

Report of the Director of City Development

Report to Executive Board

Date: 5th September 2012

Subject: Green Space Proposals for the Sovereign Street Site

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

Summary of main issues

1. Leeds City Council is supporting the development of the city centre and undertaking its own ambitious programme of development to stimulate economic growth through a number of projects, including Trinity, Eastgate, the proposed City Centre Park as part of the South Bank, Leeds Arena, New Dock and Sovereign Street.
2. Following the approval of the Sovereign Street Planning Statement by Executive Board in July 2011, initial design work has started on the green space which is part of the Council's plan to ensure high quality development of the Sovereign Street site can take place on a phased basis; the first components being a proposed office development on Plot A and the simultaneous development of this green space. Both it is hoped, will attract further high quality development to this area. The Sovereign St development is linked to the Leeds South Bank Planning Statement which highlights the Sovereign Street green space as a stepping stone towards the proposed City Centre Park on the South Bank.
3. Proposals to bring forward the phased delivery of the development plots have progressed significantly since the approval of the Planning Statement. KPMG has exchanged the agreement for lease with their developer: for the construction of their new office headquarters building on Plot A. The KPMG building will represent the first major office development in Leeds city centre for more than 5 years. The marketing of the two remaining development plots has started, which will hopefully bring forward the anticipated further phases of development. KPMG's developer,

Sovereign Leeds Ltd, proposes to submit its planning application for the office building in mid-September.

4. Following a pre-application presentation to Plans Panel and early consultation about the green space proposal, it is intended to submit a planning application following Executive Board approval. This is required to maintain the timescales between the KPMG development and the new green space proposals, in line with the requirements of development agreement between the Council and Sovereign Leeds Ltd.

Recommendations

Executive Board is recommended to note progress with the green space proposals and to:-

- (i) approve the concept design scheme for the new green space at Sovereign Street and note the indicative budget parameter being used as a guide to the design work;
- (ii) approve the submission of a planning application for the green space at Sovereign Street;
- (iii) approve the injection of £2.5m into the Sovereign Street green space scheme, funded by the first call on any capital receipts generated from the Sovereign Street development;
- (iv) note the outcome of consultation undertaken to date and approve the consultation proposals with key stakeholders prior to the planning application determination.

1.0 Purpose of the Report

1.1 The purpose of the report is to advise Executive Board about progress with the development of the Sovereign Street green space proposal and agree the next steps including the broad concepts for the scheme; indicative budget parameter and submission of the planning application. The report also includes a summary of the consultation outcomes about the green space proposal and the programme and timetable for its development. It is intended to report back to Executive Board for budget approval with the design and cost report when detailed costs are available.

2.0 Background

2.1 The Council owned Sovereign Street site is one of the most prominent and best located mixed use development sites in the city centre. It is a high profile development opportunity that has the potential to contribute to the economic prosperity of Leeds.

2.2 Since the rejection of the Criterion Place development by Executive Board in July 2008, the site has continued to be used as a temporary 'Pay and Display' public surface car park. However, consideration has been given to the potential this site has to deliver the Council's aspirations to:-

- extend the city centre southwards beyond the railway arches towards the South Bank;
- address the shortage of quality green space within the city centre identified from the first City Centre Vision Conference;
- be the forerunner to the City Centre Park to the south of the River Aire;
- the opportunity to reinvigorate the development market in Leeds.

2.3 In view of this, Executive Board approved a revised Planning Statement for Sovereign Street in July 2011, following public consultation on the proposals. The Planning Framework drawing is attached at Appendix 1. The Statement provides non-statutory planning guidance and allows:-

- the consideration of new development proposals for the site;
- the opportunity to create new high quality green space in the city centre;
- the identification of individual development plot locations, allowing a phased delivery in the current economic climate.

2.4 Since then, agreement has been reached to sell Plot A to developers working on behalf of KPMG to build its new Leeds Headquarters. The KPMG building will represent the first major office development in Leeds city centre for more than 5 years and as such will represent a watershed moment in the recovery of the Leeds' office market.

3 Main Issues

3.1 The Council is undertaking an ambitious programme of development and supporting developers in the city centre to stimulate economic growth through a

number of projects, including Trinity, Eastgate, the proposed City Centre Park as part of the emerging South Bank, Leeds Arena and Sovereign Street. This report brings forward the green space component of the Sovereign Street development opportunities. The Sovereign Street scheme will include mixed use development surrounded by a high quality green space area, in order to create a new and vibrant space within the city centre. The proposed KPMG office development is the first phase; alongside the Council's green space.

- 3.2 Work has started on concept design schemes for the creation of the green space with a view to submitting a planning application in September. This has been guided by the Planning Statement approved by Executive Board which was used to develop a design brief that sets out the shared vision for a 21st century city centre green space at Sovereign Street, that provides for a new business location in the city centre but also recognises Leeds' ambition to become a 'Child Friendly City'.
- 3.3 The design brief has provided guidance to the designers to deliver a proposed landscape concept scheme to a set budget, that has: a high percentage of green space; utilises trees to accentuate pedestrian linkages and provide shelter; provides opportunities for outdoor seating; explores the potential for a water feature for sustainable drainage managed through a long term maintenance contract; minimises servicing requirements thereby increasing the opportunities to increase green space; explores opportunities for interactive features to attract families and is a contemporary green space of high quality. In addition, the opportunity exists to consider public art on site and a high quality kiosk to create vitality and generate revenue to help finance ongoing maintenance. The concept proposal is attached at Appendix 2.
- 3.4 Over the next ten years, Sovereign Street and the new proposed City Centre Park when developed, will significantly change the physical character of this area, increasing the amount of green space and enhancing the external environment as well as potentially providing employment opportunities.
- 3.5 The new green space at Sovereign Street has the potential to expand beyond its site boundary. There are buffer areas around the wider site that could be brought forward in complementary way, as part of a wider masterplan for Sovereign Street. These areas include Pitt Row, across Sovereign Street to Sovereign House, land behind the BT building and land between Sovereign House and Brasserie Blanc towards the River Aire. This approach will enable wider links to South Bank including the new City Centre Park, New Dock, Trinity and Holbeck Urban Village. The potential to bring these specific areas forward through S106 and other agreements will be explored.
- 3.6 It is proposed that Executive Board considers and agrees the concept design and guidance to allow the submission of the planning application. A Design and Cost Report will be brought back to Executive Board, following Planning approval and when further detailed design works have been completed, design freeze reached and the integrity of the cost plan is more certain.
- 3.7 As part of the development of the green space and the associated planning submission, some early consultation has already taken place including:-

- a pre-application presentation to plans panel in July 2012;
- a presentation to the Civic Trust;
- a presentation and workshop with the Quality Places and Spaces group (QPS) a sub-group of the property forum;
- a workshop with KPMG;
- a public exhibition at the current KPMG office near to the site.

3.8 A summary of the main comments on the initial design concepts is set out below:-

- the scheme should maximise the amount of grass provision with more green space evident and not be fragmented by as many footpaths or servicing requirements;
- the potential for water to be introduced while potentially exciting, will reduce the amount of green space and there is a poor track record of maintaining water features;
- the design should be a contemporary space, with simple clean lines and a high percentage of greenery without water features that cause maintenance problems;
- this might be an opportunity to provide features that children might find attractive and help with Leeds ambition to be a 'Child Friendly City';
- the space should allow Leeds to adopt a 'café culture' in its public spaces;
- maintenance of the space once completed is key to the success of the scheme.

3.9 The proposed green space is to be delivered to coincide with the KPMG building's practical completion. Therefore, it is proposed that the Council submits its planning application for the green space at the same time as the KPMG submission in mid-September. This will ensure that there is synergy between the applications and that the Plans Panel has the benefit of understanding how the two can fit together.

3.10 Following a pre-application presentation to Plans Panel, the design concept and guidance has been refined in preparation for submission of the Planning applications.

3.11 Programme

3.11.1 The following indicative programme is proposed:-

Planning application submitted	September 2012
Planning approval secured	Jan 2013
Design and Cost report	July 2013
Tenders out	September 2013
Tenders back	November 2013
Contract Award	January 2014

Start on site April 2014

Completion May 2015

3.11.2 The scheme is currently estimated at £2.5m for the delivery of the core green space area.

4.0 Implications for Council Policy and Governance

4.1 Consultation and Engagement

4.1.1 A significant amount of consultation has already been undertaken, in relation to the development of the revised Planning Statement through Talking Point and consultation events, including local residents, Ward Members and key stakeholders. As part of the ongoing development of the KPMG and green space schemes, early consultation has taken place including:-

- a pre-application presentation to plans panel in July 2012;
- a presentation to the Civic Trust;
- a presentation and workshop with the Quality Places and Spaces group (QPS) a sub-group of the property forum;
- a workshop with KPMG;
- a public exhibition at the current KPMG office near to the site.

4.1.2 The main comments are summarised below:-

- the scheme should maximise the amount of grass provision with more green space evident and not be fragmented by as many footpaths or servicing requirements;
- the potential for water to be introduced while potentially exciting, will reduce the amount of green space and there is a poor track record of maintaining water features;
- the design should be a contemporary space, with simple clean lines and a high percentage of greenery without water features that cause maintenance problems;
- this might be an opportunity to provide features that children might find attractive and help with Leeds ambition to be a 'Child Friendly City';
- the space should allow Leeds to adopt a 'café culture' in its public spaces;
- maintenance of the space once completed is key to the success of the scheme.

4.1.3 Executive Member consultation about this report has taken place and will continue prior to Executive Board. Comments to date are as follows:-

- the design should be simple and not over engineered;
- trees are very important for this space;
- revenue funding needs to be in place for the ongoing maintenance of the space;
- provision of water in the space is expected with consideration given to long term maintenance.

4.1.4 There will be further consultation with key stakeholders about the green space schemes. The consists of stakeholders developed through the Planning Statement consultation, local residents and businesses, the Environment Agency, British Waterways, West Yorkshire Archaeological Service, disability groups and Ward Members. It is proposed also to undertake further consultation via talking point.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The draft planning statement was screened for an Equality Impact Assessment before being approved by Executive Board. An Equality Impact Assessment screening form has been completed for the green space scheme.

4.3 Compliance with Council Policies

4.3.1 The development proposals including the creation of a new green space for high quality development at Sovereign Street will assist the Council in achieving several of its objectives, most notably:-

Leeds Strategic Plan 2008 – 2011

- **Enterprise and Economy:** increased international competitiveness through marketing and investment in high quality infrastructure and physical assets, particularly in the city centre
- **Culture:** enhanced cultural opportunities through encouraging investment and development of high quality facilities of national and international significance
- **Health and Wellbeing:** reduced health inequalities through the promotion of healthy life choices and improved access to services.

The Council's new Vision 2010-2030

By 2030, Leeds will be internationally recognised as the best city in Britain – a city that is fair, open and welcoming with a prosperous and sustainable economy, a place where everyone can lead safe, healthy and successful lives.

4.4 Resources and value for money

4.4.1 Executive Board in July 2011, agreed to the 'principle of utilising part of this receipt in order to deliver the proposed greenspace'. In line with this, the report seeks approval to the injection of £2.5 million using finance from the receipt from the sale of Plot A. A design and cost report on the final proposal will be submitted to Executive Board in 2013 prior to final commitment to invest.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The scheme is subject to call-in.

4.6 Risk Management

4.6.1 An officer from Asset Management will undertake the role of Project Manager and a risk register has been developed and will be maintained throughout the project.

5.0 Conclusions

5.1 The vision is to transform the Sovereign Street site into a high quality mixed use development centred around a quality green space, which will make a significant contribution to the quality and vibrancy of the city centre. The KPMG office scheme will be the first new office scheme in the city centre since 2007. With green space alongside it, the attractiveness of the site and surrounding areas to future investors which will increase, establishing the area as a prime location for business and making a contribution to the economic growth of the city. Marketing of the remaining building plots has started, with the intention that these come forward for development in a phased way over the coming years. The green space will be the focus for the Sovereign Street development and provide the opportunity for the Council to ensure that the area becomes a very attractive addition to the city centre; and provide a catalyst for the future development of the South Bank area.

6.0 Recommendations

6.1 Executive Board is recommended to note progress with the green space proposals to date and to:-

- (i) approve the concept design scheme for the new green space at Sovereign Street and note the indicative budget parameter being used as a guide to the design work;
- (ii) approve the submission of a planning application for the green space at Sovereign Street;
- (iii) approve the injection of £2.5m into the Sovereign Street green space scheme, funded by the first call on any capital receipts generated from the Sovereign Street development;
- (iv) note the outcome of consultation undertaken to date and approve the consultation proposals with key stakeholders prior to the planning application determination.

7.0 Background documents¹

7.1 Sovereign Street Planning and Development Brief 2002

7.2 Executive Board Report 'City Centre Park' – February 2009

7.3 Sovereign Street Feasibility Report 2009

7.4 Executive Board Report 'Development Proposals for the Sovereign Street Site' July

7.5 2010 Planning Statement for Sovereign Street July 2011

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.

7.6 EIA Screening Form – Planning Statement

7.7 EIA Screening Form – Green space Scheme