



Report of the Chief Planning Officer

PLANS PANEL SOUTH & WEST

Date: 25th April 2013

Subject: APPLICATION 11/03324/FU- Residential development of 143 houses and 12 flats; restoration of The Lodge to form 1 house; alterations and extensions to hospital building to form residential care home comprising 20 apartments and 35 bedspaces (C2 use); alterations and extensions to former Ida Wing building to form 56 'extra care' housing units (C3 use), former Cookridge Hospital, Silk Mill Way, Cookridge

APPLICANT

Chartford Arthington Ltd

DATE VALID

19.09.2011

TARGET DATE

PPA

Electoral Wards Affected:

Weetwood

Yes

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

RECOMMENDATION:

Members are asked to agree the proposed changes to the affordable housing element of the Section 106 package.

The Section 106 package as agreed by Panel in June 2012 was:

- **Affordable housing: 56 extra care apartments in Ida Extension: All Social Rented tenure. The developers are now requesting that the affordable housing be provided at Sub Market rent levels. They are not proposing any other changes to the Section 106 package.**
- **Education contribution £681,225.00 (£83,000 of which to be allocated to provide equipped childrens play provision)**
- **Travel Plan monitoring fee £2500.00**
- **Link with phase 1 section 106 agreement.**
- **Completion of new builds linked to completion of conversion works of listed buildings as per previous Wimpey scheme (ratio to be agreed)**
- **Local training initiatives**
- **Closure of Hospital Lane to through traffic**

- **All 20 apartment and 35 bedspaces in the Main hospital building shall only be occupied in the C2 Use Class.**

1.0 INTRODUCTION:

- 1.1 This application is brought back to Plans Panel due to the applicants request to change the Section 106 package previously agreed. The applicant had offered to provide all of the 56 apartments within the proposed Ida building extension as affordable housing for Social Rent level. They are now requesting that the type of be changed to Sub Market (Affordable Rent which equates in planning terms to a sub market rent level). Social rent level work out around 50% of the market rate of the flat. Sub Market level is 80% of market rental levels.
- 1.2 The applicant gave a written commitment in May 2012 that they were aware of the difference between the costs of building the project at social rent levels compared to sub market rent levels. Abbeyfield who are the potential operator of the building once it has been constructed have stated they would not be able to operate the building if they are required to charge Social rent levels. Abbeyfield are a charity that also are a Registered Provider of affordable housing specializing in Extra Care accommodation. They do not operate a building in Leeds currently, however they do operate nationally. Abbeyfield charge rents at Sub Market rent levels, not Social rent levels which although Chartford, the applicant offered to Panel could not be delivered by Abbeyfield. Plans Panel were given the developers Section 106 offer in June 2012 which included the offer that all 56 apartments would be for Social Rent. Members will recall they accepted the Section 106 the applicant offered. In November 2012 during the detailed negotiations over the wording of the Section 106 agreement the applicant changed their position on the offer they had originally made. They stated the development was not financially viable at Social Rented levels and that the operators of the extra care apartments, Abbeyfield could only make the scheme work financially at Sub Market rent levels.
- 1.3 Construction works at the former hospital site have now stopped. The developer has built out their first phase of approved houses (21 houses in total) in the south west corner of the site adjacent to Silk Mill Way. The developer wants to restart building works on site but until this issue around the affordable housing element of the Section 106 package is resolved the planning permission which Plans Panel deferred and delegated in June 2012 cannot be completed and the decision notice issued.
- 1.4 Officers are bringing this application back to Panel to consider the changes in the rents of the affordable housing proposed. The package originally offered was considered a good outcome as it provided more affordable housing for a particular area of the community that needs specialist housing than would otherwise have been required by the development, even though the package meant that many other contributions normally required were dropped. It also provided all the units at social rent level which would have allowed people who were the most financially vulnerable to be able to be offered good housing at an affordable level. However, for those most financially vulnerable, Sub Market rents proposed at the scheme will be eligible for appropriate support through Housing Benefit entitlement

2.0 PROPOSAL:

2.1 Members will recall they have agreed the layout and design of the scheme and this report is focused solely on the Section 106 package as relates to affordable housing.

3.0 SITE AND SURROUNDINGS:

3.1 The site is the former Cookridge Hospital, now cleared of hospital buildings except for the 4 listed buildings. There have been 21 new build houses built in the south western part of the site accessed off Silk Mill Way.

4.0 RELEVANT PLANNING HISTORY:

4.1 10/02683/FU: 1 two bedroom, 1 three bedroom and 1 four bedroom with integral garage, terrace houses (plots 21-24). Approved 2010

10/02682/FU: Laying out of access road and sewers to residential development site. Approved 2010.

10/04346/FU: Laying out of access road and erection of 19 houses. Approved with a S106 in 2011.

07/05064/RM (Wimpey Scheme): Reserved Matters including laying out of access roads and erection of 128 houses and 44 flats, with car parking and landscaping pursuant to Outline Consent (Ref. 26/140/00/OT and renewed in 2004) for residential development and associated works – Decision Notice issued March 2009 on completion of the Section 106 agreement.

07/05001/FU: Change of use, including part demolition and conversion of hospital buildings and lodge to 77 dwellings; Decision Notice issued March 2009 on completion of the Section 106 agreement.

5.0 HISTORY OF NEGOTIATIONS:

5.1 Prior to the submission of the current scheme by Chartford Homes the developer undertook community consultation. Members will also recall they considered and discussed the application for 19 houses which are currently being built.

5.2 The main changes between the Chartford scheme and the previous Wimpey scheme is that Chartford are building two storey houses as opposed to the three storey town houses of the Wimpey scheme. Also the current scheme differs to Wimpey's as Chartford's proposal includes 56 extra care apartments in a four storey extension linked to the Ida building. Chartford also propose to convert and alter the Main Hospital building into a nursing home with 35 bedspaces and 20 apartments

6.0 PUBLIC/LOCAL RESPONSE:

6.1 There have been no further representations received to the publicity of this application since the application was reported to Panel in May 2012.

7.0 CONSULTATION RESPONSES:

7.1 N/A

8.0 PLANNING POLICIES:

8.1 As required by Section 38(6) of the Planning and Compulsory Purchase Act 2004 this application has to be determined in accordance with the Development Plan unless material considerations indicate otherwise.

8.2 The most relevant Policies in the adopted Leeds Unitary Development Plan are outlined below.

- Policy H11: Refers to the provisions of affordable housing within new housing proposals which meet the requirements of PPS3;
- Policy H12: The council will negotiate the proportion and type of affordable housing required for individual sites in the context of the extent, nature and need of affordable housing in the locality and the characteristics of the site;

8.3 National Planning Policy Guidance:

The National Planning Policy Framework came into effect on 27th March 2012, and replaces the advice provided in Planning Policy Guidance Notes and Statements. The aim of this document is to make the planning system less complex and more accessible, to protect the environment and to promote sustainable growth. Local planning authorities are expected to “plan positively” and that there should be a presumption in favour of sustainable development:

“At the heart of the planning system is a presumption in favour of sustainable development, which should be seen as a golden thread running through both plan-making and decision-taking” (para 14).

8.4 The Government’s pursuit of sustainable development involves seeking a wide variety of positive improvements including:

1. making it easier for jobs to be created in cities, towns and villages
2. replacing poor design with better design
3. improving the conditions in which people live, work, travel and take leisure

Emerging Core Strategy

The Publication Draft of the Core Strategy was issued for public consultation on 28th February 2012 with the consultation period closing on 12th April 2012. Following consideration of any representations received, the Council intends to submit the draft Core Strategy for examination. 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. As the Core Strategy is in its pre submission stages only limited weight can be afforded to any relevant policies at this point in time.

9.0 MAIN ISSUES:

9.1 The following main issue has been identified as reviewing the affordable housing element of the application.

10.0 APPRAISAL:

10.1 By way of background Extra Care Housing differs from other types of older people's accommodation and can be broadly defined as providing the opportunity for older people with a range of support needs to live in their own home, with their own front door, in a safe and secure environment within a community setting. There are generally communal facilities such as activity rooms, dining rooms / restaurants within Extra Care, but these vary depending on what services are already available within the local community. 24 hour emergency access to care and support, usually provided by on-site staff, is a key feature of Extra Care Housing. This level of care and support can be supplemented in response to an individual tenant's level of assessed need. This allows people to maintain their independence and quality of life for longer and for many older people it offers an alternative choice to residential care. The flexible response to varying needs also allows for 'ageing in place' rather than the individual being required to move into a care home when their care needs increase.

10.2 The cost of Extra Care Housing is made up of rent, a service charge, a wellbeing charge (for access to the 24 hour emergency care and support) and additional care costs relating to the individual tenants level of need. The revenue funding for Extra Care Housing comes from a number of different sources and is also subject to a resident's eligibility for benefits. From an Adult Social Care (ASC) perspective the different funding sources and individual care costs being proportional to the level of need mean that it represents better value than residential care (where costs are fixed and are mostly met by Adult Social Care). Of equal importance is the fact that tenants of Extra Care Housing have improved outcomes (e.g. a reduction in the number of falls leading to less hospital admissions). As such the benefits of the scheme are still considered significant even with a change from Social to Affordable rents being charged.

10.3 A detailed demand analysis exercise has been carried out in Leeds, using 2011 census data to identify the quantity and type of older peoples housing required across the city. This includes the requirement for Extra Care housing, which has been calculated using the Planning for Care model and CLG's More Choice Greater Voice methodology. These models have been further refined with more recent data and calculations of need based on the requirements per 1000 of population aged over 75. Also taking into account current and planned provision of Extra Care Housing, indications are that the city needs to develop 879 units of Extra Care accommodation over the period to 2020. The Cookridge site is within the Weetwood ward which is estimated to have a current shortfall in the provision of Extra Care Housing amounting to 43 units. The adjoining wards – which would be in the "catchment area" for a Cookridge Extra Care Housing Scheme also have a current shortfall of provision. Adel/Wharfedale ward has a shortfall of 52 units and Otley/Yeadon has a shortfall of 55 units.

10.4 The proposal by Abbeyfield to develop a 56 unit Extra Care Housing scheme at Cookridge meets the strategic needs of the Council. It offers a better and preferred alternative to residential care as it is non-institutional, promotes independence, is

more cost effective and achieves better outcomes for older people. The number of proposed units would also meet the estimated demand level for the area.

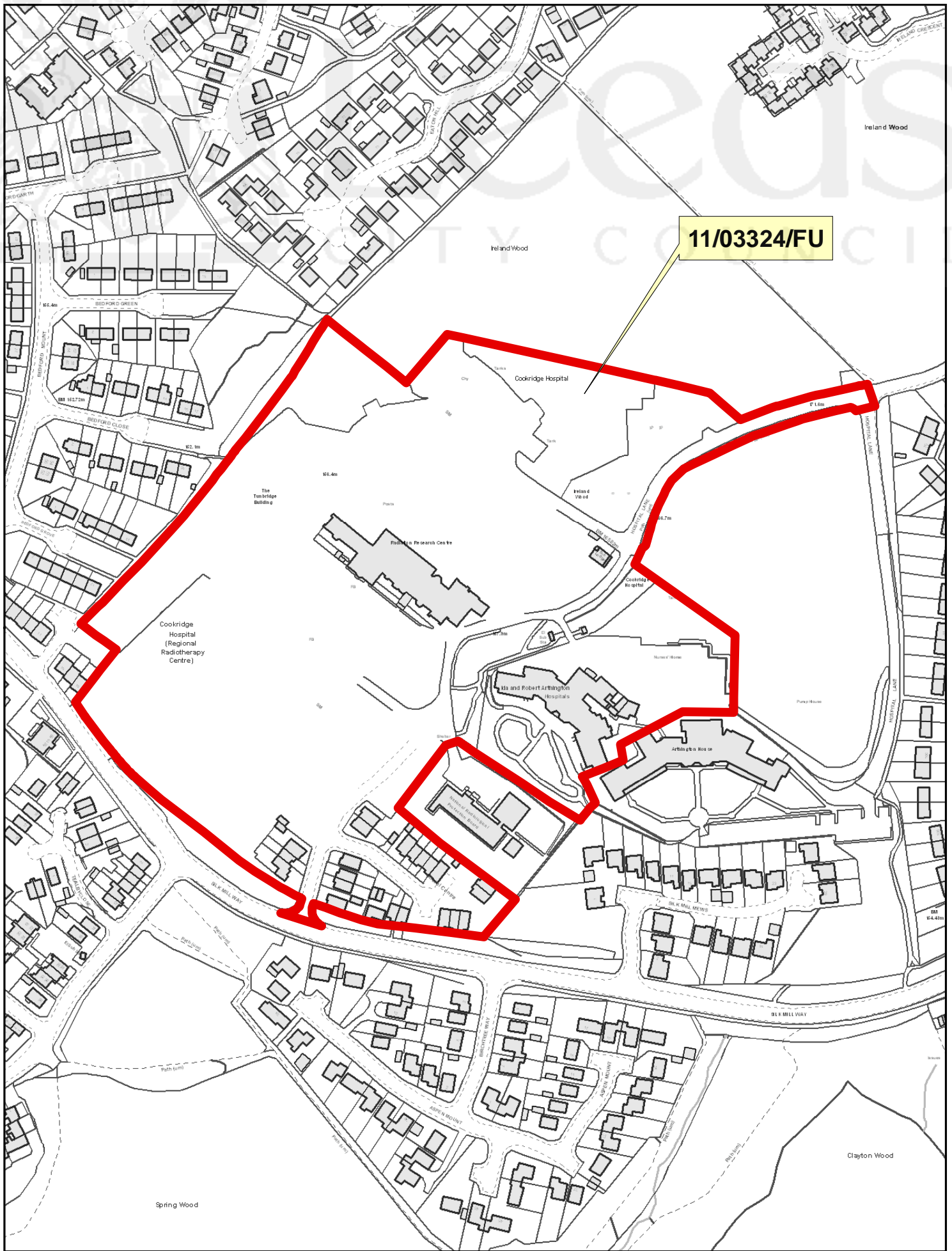
- 10.5 The developer is proposing that the 56 extra care apartments would be sub market rented properties provided via a Registered Provider, Abbeyfield. Originally they offered them all as social rent but changed their proposals prior to the signing of the S106 agreement. Submarket rent or Affordable Rent (AR) is 80% of market value. Social rent is around 50% market rental value. The Homes and Communities Agency still define Affordable Rent as being social housing.
- 10.6 Affordable Rent (up to 80% market levels) is increasingly the norm in the social rented sector and housing associations are increasingly charging A.R. including on their grant funded new build schemes. The Homes and Communities Agency define it as a form of social housing. As such in this instance the change of tenure type to Sub Market rent is not out of step with the way most new build Extra Care Schemes are setting their rent levels. Extra care schemes are inherently more expensive to build, primarily due to higher space and specifications requirements to enable independent living. Given Abbeyfield have stated that they cannot build and run the scheme at social rent levels and in light of the growing demand for this type of accommodation it is considered that the benefits of delivering this scheme outweigh any increases in costs.
- 10.7 Revenues and Benefits Service have confirmed that the rent level chargeable for a flat for this scheme is acceptable for benefit purposes. The Revenues and Benefits Service however will not meet the full costs of the proposed catering and other ineligible charges (such as domestic supplies within individual apartments) that future occupiers would be required to pay. As such future occupiers would have to use other benefit entitlements or their own sources of finance to make up any shortfall on the catering charges. These payments are envisaged to range between £50.93 per person per week and £65.45 per person per week. In essence therefore this means that people who currently receive Housing Benefit and other benefits could be eligible to move into the flats should their particular needs require this type of accommodation.
- 10.8 In planning policy terms as the potential future operators Abbeyfield are registered with the Homes and Communities Agency as an affordable housing provider. The rent levels they charge will have to be below market rent levels (normally 20% lower than market rent levels). As such the revised proposals would still be defined as falling within the policy definition of Affordable Housing.

11.0 CONCLUSION:

- 11.1 This application will increase the housing opportunities for older people generally and offer them a viable alternative to residential care. The scheme will also help to meet a strategic aim of the Council. The proposed change of tenure type remains within the definition of Affordable Housing in planning policy terms. In light of the above Members are asked to accept the revision to the tenure of affordable housing in the S106.

Background Papers:

Application file;
Certificate of Ownership.



11/03324/FU

SOUTH AND WEST PLANS PANEL

