planning and Affordable Housing Build To Rent' makes clear that the Government welcomes BTR as a desirable and enduring feature of the housing market. The following benefits are highlighted in particular;
1. Boosting supply - Build to Rent can boost housing supply
 2. Quality and choice - A higher level of services
 3. Economic growth - Build to Rent schemes can contribute to town centre regeneration
 4. Investment appetite - Once completed, Build to Rent schemes provide a relatively low-risk and predictable income stream.
- 8.23 Policy H5 of the adopted Core Strategy also refers to the payment of commuted sums in lieu of on-site provision being acceptable where there is a robust justification for no on-site provision.
- 8.24 It is considered that the case set out above gives clear evidence that there is a robust justification for not providing the affordable housing on-site in this instance. It also explains why in this instance on-site affordable housing provision is not possible in this case, why it is not feasible / acceptable for Housing Leeds to take on the management of the on-site affordable housing units, and how the level of the commuted sum has been calculated as queried by Members at 16 March 2017 Plans Panel. As such the payment of a commuted sum for off-site affordable housing provision is considered by officers to be acceptable.
- 8.25 S106 Obligations
- 8.26 Given the above consideration the planning obligations to be secured by the S106 agreement would be amended to be as follows
1. To accept a commuted sum of £755,996.87 towards off site affordable housing provision in lieu of on-site affordable housing provision to be paid on occupation of the first residential unit. The retention of the building as a Private Rented Scheme (Build To Rent) for a minimum period of 10 years from first occupation. To secure payment of an additional sum of £757,867.13 on the sale of the first of any unit to be sold within 10 years of the occupation of the building
 2. Access and maintenance of publicly accessible public realm areas.
 3. A contribution of £3,567 towards monitoring and evaluation of a Travel Plan
 4. A contribution of £17,500 for provision of a Car Club provider free trial membership package of 2 year membership with drive time and
 5. A contribution of £42,650 for provision of a Sustainable Travel Fund for sustainable travel incentives to encourage the use of public transport and other sustainable travel modes.
 6. A Traffic Regulations Order contribution of £15,000 is required, for changes to waiting restrictions and Park and display bays in the vicinity
 7. Employment and training opportunities for local people from the Leeds Wards Beeston & Holbeck, Middleton Park and City and Hunslet.
 8. A contribution of up to a maximum of £34,015 for the planting of trees within the wider Holbeck Urban Village, and potentially in an area of public realm which is to be created at a future date in front of Temple Works, to mitigate against the shortfall in replacement tree planting required in accordance with Policy LAND2.
 9. To use reasonable endeavours to agree the re-surfacing of the canal towpath.

- 8.27 A legal test for the imposition of planning obligations was introduced by the Community Infrastructure Levy Regulations 2010. These provide that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is -
- (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.
- The proposed obligations have been considered against the legal tests and are considered necessary, directly related to the development and fairly and reasonably related in scale and kind to the development. Accordingly this can be taken into account in any decision to grant planning permission for the proposals.
- 8.28 This proposal is likely to generate a CIL requirement of £113, 685.00. Infrastructure requirements associated with this application are likely to be public transport and greenspace. This is presented for information only and should not influence consideration of the application. Consideration of where any Strategic Fund CIL money is spent rests with Executive Board and will be decided with reference to the 123 list.

9.0 CONCLUSION

- 9.1 This proposal will bring forward much needed residential accommodation within the city. The BTR scheme would mean that the residential units could be constructed and fully occupied in a much shorter time period than if the units were to be sold.
- 9.2 It remains the case that the proposed development would regenerate the site and add vibrancy and vitality to the area. The affordable housing commuted sum being provided would also assist in funding the development of affordable housing in another part of the city thereby widening the impact of the proposal beyond its own site boundary.

Background Papers:
PREAPP/15/00277
16/01115/FU

Appendix 1 – Draft Conditions List

WARD	City & Hunslet	Application	16/01115/FU
Address	Granary Wharf Carpark 2 Canal Wharf Holbeck Leeds LS11 5PY	Applicant	CTP Ltd And U+I Group Plc - Mr David Topham
Proposals	Mixed use development across three buildings, comprising residential apartments (use class C3), flexible office (use class B1) or food and drink (use class A3), D1 (Clinics and health centres), undercroft parking and associated landscaping.		

RECOMMENDATION:

- 1) The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Imposed pursuant to the provisions of Section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004.

- 2) The development hereby permitted shall be carried out in accordance with the approved plans listed in the Plans Schedule and listed below.

For the avoidance of doubt and in the interests of proper planning.

- 3) Details and samples of all proposed external walling and roofing materials shall be submitted to and approved in writing by the Local Planning Authority before that part of the development is commenced. Samples shall be made available on site prior to the commencement of that part of the building works, for inspection by the Local Planning Authority which shall be notified in writing of their availability. The building works shall be constructed from the materials thereby approved.

In the interests of visual amenity, in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.

- 4) Details and samples of all proposed surfacing materials shall be submitted to and approved in writing by the Local Planning Authority before that part of the development is commenced. The surfacing works shall be constructed from the approved materials.

In the interests of visual amenity, in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.

- 5) Full details of the following shall be have been submitted to and approved in writing by the Local Planning Authority before that part of the development is commenced-
- (i) 1 to 20 scale drawings of the detail of roof line and eaves treatments, ground floor treatments, including ground floor unit frontages, car parking enclosures and entrance points
 - (ii) 1 to 20 scale section drawings of each type of window bay and balcony
 - (iii) 1 to 20 scale section drawings of all new external doors and entrances
 - (iv) 1 to 20 scale section drawings of the junctions of different materials

The works shall be carried out in accordance with the details thereby approved.

In the interests of visual amenity.

- 6) No works shall begin on the relevant phase of development until a Statement of Construction Practice for that phase has been submitted to and approved in writing by the Local Planning Authority. The Statement of Construction Practice shall include full details of:

- a) the methods to be employed to prevent mud, grit and dirt being carried onto the public highway from the development hereby approved;
- b) measures to control the emissions of dust and dirt during construction;
- c) location of site compound and plant equipment/storage; and
- d) how this Statement of Construction Practice will be made publicly available by the developer.

The approved details shall be implemented at the commencement of work on site, and shall thereafter be retained and employed until completion of works on site. The Statement of Construction Practice shall be made publicly available for the lifetime of the construction phase of the development in accordance with the approved method of publicity.

In the interests of residential amenity of occupants of nearby property in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

- 7) The approved visibility splays shown on drawing WHARF APPROACH ACCESS VISIBILITY 116072-SK01-F REV E xxx shall be laid out to an adoptable standard prior to occupation and retained for the lifetime of the development.

To ensure the free and safe use of the highway in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework

- 8) Notwithstanding the approved details full details of cycle/motorcycle parking and facilities shall be submitted to and approved in writing by the Local Planning Authority before that part of the development is commenced. The development shall not be occupied until the approved cycle/motorcycle parking and facilities have been provided. The facilities shall thereafter be retained for the lifetime of the development.

In order to meet the aims of adopted Core Strategy Policy T1 and the National Planning Policy Framework

- 9) Occupation shall not commence until a plan showing details of loading, unloading and parking of service/delivery vehicles has been submitted to and approved in writing by the Local Planning Authority. This shall be implemented prior to occupation and maintained for the lifetime of the development.

To ensure the free and safe use of the highway in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

- 10) Notwithstanding approved plans, a plan showing details and layouts of all vehicle parking and turning areas shall be submitted to and approved in writing by the Local Planning Authority before that part of the development commences. The approved plan shall be implemented and parking made available for use prior to occupation of the development. The parking shall be retained for the lifetime of the development.

To ensure the free and safe use of the highway in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

- 11) Development shall not commence until a survey of the condition of the highway in the vicinity of the site is carried out and agreed with the Highway Authority, to be submitted and approved in writing by the Local Planning Authority. At completion of a phase of development, a further survey shall be carried out and any necessary mitigation works required as a result of construction traffic for the development will be identified and agreed with the Highway Authority, to be submitted and approved by the Local Planning Authority. The approved mitigation works shall be fully implemented within a timescale the details of which are to be submitted to the Highway Authority at the completion of the development's final highway condition survey and subsequently agreed in writing by the Local Planning Authority.

To ensure the free and safe use of the highway in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

- 12) Development shall not commence until details of access, storage, parking, loading and unloading of all contractors' plant, equipment, materials and vehicles (including workforce parking) have been submitted to and approved in writing by the Local Planning Authority. The approved facilities shall be provided for the duration of construction works.

To ensure the free and safe use of the highway in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

- 13) Development shall not commence until details of a scheme for the provision of offsite highway works comprising 2 speed tables, new accesses, and waiting restrictions to facilitate loading on Wharf Approach, shown in principle on drawing WHARF APPROACH ACCESS STRATEGY 116072-SK01-E REV E, together with a programme for the completion of the works, has been submitted to and approved in writing by the Local Planning Authority. The approved works shall be fully implemented in accordance with the approved details prior to occupation.

To ensure the free and safe use of the highway in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

- 14) No exceptionally noisy construction works shall take place before the hours of 8am Monday to Friday and 9am on Saturdays, nor after 6pm Monday to Friday and 1pm on Saturdays, or at any time on Sundays and Bank Holidays, unless otherwise agreed in writing by the Local Planning Authority.

In the interests of the residential amenity of occupants of nearby property and in accordance with UDPR Policy GP5.

- 15) Where remediation measures are shown to be necessary in the Report titled Geotechnical and Geo-Environmental Desk Study report reference GRW-ARP-Z0_XX-RP-CG-10001 dated 17 February 2016 and/or where soil or soil forming material is being imported to site, development shall not commence until a Remediation Statement demonstrating how the site will be made suitable for the intended use has been submitted to, and approved in writing by, the Local Planning Authority. The Remediation Statement shall include a programme for all works and for the provision of Verification Reports.

To ensure that the presence of contamination is identified, risks assessed and proposed remediation works are agreed in order to make the site 'suitable for use'.

- 16) If remediation is unable to proceed in accordance with the approved Remediation Statement, or where significant unexpected contamination is encountered, the Local Planning Authority shall be notified in writing immediately and operations on the affected part of the site shall cease. An amended or new Remediation Statement shall be submitted to, and approved in writing by, the Local Planning Authority prior to any further remediation works which shall thereafter be carried out in accordance with the revised approved Statement.

To ensure that any necessary remediation works are identified to make the site suitable for use.

- 17) Remediation works shall be carried out in accordance with the approved Remediation Statement. On completion of those works, the Verification Report(s) shall be submitted to the Local Planning Authority in accordance with the approved programme. The site or phase of a site shall not be brought into use until such time as all verification information has been approved in writing by the Local Planning Authority.

To ensure that the remediation works are fully implemented as agreed and the site has been demonstrated to be suitable for use.

- 18) Full details of both hard and soft landscape works, including an implementation programme, shall be submitted to and approved in writing by the Local Planning Authority before that part of the development commences. Hard landscape works shall include
- (a) proposed finished levels and/or contours,
 - (b) boundary details and means of enclosure,
 - (c) car parking layouts,
 - (d) other vehicle and pedestrian access and circulation areas,
 - (e) hard surfacing areas,

- (f) minor artefacts and structures (e.g. furniture, play equipment, refuse or other storage units, signs, lighting etc.),
- (g) proposed and existing functional services above and below ground (e.g. drainage, power cables, communication cables, pipelines etc., indicating lines, manholes, supports etc.).

Soft landscape works shall include

- (h) planting plans
- (i) written specifications (including soil depths, cultivation and other operations associated with plant and grass establishment) and
- j) schedules of plants noting species, planting sizes and proposed numbers/densities.

All hard and soft landscaping works shall be carried out in accordance with the approved details, approved implementation programme and British Standard BS 4428:1989 Code of Practice for General Landscape Operations. The developer shall complete the approved landscaping works and confirm this in writing to the Local Planning Authority prior to the date agreed in the implementation programme.

To ensure the provision and establishment of acceptable landscape in accordance with adopted Leeds UDP Review (2006) policy GP5

- 19) The landscape details to be submitted pursuant to condition 18 shall provide full construction details of tree pits and any raised planted areas to be provided in paved areas. These shall include:
- a) the depth and area of growing media;
 - b) specification of topsoils including additives and conditioners;
 - c) proprietary structures to support paving over extended sub-surface rooting areas
 - d) tree grilles and guards and means of anchoring root balls;
 - e) passive irrigation including directed use of grey water / roofwater or surface water;
 - f) active temporary irrigation systems, using mains water or filtered, re-cycled greywater, its application rate, distribution system and controls;
 - g) means of positive piped drainage of pits.

To ensure that the cultural requirements for viable landscape and tree establishment are integrated into the development scheme design and to accord with Core Strategy Policy P10.

- 20) A landscape management plan, including long term design objectives, management responsibilities and maintenance schedules shall be submitted to and approved in writing by the Local Planning Authority prior to the occupation of the development. The landscape management plan shall be carried out as approved.

To ensure successful aftercare of landscaping.

- 21) A scheme detailing the method of storage and disposal of litter and waste materials, including recycling facilities, shall be submitted to and approved in writing by the Local Planning Authority before that part of the development commences. The details shall include a description of the facilities to be provided including, where appropriate, lockable containers, details of recyclable materials collection with timescales. The approved scheme shall be implemented before the development is brought into use and no waste or litter shall be stored or disposed other than in accordance with the approved scheme.

In the interests of residential amenity and to promote recycling, in accordance with adopted Leeds UDP Review (2006) policy GP5 and the adopted Supplementary Planning Document Building for Tomorrow Today 2011 and the National Planning Policy Framework.

- 22) No external storage of any commercial or residential refuse or recycling bins shall take place on any part of the site and internal bin store areas will be provided as part of the development.

In the interests of residential amenity, visual amenity and public safety, in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.

- 23) Prior to the commencement of the superstructure of any individual block containing residential accommodation a scheme for protecting future occupiers of the proposed residential units from noise from the commercial uses within the proposed block, from nearby commercial premises and from railway and road traffic noise, shall be submitted to and agreed in writing by the Local Planning Authority.

The use of the block shall not commence until the agreed sound insulation works have been completed and any such noise insulation as may be approved shall be retained thereafter.

In the interest of residential amenity and to accord with saved Unitary Development Plan Review policy GP5 and the National Planning Policy Framework.

- 24) Plant and machinery operated from any commercial premises shall limit noise to a level at least 5dBA below the existing background noise level (L90) when measured at the nearest noise sensitive premises with the measurements and assessment made in accordance with BS4142:1997.

In the interests of residential amenity and in accordance with saved Unitary Development Plan Review policy GP5 and the National Planning Policy Framework.

- 25) No installation of externally mounted plant or equipment shall take place until details of the installation and/or erection of any air conditioning or extract ventilation system, flue pipes, window cleaning equipment or other excrescences proposed to be located on the roof or sides of the building, including details of their siting, design, noise attenuation, and external appearance have been submitted to and approved in writing by the Local Planning Authority. Works shall be carried out in accordance with the approved details and retained as such thereafter.

In the interests of amenity and visual amenity, in accordance with Saved Unitary Development Plan Policies GP5, BD2 and BD4, Leeds Core Strategy policy P10 and the NPPF.

- 26) The development permitted by this planning permission shall be carried out in accordance with the approved Flood Risk Assessment (FRA) reference; GRW-ARP-ZZ-XX-RP-CD-00002, ARUP, 17 February 2016 and the following mitigation measures detailed within the FRA:

1. Finished floor levels for Building A are set no lower than 28.400mAOD.
2. Finished floor levels for Building B are set no lower than 27.400mAOD.
3. Finished floor levels for Building C are set no lower than 27.700mAOD.
4. Flood proofing for Building A is to be no lower than 29.350mAOD.
5. Building B's threshold is to be no lower than 28.400mAOD, as detailed in the FRA Section 8.1.2.
6. There is to be no habitable or 'more vulnerable' development on the ground floors of the development.

The mitigation measures shall be fully implemented prior to occupation and subsequently in accordance with the timing / phasing arrangements embodied within the scheme, or within any other period as may subsequently be agreed, in writing, by the local planning authority.

To reduce the risk of flooding to the proposed development and future occupants and in accordance with the retained Leeds Unitary Development Plan Policy GP5 and the National Planning Policy Framework.

- 27) Details of the proposed means of disposal of surface water drainage, including the point(s) of connection, details of any balancing works, off-site works and the rates of discharge to the respective public sewers, shall be submitted to and approved by the local planning authority before that part of the development commences. Furthermore, unless otherwise approved in writing by the local planning authority, there shall be no piped discharge of surface water from the development prior to the completion of the approved surface water drainage works.

To ensure that no surface water discharges take place until proper provision has been made for its disposal and in accordance with the saved Leeds Unitary Development Plan Policy GP5 and the National Planning Policy Framework.

- 28) The development shall be constructed in accordance with the sewer diversion works submitted on drawing GRW-ARP-ZZ-XX-DR-CD-18303 (revision P01) dated 11/02/2016 prepared by Arup. Furthermore the developer shall submit evidence to the Local Planning Authority that the diversion or closure has been agreed with the relevant statutory undertaker and the necessary works implemented prior to construction in the affected area(s), in order to allow sufficient access for maintenance and repair work at all times. The site shall be developed with separate systems of drainage for foul and surface water on and off site.

In the interest of satisfactory and sustainable drainage and in accordance with the saved Leeds Unitary Development Plan Policy GP5 and the National Planning Policy Framework

- 29) Details of the proposed means of disposal of foul water drainage for the whole site, including the point(s) of connection, details of any balancing works and off-site works, shall be submitted to and approved by the local planning authority before that part of the development commences. Furthermore, unless otherwise approved in writing by the local planning authority, no buildings shall be occupied or brought into use prior to completion of the approved foul drainage works.

To ensure that no foul water discharges take place until proper provision has

been made for their disposal and in accordance with the saved Leeds Unitary Development Plan Policy GP5 and the National Planning Policy Framework

- 30) Plans of the site showing details of the existing and proposed ground levels, proposed floor levels, levels of any paths, parking areas and the height of any retaining walls within the development site shall be submitted to and approved in writing by the Local Planning Authority before that part of the development commences. The development shall thereafter be carried out in complete accordance with the details so approved and shall be retained thereafter as such.

To ensure that the works are carried out at suitable levels in relation to adjoining properties and highways in the interests of visual amenity and in accordance with retained Leeds Unitary Development Plan Review (2006) Policy GP5 and the National Planning Policy Framework.

- 31) Prior to the commencement of development of each phase an updated Sustainability Statement shall be submitted which will include a detailed scheme to demonstrate compliance with Core Strategy policies EN1 and EN2 and comprising:
- (i) a recycle material content plan (using the Waste and Resources Programme's (WRAP) recycled content toolkit);
 - (ii) a Site Waste Management Plan (SWMP),

Within 6 months of the first occupation of each phase a post-construction review statement for that phase shall be submitted and approved in writing by the Local Planning Authority;

The development and buildings comprised therein shall be maintained and any repairs shall be carried out all in accordance with the approved detailed scheme and post-completion review statement or statements.

To ensure the adoption of appropriate sustainable design principles in accordance with Core Strategy Policies EN1 and EN2, Leeds Sustainable Design and Construction SPD, the Holbeck Urban Village Revised Planning Framework, and the NPPF.

- 32) Notwithstanding the details on the hereby approved plans, and prior to commencement of the construction of the details for that part of the development, including the number to be agreed, layout of EV spaces and locations, of electric car charging points within the car parking areas shall be provided. The electric car charging points so approved shall be made available prior to first use of the relevant part of the development and thereafter maintained.

In the interests of highway safety, sustainable transport and in accordance with the National Planning Policy Framework 2012 and Policies T2 of the Core Strategy and Policy GP5 of the Leeds Unitary Development Plan Review.



Appendix 2

Report of the Chief Planning Officer

CITY PLANS PANEL

Date: 9 June 2016

Subject: Planning Application 16/01115/FU - for a mixed use development across three buildings, comprising residential apartments (use class C3), flexible office (use class B1) or food and drink (use class A3), D1 (Clinics and health centres), undercroft parking and associated landscaping, at Granary Wharf Car Park, Wharf Approach, Holbeck, Leeds, LS11 5PY.

APPLICANT

CTP Ltd and U+I Group Plc

DATE VALID

19 February 2016

TARGET DATE

Extended date 20 June 2016

Electoral Wards Affected:

City & Hunslet

yes

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

RECOMMENDATION: Defer and Delegate to the Chief Planning Officer for approval, subject to the specified conditions (and any others which he might consider appropriate), and following completion of a Section 106 Agreement to cover the following additional matters:

Affordable Housing provision of 13 units

Publicly accessible areas

Employment and Training for Local People

A contribution of £3,567 towards monitoring and evaluation of a Travel Plan

A contribution of £17,500 for provision of a Car Club provider free trial membership package of 2 year membership with drive time and

A contribution of £42,650 for provision of a Sustainable Travel Fund for sustainable travel incentives to encourage the use of public transport and other sustainable travel modes.

A Traffic Regulations Order contribution of £15,000 is required, for changes to waiting restrictions and Park and display bays in the vicinity

A contribution of up to a maximum of £34,015 towards the planting of trees within

the wider Holbeck Urban Village with potential planting in an area of public realm to be created in front of Temple Works.

In the circumstances where the Section 106 Agreement has not been completed within 3 months of the resolution to grant planning permission the final determination of the application shall be delegated to the Chief Planning Officer.

Conditions

A full list of all planning conditions can be found in the Appendix to this report.

1.0 INTRODUCTION:

- 1.1 The application is brought to Plans Panel to allow Members to consider this major proposal for a mixed use development comprising three blocks of residential apartments, with commercial units, car parking and a landscape scheme at Granary Wharf Car Park, within the defined boundary of Holbeck Urban Village, in Leeds City Centre.

2.0 PROPOSAL:

- 2.1 The proposed development seeks to provide a range of 1, 2, and 3 bedroomed apartments across three buildings. These buildings would range in height from 13.350m and 22.075m for the stepped Building A, 23.175m and 27.635m for the stepped Building B and 30.750m for Building C. The scheme would bring forward a total of 250 apartments of which 121 are proposed as one bedroomed, 112 are proposed as two bedroomed and 17 are proposed as three bedroomed.
- 2.2 The scheme would also provide a total of 34 car parking spaces within the ground floors of blocks B and C. In addition 291 secure cycle parking spaces are also proposed within the development.
- 2.3 At ground floor two commercial units are proposed to block A of some 5031 sq feet for A3/B1/D1 (restaurant/office/clinics and health centres) use and 955 sq feet to operate as A3 (restaurant). In addition in block B two commercial unit to be used as A3 (restaurant) of some 478 sq feet and A3/B1/D1 (restaurant/office/ clinics and health centres) use of some 2204 sq feet, and a management suite of some 216 sq feet.
- 2.4 The buildings would be set within an area of hard and soft landscape features which is intended to connect, in a seamless manner, with the landscape scheme proposed for the adjacent Tower Works scheme.

3.0 SITE AND SURROUNDINGS:

- 3.1 The proposal site is currently in use as a surface car park for 100 spaces and is positioned between Leeds and Liverpool Canal and Water Lane. The site is adjacent to Tower Works, which is a complex of Grade II* (and is also subject to redevelopment proposal) and Grade II Listed Buildings and unlisted buildings. The site also abuts the Grade II Listed Lock Keeper's Cottage.
- 3.2 Granary Wharf Car Park lies just outside the boundary of the Holbeck Conservation Area, whilst its northern most section is set within the boundary of the Canal Wharf Conservation Area. The Hol Beck runs adjacent to the site at its southern boundary.

3.3 Holbeck Urban Village is considered to be an area of local, national, and international importance in respect of the historical significance and architectural merits of its buildings, as well as for the potential archaeological discoveries that the area could elicit. The Village is considered to be the foundation of the Industrial Revolution in Leeds

4.0 RELEVANT PLANNING HISTORY:

4.1 Approval granted on the site for an outline application for multi level development in three blocks up to 8 storeys high, with offices, residential, A3/A4 use with basement car parking on 9 October 2008, planning reference 06/04922/OT.

4.2 Approval granted for an extension of time application to 06/04922/OT for multi level development in three blocks up to 8 storeys high, with offices, residential, A3/A4 use with basement car parking on 25 November 2011, planning reference 11/01976/EXT.

4.3 An application has recently been approved subject to the completion of a S106 legal agreement for the proposals at the adjacent Tower Works site for Mixed use three-phased development of 158 dwellings (C3) with 30 car parking spaces; 11,860sqm of B1 offices; up to 372sqm of A1 retail; 1,495sqm of A2, A3, A4 or D1; and new public realm, planning reference 15/06578/FU.

4.4 Approval has been granted and the scheme implemented for the construction of a temporary pedestrian link between Water Lane and Wharf Approach across the Granary Wharf Car Park site, planning reference 15/06498/LA.

5.0 HISTORY OF NEGOTIATIONS:

5.1 The proposals have been the subject of pre-application discussions between the Developers team, Historic England, the neighbouring Tower Works development team and Local Authority Officers since April 2015. The developer's team have worked positively and collaboratively to address a number of planning issues. These discussions have focused on the relationship with the Tower Works development site, the scale massing and design of the proposed development, car parking levels and access, pedestrian connectivity and routes, heritage impact, and the public realm treatment.

5.2 Ward Members were consulted on 29 March 2016.

5.3 Members considered the pre-application proposals for the currently proposed development at City Plan Panel on 26 November 2015. Members made the following comments:

- safety and security issues across the site which featured ginnels and alleys were discussed. Members were informed that the areas would be clean, safe and well-lit and that proactive site management would be provided which would include CCTV although this would need to be integral to the design of the scheme
- the aim for the site to be seamless with the Tower Works site and in the event of there being exposed walls, how these would be treated. The developer's

representative advised that in the event of the other site not proceeding, an attractive, quality brickwork elevation would be provided

- the possibility of including public art into the scheme and through it referencing the history of this area, including reference to the adjacent Leeds and Liverpool Canal

- the timetable for commencement of the works. Members were informed that the intention was to submit for full planning approval, and if this was granted it was hoped to be on site in mid 2016

- the level of car parking being provided on the site with some concerns being raised that 43 spaces was insufficient. It was noted there would be car clubs; that the site was in close proximity to the railway station and that in several major cities it was not unusual for there to be a limited amount of car parking on city centre residential schemes. Whilst this might be accepted, concerns remained that for people working in Leeds, car parking provision was required

- the need for a strategy to be developed to deal with the cars which would be displaced through the development of the site. Discussion took place on the changing attitudes to car parking provision in recent years, with it being stated that several city centre schemes had parking provision which was not fully utilised. The Chief Planning Officer stated that a car parking Supplementary Planning Document was to be brought in on the back of the Core Strategy which would take as its starting point the limiting and controlling of car parking alongside improvements to public transport including park and ride schemes, together with some re-provisioning of car parking in the City Centre. There would also be a need to consider how to deal appropriately with the end of the temporary permissions in March 2017 for car parking for up to 3500 spaces in the City Centre, particularly as some of these sites could be redeveloped and that consideration would need to be given to the redevelopment of the Carlsberg Tetley site and the recently announced Burberry development

6.0 PUBLIC/LOCAL RESPONSE:

28 emails of objection have been received from occupants of nearby residences and businesses. The reasons given for objecting are summarised as follows:

1. There will be a loss of public car parking.
2. The levels of vehicle movements in the area will increase
3. There are no general facilities such as doctors and dentist surgeries accounted for in the proposals.
4. The proposed buildings will be too tall.
5. The buildings will cause overshadowing of nearby existing buildings
6. Traffic calming measures will be needed as a result of the proposals.
7. The design is uninspiring.
8. The façades of the building would be very blank in appearance.
9. The buildings would be over dominant of the towers in the adjacent Tower Works site.
10. There would be too many apartments and the scheme is over development of the site.
11. There is a lack of trees and greenery in the scheme
12. The views from Candle House will be detrimentally interrupted.
13. There will be increased pedestrian footfall through Granary Wharf.
14. There will be increased pollution resulting in air quality issues.
15. The apartments would be buy to let and would not be owner occupied.
16. The development would detrimentally impact on the servicing charges of nearby existing residential buildings.
17. The scheme is too close to other existing residential dwellings and there will be a loss of privacy.
18. There will be increased litter in the area.

19. The development will have a negative impact on the heritage rich setting.

Response:

Points 1 and 2 are addressed in paragraphs 10.4 and 10.24 of the appraisal below.

Points 3 is addressed in paragraph 10.3 of the appraisal below.

Points 4, 7, 8, 9, and 19 are addressed in paragraphs 10.6 to 10.11 of the appraisal below

Points 5 and 17 are addressed in paragraphs 10.13 to 10.17 of the appraisal below

Point 6 and 13 are addressed in paragraphs 10.24 to 10.27 of the appraisal below and in the Planning Conditions.

Points 10 is addressed in paragraph 10.2 of the appraisal below.

Points 11 is addressed in paragraphs 10.19 to 10.21 and 10.33 of the appraisal below.

Points 14 is addressed in paragraphs 10.13 to 10.17 and 10.30 of the appraisal below.

With regard to Point 12 there is no legal right to a view and this matter cannot be considered to be a material planning consideration.

With regard to Point 15 the Applicant has advised that the scheme will operate as a Private Rental Sector scheme whereby the entire scheme is owned and operator by one company rather than split into a number of individual landlords.

With regard to Points 16 and 19 and in particular reference to the point that the servicing charges of other nearby buildings would be affected, it is not clear from the submission why this would occur. If the implication is that there will be increased litter and vehicle movements that will impact on servicing requirements then the point is addressed in paragraphs 10.4, 10.17 and 10.24 of the appraisal below.

7.0 CONSULTATIONS RESPONSES:

7.1 **Historic England** state that whilst they support the regeneration of the site, they object to the proposal on the basis that the heights of blocks B and C would have a harmful impact on the surrounding designated heritage assets. They consider that the heights of these blocks means that they would not respond well to the setting of the surrounding listed buildings but also the historic character of Holbeck and Canal Wharf. They consider that the proposed development in its current form would not preserve the character and appearance of the Holbeck Conservation Area or the setting of the surrounding listed buildings. They do not consider the harm the current proposals would cause is necessary or justified.

Response: these matters will be addressed in the appraisal below.

7.2 **Canals and Rivers Trust** Have no comments to make.

7.3 **Environment Agency** state that the scheme must comply with the measures set out in the submitted Flood Risk Assessment.

7.4 **Yorkshire Water** advise of the conditions on water management that they require.
Response the conditions will be added in accordance with their requirements.

7.5 **Highways** state that a contribution of £17,500 for provision of a Car Club provider free trial membership package of 2 year membership with drive time and a contribution of £42,650 for provision of a Sustainable Travel Fund for sustainable travel incentives to encourage the use of public transport and other sustainable travel modes are required.

Response: This will be addressed via the required legal agreement.

7.6 **TravelWise** state that a contribution of £3,567 towards monitoring and evaluation of the Travel Plan is required.

Response: This will be addressed via the required legal agreement.

7.7 **West Yorkshire Archaeological Advisory Service** state that there are currently no apparent significant archaeological implications associated with the proposed development.

7.8 **Holbeck Neighbourhood Forum** No response received.

7.9 **Leeds Civic Trust** state that they are generally supportive but would like to see green roofs incorporated in the scheme, larger apartments to meet demand, improvements to the highway on Wharf Approach to make it more pedestrian focused and active and articulated facades to the ground floor elevations.

Response: these matters will be addressed in the appraisal below.

7.10 **The Victorian Society** state that they object to the proposal on the grounds that they consider there to be an unacceptable impact of building A on the canal office group of buildings, and that the proposals would impose a very high density of construction on a small site. There is also considerable concern at the possibly damaging effect on existing premises on the south side of Globe Road by the proposals, especially by the 11 storey building C.

Response: these matters will be addressed in the appraisal below

8.0 RELEVANT PLANNING POLICIES:

8.1 National Planning Policy Framework (NPPF)

8.2 The National Planning Policy Framework 2012 (NPPF) was adopted in March 2012 and sets out the Government's planning policies and how they expect them to be applied.

8.3 Paragraph 6 of the NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development and paragraph 14 goes on to state that there should be a presumption in favour of sustainable development.

8.4 Paragraph 17 of the NPPF sets out the Core Planning Principles for plan making and decision taking. The 4th principle listed states that planning should always seek high quality design and a good standard of amenity for all existing and future occupants of land and buildings.

8.5 The 6th principle listed states that planning should support the transition to a low carbon future and encourage the use of renewable resources, including the development of renewable energy.

8.6 The 8th principle listed states that planning should encourage the effective use of land by reusing land that has been previously developed (brownfield land), provided that it is not of high environmental value.

8.7 Paragraph 126 states that it is desirable to sustain and enhance the significance of heritage assets and that new development should make a positive contribution to local character and distinctiveness.

8.8 The Development Plan for Leeds currently comprises the following documents:

1. The Leeds Core Strategy (Adopted November 2014)

2. Saved Leeds Unitary Development Plan Policies (Reviewed 2006), included as Appendix 1 of the Core Strategy
3. The Natural Resources & Waste Local Plan (NRWLP, Adopted January 2013) including revised policies Minerals 13 and 14 (Adopted September 2015).
4. Any Neighbourhood Plan, once Adopted

8.9 **Core Strategy**

- 8.10 The Core Strategy sets out strategic level policies and vision to guide the delivery of development investment decisions and the overall future of the district.
- 8.11 Policy CC1: City Centre Development
The City Centre will be planned to accommodate at least the following:
(iii) 10,200 dwellings.
b) Encouraging residential development including new buildings and changes of use of existing providing that it does not prejudice the town centre
- 8.12 Policy EN1: Climate Change – Carbon Dioxide Reduction states that all developments of over 1,000 square metres of floorspace, (including conversion where feasible) whether new-build or conversion, will be required to:
(i) Reduce total predicted carbon dioxide emissions to achieve 20% less than the Building Regulations Target Emission Rate until 2016 when all development should be zero carbon; and,
(ii) Provide a minimum of 10% of the predicted energy needs of the development from low carbon energy.
- 8.13 Policy EN2: Sustainable Design and Construction states that to require developments of 1,000 or more square metres or 10 or more dwellings (including conversion) where feasible) to meet at least the standard set by BREEAM or Code for Sustainable Homes (CSH) . Recent Government guidance has stated that this should be a minimum of CSH Level 4. A post construction review certificate will be required prior to occupation.
- 8.14 Policy EN5: Managing Flood Risk states that the Council will manage and mitigate flood risk
- 8.15 Policy H2: Policy to consider the merits of windfall housing development proposals on brownfield and greenfield sites.
- 8.16 Policy H4: Policy to achieve an appropriate Housing Mix on residential sites.
- 8.17 Policy H5 Policy which incorporates Targets and Thresholds for Affordable Housing.
- 8.18 Policy P10: Design states that:
New development for buildings and spaces, and alterations to existing, should be based on a thorough contextual analysis to provide good design appropriate to its scale and function.
New development will be expected to deliver high quality innovative design that has evolved, where appropriate, through community consultation and which respects and enhances the variety of existing landscapes, streets, spaces and buildings according to the particular local distinctiveness and wider setting of the place, contributing positively towards place making and quality of life and be accessible to all.

- 8.19 Policy P11: Conservation states that development proposals will be expected to demonstrate a full understanding of historic assets affected. Heritage statements assessing the significance of assets, the impact of proposals and mitigation measures will be required to be submitted by developers to accompany development proposals.
- 8.20 Policy T1: Transport Management states that support will be given to the following management priorities:
c) To support wider transport strategy objectives for sustainable travel and to minimise congestion during peak periods.
- 8.21 **Leeds Unitary Development Plan Review Retained Policies**
- 8.22 Policy BD2 (Design and siting of new buildings)
Policy BD4 (All mechanical plant)
Policy BD5 (All new buildings and amenity)
Policy GP5 (All planning considerations)
Policy LD1 (landscaping schemes)
- 8.23 **Leeds Natural Resources and Waste DPD 2013**
- 8.24 The plan sets out where land is needed to enable the City to manage resources, like minerals, energy, waste and water over the next 15 years, and identifies specific actions which will help use natural resources in a more efficient way. Policies regarding land use, energy, coal recovery, drainage, and waste will be relevant to this proposal.
- 8.25 **Supplementary Planning Guidance**
- 8.26 Adopted Holbeck Urban Village Revised Planning Framework (February 2006).
- 8.27 Adopted Sustainable Design and Construction Supplementary Planning Document (August 2011).
- 8.28 Adopted Supplementary Planning Document 'Travel Plans' (February 2015)
- 8.29 Adopted Leeds Parking Supplementary Planning Document (January 2016). 8
- 8.30 **Other Material Considerations**
- 8.31 DCLG – Technical Housing Standards 2015 – Sets out internal space standards within new dwellings and is suitable for applications across all tenures. The housing standards are a material consideration in dealing with planning applications. The government's Planning Practice Guidance advises that where a local planning authority wishes to require an internal space standard it should only do so by reference in the local plan to the nationally described space standard. With this in mind the city council is currently developing a Leeds Space Standard for planning purposes. As the work is at an early stage within the local plan process, and is in the process of moving towards adoption, only limited weight can be attached to it at this stage.
- 8.32 The Draft Site Allocations Plan (SAP) identifies the site as being designated for a mixed use scheme (SAP reference MX1-15 205).

9.0 MAIN ISSUES

1. Principle of proposed development and the mix of uses.
2. The impact on the character and visual amenity of the host site, nearby listed buildings, the Tower Works site, Holbeck Urban Village and the Holbeck and Canal Wharf Conservation Area
3. Residential Amenity
4. Connectivity and Landscape Details
5. Vehicle parking and sustainable transport
6. Sustainability measures
7. Section 106 Legal Agreement
8. Affordable Housing

10.0 APPRAISAL

10.1 Principle of proposed development and the mix of uses

10.2 The proposal is for a mix of uses with the predominant use being residential. This would be accompanied by ground floor commercial and office space. The site is currently used as a surface car park. The proposed mixed use development would be compliant with the aspirations of the Core Strategy and relevant retained Leeds Unitary Development Plan policies and guidance given in the Holbeck Urban Village Revised Planning Framework, which encourage a mix of uses to ensure a wide range of activities in the area.

10.3 Objections received stated that the scheme did not create opportunities for supporting services to come forward, such as doctors or dentists. Whilst provision of these types of services is dependent on surgeries wanting to set up in the area, the Applicant has stated that they have no objection to adding this type of use to the mix. As such the mix of uses across the site has been revised to C3 (residential), A3 (Restaurant), B1 (office) and D1 (Clinics and health centres). The proposed range of uses would contribute to the ongoing creation of a vibrant and lively community in Holbeck Urban Village.

10.4 The proposal would result in the loss of 100 surface commuter car parking spaces (given consent in 1992 under planning application reference 99-20/82/92/OT). Objections have been received with regard to the loss of the car park and the impact this would have on the surrounding parking in Holbeck and the wider transport network. The Leeds Core Strategy car parking policies and the adopted Leeds Parking Supplementary Planning Document seek to restrict the growth of commuter car parking in favour of other more sustainable methods of transport. The surrounding streets are subject to widespread parking controls and the site is easily accessible by a variety of public transport modes, including the train station which is now accessible via its new southern entrance and the Park and Ride facility at Elland Road. As a result the reduction in commuter parking is compliant with policies and guidance, and the aims to encourage sustainable travel. .

10.5 The impact on the character and visual amenity of the host site, nearby listed buildings, the Tower Works site, Holbeck Urban Village and the Holbeck and Canal Wharf Conservation Area

- 10.6 The proposed development is intended to be a trio of contemporary buildings of a design which aims to be sensitive to the historic context within which it is to be located. The site is close to a number of listed buildings (including the Grade II* and Grade II towers of the adjacent Tower Works site and the Grade II Lock Keeper's Cottage) and the nearby Holbeck Conservation Area, as well as being in part of the Canal Wharf Conservation Area. The scheme aims to be responsive to this heritage rich setting in terms of its detailing and materials.
- 10.7 The layout of the scheme is in three blocks set within an area of hard and soft landscaped public realm. Block A sits the closest to the canal and is close to the Grade II Listed Lock Keeper's Cottage and Little Tower. Taking account of this setting the block would be stepped from 3 storeys close to the canal and listed cottage, to 6 storeys, with a maximum height of 13.350m at 3 storeys and 22.075m at 6 storeys (this is an increase of 400mm/825mm from the preapplication stage due to the need to increase the height of the pedestrian route under the building and to address required flood levels). This would allow the building to respond positively to the heights of the existing listed buildings in the vicinity. The southern part of the block would connect onto Block G of the adjacent Tower Works scheme (Block G is to be seven storeys at a maximum height of 27.8m), whilst maintaining the aforementioned pedestrian route through north to south under the building at ground floor level. Therefore, block A is considered by officers to be appropriately designed in respect of its stepped heights and massing.
- 10.8 Block B would be a triangular block positioned to the centre of the site. This block would also be close to the Grade II listed Little Tower on the adjacent Tower Works site. There are important key views of the tower from across Granary Wharf and as such the relationship of this block to the Little Tower is of importance. The scheme as proposed sets the overall height of the block at 23.175m with the inset top floors rising to 27.635m (the height of main building has increased by 100mm from the preapplication stage due to the need to address required flood levels). The top two levels of the building would be set back from the northern edge resulting in the creation of a breathing space for the Little Tower as viewed from the identified key points in Granary Wharf. These design elements combined with the gaps to be created between building blocks on both this scheme and the adjacent proposed Tower Works development (with the two blocks, G and J, to either side of the Little Tower in the Tower Works scheme being at maximum 27.8 m and 30.4min height) would ensure that the Little Tower would not be unduly enclosed or screened on the key approaches from the east.
- 10.9 Block C would be positioned to the south of the site and would be connected to Block K of the adjacent proposed Tower Works scheme (with Block K being a maximum height of 25.4m) at upper levels via a glazed link. At ground floor level below this link the existing pedestrian route across the historic weigh bridge would be retained and enhanced. Block C would be the tallest of the three blocks being some 30.750m (the height has increased by 275mm from that shown at the preapplication stage due to the need to address flood levels). This block would accommodate eleven levels. Block C would be to the edge of the site where it meets the Hol Beck and beyond it, Water Lane. Contrary to the concerns of Historic England, officers consider that a taller building (at the maximum height proposed) can be accommodated at this gateway location as a result of refinements made to its detailing to address the massing. The top floors of block C have been set away from the boundary with the Tower Works site in order to protect the views from David Street and reduce the impact on the setting of nearby listed buildings and the character of the adjacent Holbeck conservation area. The proposed building is considered by officers to be an appropriately scaled modern taller building in the

immediate context which is already characterised by buildings of a mixture of heights including consented development proposals within Holbeck Urban Village.

- 10.10 The design and materiality of the three blocks is contemporary yet reflects the historic context in which they are proposed. As such the blocks would be predominantly red brick to reference the solid nature of the historic brick warehouse and mill buildings in the vicinity, with a recessed precast concrete banding. The brickwork would be articulated with 'hit and miss' patterning at ground floor levels for the car parking areas to Blocks B and C and at upper levels for areas requiring vents. In addition the units at ground floor level in both Blocks A and B would have full height glazing to create open attractive units which engage with their surroundings. Strong fenestration patterns occur across the design of all three blocks with windows being of generous dimensions, regularly aligned and ordered, as well being recessed to create shadow lines and visual detailing. Glazed and folded metal balconies would either be projecting or Juliette depending on their locations on the three blocks. At the upper level of Block B the top two floors are to be set in and treated with a lightweight metal standing seam cladding to reduce the visual mass at the top of the building. On Block C the top three floors are stepped away from the adjacent Tower Works site and the mass of these top levels is visually broken by the use of an inset area of metal standing seam cladding bookended by a full height run of brickwork.
- 10.11 The resulting scheme would produce buildings which on balance are considered to complement their surroundings and the nearby Listed Buildings in respect of the proposed materials, scale, form and architectural design. Therefore, whilst the blocks are tall they are designed in a manner that will allow them to respond sensitively and appropriately to the neighbouring listed and non-listed building, street scene and wider conservation area.
- 10.12 Residential Amenity
- 10.13 The proposal provides a good mix of accommodation types, with there being 121 one bedroomed apartments, 112 two bedroomed apartments and 17 three bedroomed apartments spread across the three blocks. Therefore, the scheme proposes 6.8% of the units contain 3 bedrooms. The relevant Core Strategy policy H4 on Housing Mix requires a minimum provision of 20% of units be provided containing 3 bedrooms across the Local Authority area. However, the policy does allow the Local Planning Authority to take into account the nature of the scheme as well as its location. It is the case that across the whole city centre, presently the provision of 3 bed units is 1% of the total stock of 11,000 units (i.e. approximately 110 apartments are currently 3 bedroom units). Given that this scheme is offering 17 three bedroomed units this scheme alone would provide the equivalent of 15% of the number of 3 bedroom units which currently exists across the whole city centre. In this context it is considered that the number of three bedroom units is justified and acceptable. The majority of the apartments have generously sized habitable rooms that provide above the level of floor area set out in the DCLG Technical Housing Standards. Seven apartments across the three blocks provide accommodation marginally below the space standards but would still provide a good standard of habitable rooms.
- 10.14 It is the case that some of the apartments will be single aspect. However, windows are generously sized to ensure adequate light and natural ventilation levels can be achieved. Where the units in Block B face the nearby proposals on the Tower Works site, the windows will be angled with full height clear glazing facing and framing views of the Little Tower to the north, and full height opaque glazing to the panels of

the window opening facing directly on to the adjacent Tower Works block, thereby protecting privacy but maintaining daylight levels.

- 10.15 The proposal is to be sited in a location surrounded by buildings already in use as commercial and office spaces, with residential buildings being further out. Block A would be at least 8 metres away from Lock Keeper's Cottage (currently in use as offices) to its east. At its closest Block B would be some 5.3 metres from the nearest office block proposed on the Tower Works site, a minimum of some 11.6 metres from the nearest building across Wharf Approach and approximately 13.8 metres from Lock Keeper's Cottage to the north. Block C would be at its minimum some 10.5 metres from the closest building across Wharf Approach and approximately 16 metres away from the nearest existing building to the south across Water Lane. These relationships are considered to reflect the existing tight urban grain of the area, and that of consented development and there would be no significant issues of overlooking or overbearance from the development in respect of other existing and proposed buildings in the vicinity.
- 10.16 Bearing in mind the above distances to other nearby existing buildings, the submitted sun path analysis shows that the scheme would overshadow some nearby buildings across Wharf Approach and Lockkeeper's Cottage later in the day and particularly in the autumn to winter months. However the buildings in question, including Lock Keeper's Cottage are commercial and office buildings and the impact would be for limited periods during the latter part of the day.
- 10.17 Objections received have raised the issue of a potential increase in litter. However it is considered that provided waste is appropriately stored and collected, then the proposals would have a negligible impact on the area in this respect. Any approval would be conditioned to ensure the submission and agreement of a waste and recycling management strategy.
- 10.18 Connectivity and Landscape Details
- 10.19 The site has an unusual curved shape which has informed the positioning of the blocks. Around these on the remaining land there are opportunities to create meaningful, usable public realm spaces, as well as connections into, and extensions of, existing pedestrian routes. The developer has in consultation with the Tower Works developer and Council officers sought to provide continuous and "seamless" pedestrian links with the emerging Towers Works proposals. The developer proposes a mixture of hard and soft landscaped treatment to these new routes, with ground level soft landscaped strips, ornamental grasses and wildflowers, as well as gabion walls filled with limestone. Timber benches would be set into a paving of granite flags.
- 10.20 A key principle is the retention and enhancement of the proposed pedestrian route that passes across the historic weigh bridge to the south of the site in the application reference 15/06498/LA. This will run under Block C and will be of a minimum width of 3.5 metres to allow it to be used as a shared pedestrian and cycling route.
- 10.21 The existing site has some 37 trees which will be removed for the creation of the scheme. 8 of these trees are already scheduled for removal due to the flood alleviation works required for the adjacent Hol Beck. Therefore, as part of this proposal the loss of the remaining 29 trees requires mitigation. Policy LAND2 states that for each tree removed for a development, three replacement trees will be required. The spaces available for replanting trees in the landscape scheme are limited on the site and Officers are still in the process of determining how many

replacement trees can be provided on site. Dependent on the number the remainder of the obligation will be addressed via the provision of a commuted sum of up to £34,015 (which is a figure based on the nationally recognised CAVAT method for determining the value of trees) under the S106 legal agreement to be used by the Council for tree planting on nearby local authority owned land (in locations to be agreed with there being potential to site trees on a proposed area of public realm to the front of Temple Works at some point in the future).

10.22 In addition to the general landscaped areas more private residential amenity spaces are to be created in the form of roof terraces to Blocks A and C.

10.23 Vehicle parking and sustainable transport

10.24 The proposal focuses on promoting sustainable modes of transport via its submitted Travel Plan. However the Applicant also states that a low level of car parking is required on site. As such it's proposed to site 16 car parking spaces in the ground floor of Block B and 18 car parking spaces in the ground floor of Block C. Access to the car parking areas will be from Wharf Approach. In addition refuse collections and servicing will take place from a layby to be created to the Wharf Approach side of the site.

10.25 The proposed scheme also aims to provide 291 cycle parking spaces across the site, as well as creating cycling and walking routes through the site connecting Holbeck to the City Centre and connecting to the routes to be created in the adjacent Tower Works site.

10.26 Off site highways works required are the creation of new access points with dropped kerbs, the reinstatement of public footways at existing access points which will become redundant as a result of the development, footway resurfacing and the introduction of a speed table at the junction of Wharf Approach and Canal Wharf.

10.27 A Travel Plan has been submitted to promote sustainable modes of transport including, walking, cycling and the use of public transport. In addition, the Plan proposes the provision of residential travel information packs, the establishment of a resident's forum and encouraging car sharing. There will also be a requirement for the developer to contribute to as the provision of Leeds City Council Car Club provider free trial membership package of 2 year membership with a sum of £17,500 and to a sustainable travel fund with a sum of £42,650 for the provision of a sustainable travel incentives to encourage the use of public transport and other sustainable travel modes, such as discounted MetroCards personalised travel planning, cycle schemes, car sharing and walking / cycling promotion and/or further infrastructure enhancements. .

10.28 Sustainability measures

10.29 The scheme as proposed aims to achieve a very high standard of sustainability.

This will be done by a wide variety of measures including;

Use of a brownfield site

Flexible ground floor spaces

Aiming for equivalent of Code for Sustainable Homes Level 4

Use of permeable paving

A Green Travel Plan

Timber to be obtained from renewable sources

The potential to integrate Passive Haus technologies and

The potential to install photovoltaics

Such measures would ensure the scheme's compliance with Core Strategy Policies EN1 and EN2.. A planning condition will be applied to allow further exploration of sustainability measures, such as the provision of green roofs, and to agree targets.

10.30 Objections received state that there will be an adverse impact on air pollution. The scheme is predominantly residential and other uses are not likely to be large producers of air particulates or creators of NOx and carbon emissions. The proposal would result in a reduction in car presence at the site and as such air pollution levels have the potential to fall rather than rise.

10.31 Section 106 Legal Agreement

10.32 A legal test for the imposition of planning obligations was introduced by the Community Infrastructure Levy Regulations 2010. These provide that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is -

- (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.

10.33 There is a requirement for the following obligations that sit outside the Community Infrastructure Levy regime:.

1. To control the detailing of the affordable housing arrangements outlined in paragraphs 10.35 and 10.36 below
2. Access and maintenance of publicly accessible public realm areas.
3. A contribution of £3,567 towards monitoring and evaluation of a Travel Plan
4. A contribution of £17,500 for provision of a Car Club provider free trial membership package of 2 year membership with drive time and
5. A contribution of £42,650 for provision of a Sustainable Travel Fund for sustainable travel incentives to encourage the use of public transport and other sustainable travel modes.
6. A Traffic Regulations Order contribution of £15,000 is required, for changes to waiting restrictions and Park and display bays in the vicinity
7. Employment and training opportunities for local people from the Leeds Wards Beeston & Holbeck, Middleton Park and City and Hunslet.
8. A contribution of up to a maximum of £34,015 for the planting of trees within the wider Holbeck Urban Village, and potentially in an area of public realm which is to be created at a future date in front of Temple Works, to mitigate against the shortfall in replacement tree planting required in accordance with Policy LAND2.

10.34 The proposed obligations have been considered against the legal tests and are considered necessary, directly related to the development and fairly and reasonably related in scale and kind to the development. Accordingly this can be taken into account in any decision to grant planning permission for the proposals.

10.35 The development is Community Infrastructure Levy (CIL) liable and is likely to generate a CIL charge of £113, 685.00. CIL is generally payable on the commencement of development. The payment of CIL is not material to the determination of the planning application. Accordingly, this information is presented simply for Members information.

10.36 Affordable Housing

10.37 The proposed housing would be a Private Rental Sector (PRS) scheme whereby the entire scheme is owned, operated and managed by one company rather than split

into a number of individual landlords. There is a requirement for the provision of 13 (5%) affordable housing units, however the PRS model cannot operate if more than one provider/operator is involved in a scheme due to the funding requirements of operating as a PRS scheme, which are defined by there being only one owner/operator of the entire scheme.

- 10.38 Therefore the PRS residential part of the development is proposed to remain in the control of the applicant and the involvement of a Registered Provider is not possible in this situation due to the funding model used to finance the scheme. Therefore, the applicant will take on the role of the Registered Provider in accordance with a method of operation in line with the standard requirement of the L.C.C. Affordable Housing SPD. This will include the requirement to select tenant nominations from the City Council's Housing Register and a Local Lettings Plan (LLP) favouring those who live, work or have close family connections to Leeds and no history of anti-social behaviour. In addition, the units would be retained as affordable in perpetuity as the Right to Buy initiative would not be applicable to them. In these circumstances, and with the assurances offered by the signing of a S106 Agreement, this arrangement is considered to be acceptable.

11.0 CONCLUSION

- 11.1 On balance is considered that the proposed development would regenerate the site, with a high quality, appropriate development. The scheme would add vibrancy and vitality to the area. Consequently, the development would make a significant contribution to the renaissance of the immediate area and the wider Holbeck Urban Village. Therefore the proposal is considered to be acceptable and is recommended for approval.

Background Papers:

PREAPP/15/00277

16/01115/FU



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27th March 2017

Dear Daljit

RE: Mustard Wharf at Granary Wharf, Leeds.

I write following our recent meeting and following the decision of City Plans Panel on 16th March 2017 to defer making a decision on our application at Granary Wharf, pending further justification on the approach to meeting our obligations to affordable housing, by way of a commuted sum. This letter provides this additional information. It should also be read alongside the Affordable Housing Proposal report prepared by Lichfields.

Before considering such matters, it is important to recognise that our proposal has been prepared following a period of close dialogue with the City Council and is supported by Officers. As the previous report to Plans Panel highlighted, it is fully compliant with Policy H5 of the adopted Core Strategy and the Commuted Sum itself was agreed in accordance with the Council's own methodology. Such an approach and indeed application of the methodology for calculating such a sum has been agreed on other schemes, including recently on the former Yorkshire Post site, which was considered by Plans Panel in February this year.

Importantly our proposed approach is also fully in accordance with the approach agreed by the Council's Executive Board on 23rd March. The Council's 'Development of Mixed Residential Communities in Leeds City Centre' report as agreed by Executive Board states that the best way for BTR developments to meet their affordable housing obligations may be through the payment of a commuted sum, and that commuted sums (either alone or pooled with other commuted sums) can deliver considerable benefits.

Whilst this letter goes on to provide further justification for the commuted sum approach, I thought it would be helpful to firstly provide some context to the reasons for this approach. Since Members first resolved to grant planning permission for our proposals in early June 2016, we have been actively engaging with a range of potential funders and operators, to allow this scheme to come forward. It is clear from those parties that we have engaged with that there is a desire to invest in Leeds and importantly deliver new build to rent homes. Such investors are, however, particularly risk averse in the context of BTR being a new and untested market in Leeds and also as a result of the ongoing uncertainty surrounding Brexit and resultant potential for income growth. As such, it is our experience that they are presently being very cautious with their investment decisions. Such decisions are also being taken in the context of options available in other cities such as Manchester and Liverpool. The

particular challenges of this site and how this compares to the delivery of BTR schemes in other locations is explored later in this letter.

Commuted Sum Offer

There are additional points we would like to share with Members to address questions raised and concerns expressed.

Firstly, it should be recognised that a Commuted Sum is not provided, or calculated, to provide a set number of Affordable Housing units elsewhere. It is a calculation of the difference in value between an open market unit and the type of affordable unit that is subject to the Policy requirement. Our Commuted Sum is calculated in accordance with the Council agreed methodology in this regard.

Secondly, need. It has always been accepted by CTP and U+I that we would comply with the Affordable Housing Policy in the Holbeck Urban Village and wider City Centre area and our proposal is geared to help meet that need, albeit via Commuted Sum rather than by direct provision.

Thirdly, Direct Provision. The Council's Affordable Housing Policy (H5) is for such housing, when delivered on site, to be provided by way of a mix of intermediate and social affordable units or Local Housing Allowance units (LHA).

Operators and Investors advise us that this direct provision in accordance with Policy requirements creates operational issues, and long term investment value issues which require to be addressed if we are to secure an investor and the required finance to deliver the project.

Operationally there are concerns in connection with tenant affordability when it comes to Service Charges, especially on the LHA units. For example, typically a tenant will have to pay a monthly service charge of between £80-100 per calendar month, which set against a monthly rent of £800-1000 pcm is about 8-10% of their monthly occupational costs. For an occupier in units at the intermediate level, this is circa 9-12%, and for those in LHA rented units, it could be in the region of 30-40%, or more. All tenants will enjoy the same access to facilities, services and amenities, but recognition of the burden of cost weighs most heavily on some occupiers, not disproportionate to others, but in relation to their means. In addition to this dilemma, for the investor the LHA rented units are provided at both a capital loss on day one and an operational loss for the long term in to the future and at uncertain level as rental levels are set by Government.

A Leeds based example would be:

- LHA for a 1 bed is £433/month, less operating costs and lifecycle capital expenditure (replacement kitchens/bathrooms etc) = £250/month.
- Assuming 5.5% yield (less rental growth, so higher yield). Value of c. £100/sqft.
- Build cost all in (excluding finance and profit) is c. £350/sqft (all based on net lettable area).
- Roughly a valuation loss per apartment on day one of £135k, before taking into account the lost rental income, in perpetuity.

Fourthly, On-site Management. The Granary Wharf scheme would provide 13 affordable units and the investors we are in close communication with have concerns over managing units and tenants that would ordinarily be managed by an affordable housing provider. They simply do not have the on-site staff that are trained to meet the needs of these LHA residents, managing their transfer from the Councils Housing List into the scheme, and the time and skills required whilst in occupation.

Fifthly, BTR Provision in Leeds. It will not have gone unnoticed by Members, that to date, Leeds has not yet delivered a completed BTR scheme, although a few are in production. There have been a number of Consents granted, but it is perhaps informative to Members to understand that the delivery of BTR schemes in a market such as Leeds is marginal, and this is clearly holding back scheme delivery.

By means of example, at Granary Wharf we are expecting that the value of the delivered scheme will achieve a value to the developer at circa £300ft² on the net residential area provided. For the investor, it will cost him circa £350ft² overall, as, following on from the costs of delivery by the developer, he has to pay Stamp Duty, Monitoring, Legal and Purchase Costs, and Furnishing and Marketing in readiness to letting. To be successful therefore, all aspects of the project delivery have to be carefully managed and marginal costs such as CIL, Affordable Housing contributions and Construction Costs uncertainty all impact upon the developer and investor being able to commit. Construction cost alone is in the region of £180-ft² plus, add to that finance costs, land and other abnormal costs such as Rights of Light, Utilities provision and diversions, abnormal ground condition costs and contamination risk, legal costs etc, the margin and marginality of delivery is clear.

As indicated above, whilst it is evident that investors are seeking to invest into the Leeds market, and more generally across the regions of the UK into BTR schemes, it also apparent that the marginality of scheme viability is holding many schemes back at this time, further impacted in the post Brexit era when investors have concerns over the impact of growing inflation.

This compares starkly with a southern UK market, which I am aware that Members specifically questioned. If one looked at Walthamstow in London for example, not a particularly affluent area, we are aware that values are in the £690ft² range, and whilst construction costs are also higher in in south, it is clear that financial viability is much more achievable. As a consequence there is the scope and the ability to provide Affordable Housing. That said, we are not currently aware of any scheme in London that is providing LHA rents, it is at the discounted rent arena in the 80% range of open market rents that Affordable Housing is being provided. It is also worthy of note that not many BTR designed schemes have actually been delivered in London, most have been in previously consented build for sale projects.

In Manchester by way of a further example, the City Council has a much more flexible policy approach to affordable housing in their City Centre and often this requirement is negated to facilitate early delivery and where such a scheme would deliver overriding regeneration benefits. Combined with the fact that rental levels and values are greater than in Leeds, it makes project viability more certain, hence the activity that is currently taking place in Manchester.

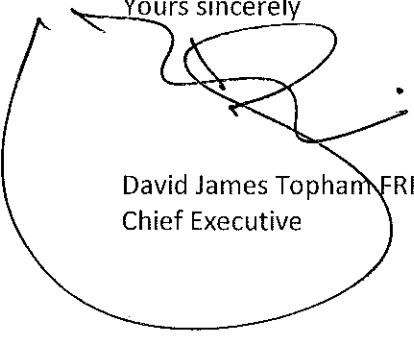
Lastly, the commuted sum proposal before Members offers considerable wider benefits. The Granary Wharf Car Park site has been vacant and underutilised for a considerable period since the original wider Granary Wharf regeneration. The £55m investment will facilitate 250 new homes in the centre of Leeds and subject to permission being granted at Panel in April, can be delivered in 2019. Furthermore the scheme will complete an important part of the regeneration of the Holbeck area, and act as a catalyst the further regeneration of Holbeck Urban Village and wider South Bank. Investor confidence in such schemes would undoubtedly increase through an early delivery on this site. This is important in the context of the Council not presently being able to demonstrate a 5 year housing land supply, and the need for these schemes (and the wider regeneration effects) to come forward quickly.

In addition, the commuted sum contribution of £756k to Leeds City Council enables the Council to leverage additional investment and projects into Leeds City Centre and its immediate surroundings. This could enable other projects to benefit from this investment or, combined with other s.106 sums,

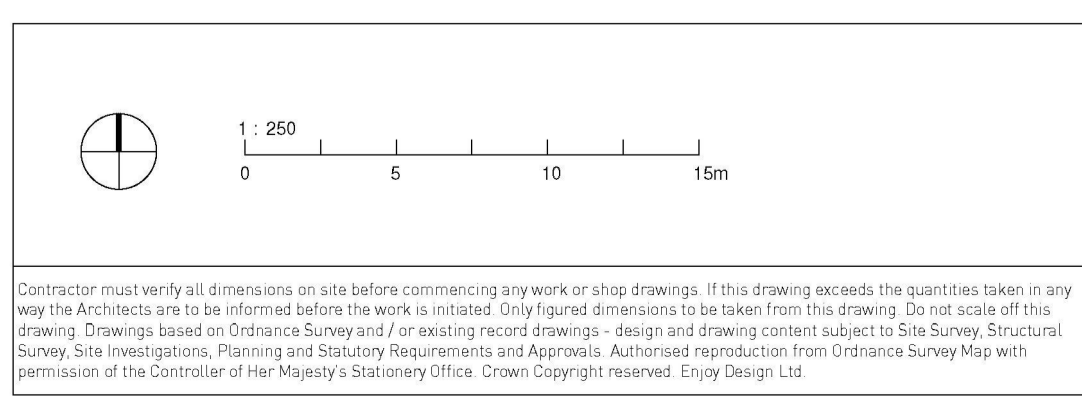
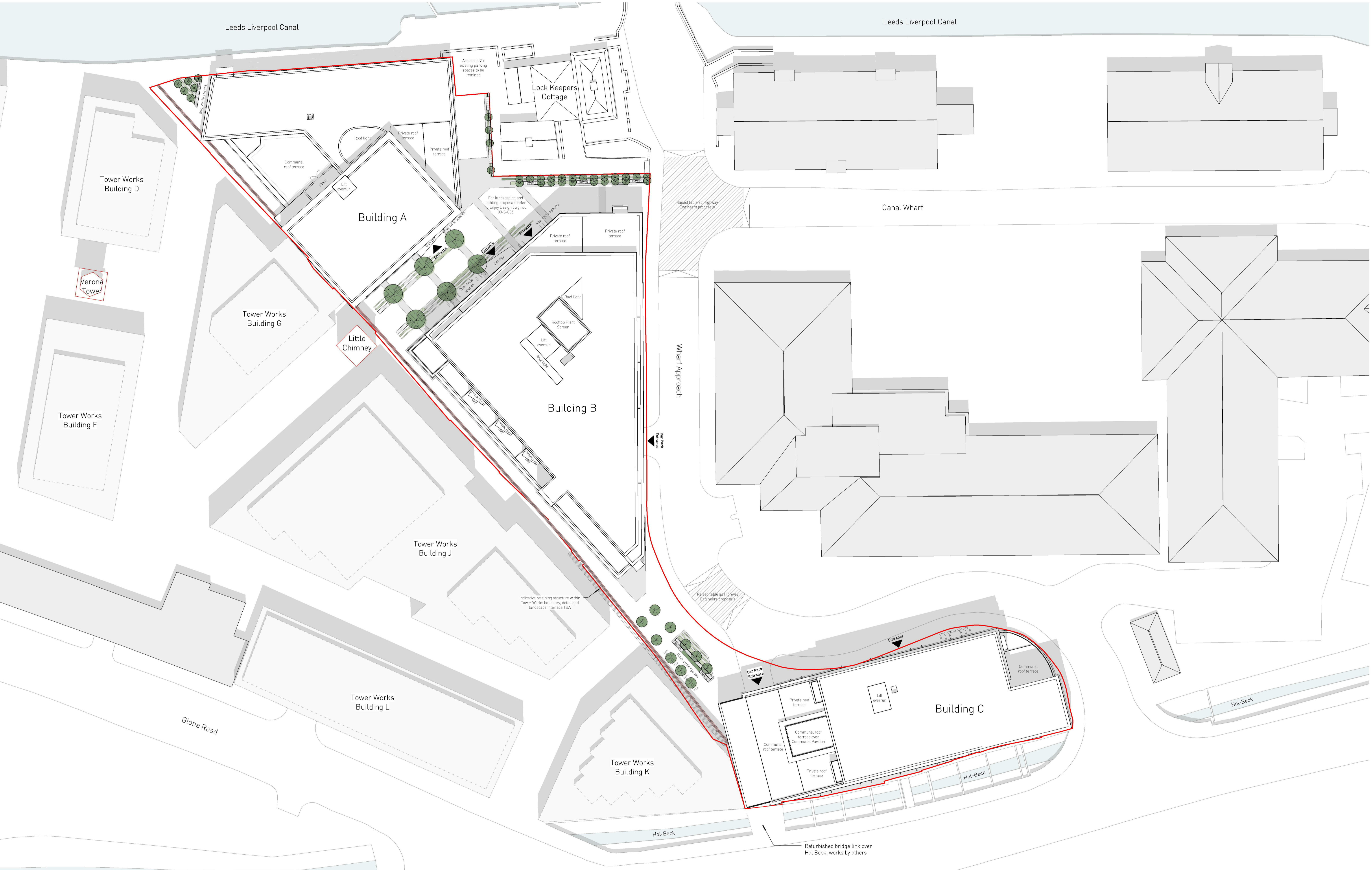
a larger pot of fire power to maximise investment in affordable homes. This could help deliver affordable family housing, for example, on a scheme where it may have been considered unviable to do so without such funding. The Council's Executive Board has now agreed an area where such money will be targeted as well the types of initiatives that such funding could be targeted at. Such new affordable housing will be in addition to the 250 homes provided as part of this scheme.

We would hope that upon reconsideration of these points that Members would agree to support our proposal and I look forward to discussing these matters with Members at Plans Panel on the 6th April. If it would be helpful, I would be happy for this letter to be shared with the Plans Panel Members ahead of then.

Yours sincerely



David James Topham FRICS
Chief Executive



Notes

For details of proposed levels refer to Enjoy Design Proposed Landscape Plan dwg no. 00-S-005

— Site Boundary

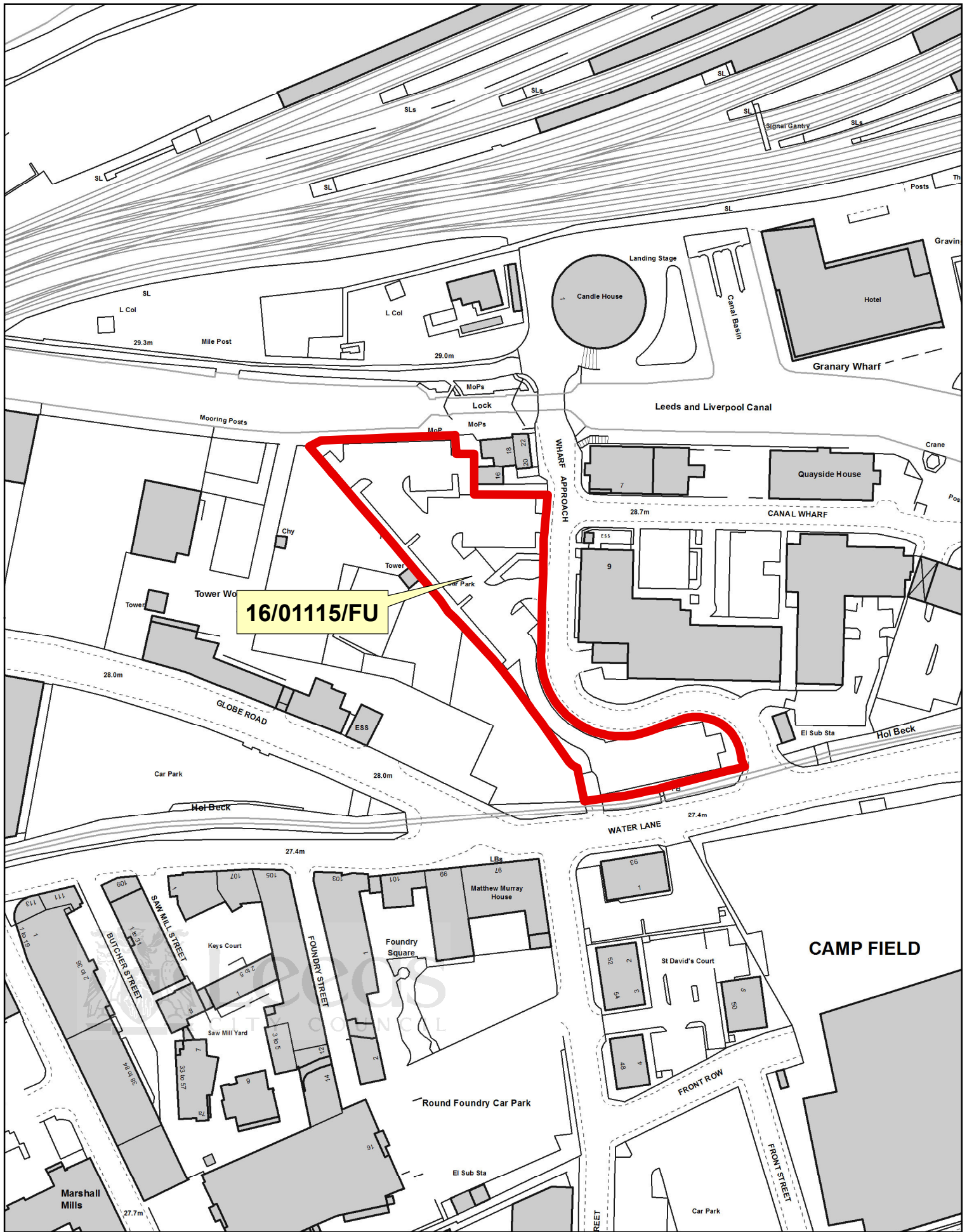
Rev.	Des.	By	Date	Ch.
C	Application updated following further consultation with third parties		16/05/16	
B	LCC landscaping comments integrated; additional trees and soft landscaping added; service vehicle access widened; Building C updated		10/05/16	
A	CBRE internal layout comments integrated; structural and M&E coordination undertaken		24/03/16	

PLANNING

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Client:	U+I / CTP	Job No:	14,002
Project:	Granary Wharf, Holbeck		
Title:	Proposed Site Plan		
Date:	12/18/15	Scale:	1 : 250 @ A1
Checked by:	AN	Drawn By:	DH
Drawing No:	00-S-003	Revision:	C





CITY PLANS PANEL

