

Report of Director of City Development

Report to Housing & Regeneration Scrutiny Board

Date: 25th February 2014

Subject: East Leeds Extension and East Leeds Orbital Road

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

Summary of main issues

1. At its meeting of 7th January 2014, Scrutiny Board received a report on the East Leeds Extension and East Leeds Orbital Road and following discussion requested more detail in relation to four specific matters:
 - a. What potential there may be to speed up the process of delivering the East Leeds Orbital Road (in particular – but not necessarily exclusively – the Stage 2 scheme validation process);
 - b. The nature of the relationship with the Council’s appointed engineering consultant (Mouchel Ltd) in relation to advising on feasibility and also carrying out work on behalf of the council, as well as whether different arrangements might allow for quicker progress on the East Leeds Orbital Road;
 - c. The Section 106 arrangements, with particular reference to ward Members’ determination to see community benefits for local residents;
 - d. The quality and mix of housing to be provided within the East Leeds Extension scheme.
2. This report sets out a response to these areas of enquiry.

3. The potential to speed up the programme for delivery of ELOR is considered in the context of the current known delivery conditions and resources available to undertake the design and planning work. At this stage the programme remains indicative, optimistic but achievable, though progression of the first two stages of work and establishment of a preferred procurement route will provide more clarity on any potential efficiencies or scope for delay.
4. The work to move the project forward is being led by the Council with input for the first stage of work being delivered by Mouchel, the Council's strategic partner for highway & transportation professional services.
5. The approach to securing s106 contributions for the East Leeds Extension and meeting Ward Members' concerns is currently being established through negotiations on the Northern Quadrant outline planning application. The s106 package will cover affordable housing, delivery of ELOR, education contributions, provision of green space, public transport, pedestrian and cycle improvements, highways improvements and a jobs and training programme.
6. A principle has been established, through discussion with Ward Members and the agreement of both City Plans Panel and Executive Board, that the delivery of ELOR is prioritised in the s106 package. A viability assessment is underway to determine whether other planning obligations will need to be reduced or phased to enable delivery of the scheme on this basis. This would be subject to further discussion with Ward Members.
7. The mix of housing to be provided in the East Leeds Extension is still to be determined, but is likely to be driven by the housing market in this part of the city. A Housing Market and Needs Assessment independently carried out for the Northern Quadrant indicates the scope for a broad range of housing types and sizes to meet demand from across the housing needs spectrum. Subject to viability, the East Leeds Extension would be expected to deliver 15% affordable housing as part of any residential development, split between social rented and sub-market rented housing.
8. The quality of housing will become evident in more detail following the granting of any outline approval and submission of reserved matters applications to enable the first phase of house building on the Northern Quadrant site. The Local Planning Authority will seek to embed best practice in residential design through the application of its Neighbourhoods for Living planning guidance.

Recommendations

9. Scrutiny Board is asked to note the report and consider the responses to its previous queries.

1 Purpose of this report

- 1.1 This report provides an update in response to queries raised by Scrutiny Board on the East Leeds Extension and East Leeds Orbital Road at its meeting on 7th January 2014.

2 Background information

- 2.1 The previous report to the 7th January meeting of the Board set out the background and current position in respect of the East Leeds Extension and the work to bring forward the East Leeds Orbital Road (ELOR).
- 2.2 Members raised a number of queries on this, requesting a written response to support more detailed discussion. These were as follows:
- a) What potential there may be to speed up the process of delivering the East Leeds Orbital Road (in particular – but not necessarily exclusively – the Stage 2 scheme validation process);
 - b) The nature of the relationship with the Council's appointed engineering consultant (Mouchel) in relation to advising on feasibility and also carrying out work on behalf of the council, as well as whether different arrangements might allow for quicker progress on the East Leeds Orbital Road;
 - c) The Section 106 arrangements, with particular reference to ward Members' determination to see community benefits for local residents;
 - d) The quality and mix of housing to be provided within the East Leeds Extension scheme
- 2.3 These queries are addressed in the main report body below with further information provided to support Board members' consideration of the issues.
- 2.4 To assist Board members' consideration of the response to those queries relating to ELOR, some information is provided below on other recent highway schemes in the city that are at a comparable scale and which required a significant public sector lead in terms of funding, design and implementation:
- The **East Leeds Link Road** is a dual carriageway connecting the city centre to junction 45 of the M1. It comprises 4km of new highway constructed in two principle phases – junction works on the M1 were undertaken between 2000-2002] by the Council directly employing the Highways Agency's motorway construction contractor, with a delay in the confirmation of further funding to enable the construction by the Council of the linking dual carriageway and route junctions through the lower Aire Valley between 2006-2009. The total cost of the project was approximately £40M funded by the Council, DfT and Regional Development Agency; contributions from adjacent land owners will also be obtained as sites come forward for development.

Proposals for this new road were initially conceived in the 1970s but due to long delays in confirming the extension of the M1, little progress was made until government confirmed the plans for the M1-A1 Link in the late 1990s. The government gave approval for the road to progress in December 2000, subject to funding. In June 2002 the Council's Executive Board gave approval to implement the road, again subject to funding, and at that stage with the design and statutory processes essentially completed it was envisaged the road could be opened within 3 years. Final agreement to the funding further delayed the scheme and construction did not start until Oct 2006 and was completed 28 months later in Feb 2009.

- **Leeds Inner Ring Road Stages 6 & 7** - plans for the inner ring road were conceived in the late 1960s with a phased introduction, constructing the early stages in the north in the late 1960s/early 1970s with the final stages (stages 6 & 7) being the south east section linking to the motorway. Stage 6 was eventually completed in 2000. In early 2004 the government gave approval to stage 7 and granted full funding for the £50m project. At that stage the statutory process were complete as was a substantial element of the design. Procurement was through the Early Contract Involvement route with construction commencing in May 2006 and completion 28 months later in Sept 2008.

2.5 Both schemes illustrate that although construction periods for such major road infrastructure can be relatively short, these can only commence once a number of delivery conditions are in place, including land assembly, statutory approvals, funding, design and planning, which can take many years to complete.

2.6 In drawing comparison with the East Leeds Extension and indicative programme for the delivery of the East Leeds Orbital Road, it is necessary to consider the number of land owners with whom agreement on the alignment of the road and allocation/acquisition of land will be required; the resolution of different commercial interests and equalisation of contributions/land values; the need to secure funding and agree a mechanism through which developers contributions will be agreed; and achieving a design that is deliverable in highways engineering terms and which meets the needs of the city, local stakeholders and land owners.

3 Main issues

a) **Is there potential to speed up the delivery of the East Leeds Orbital Road?**

3.1 The East Leeds Orbital Road (ELOR) is a major piece of infrastructure for the city that will take the form of a dual carriageway c7.5km (4.6 miles) in length, connect to the A6120 outer ring road, form new junctions on two major arterial routes into the city at the A58 and A64, form smaller junctions at Skeltons Lane and Leeds Road, bridge the Leeds-York rail line and connect to the M1 at junction 46. It will also provide for access into housing development land in the East Leeds Extension and mixed commercial development land at Thorpe Park.

- 3.2 The route of ELOR will be required to pass directly over multiple land ownerships requiring acquisition and will also require agreements with adjoining land owners in regard to how any land costs and uplift in development values arising in the East Leeds Extension will be equalised and shared across the development area.
- 3.3 Previous efforts have been made by house builders with interests in the East Leeds Extension to establish a consortium approach to the planning and delivery of housing and infrastructure, to address this issue. This has resulted in proposed development frameworks for the area with indicative route alignments for ELOR but has not materialised in any formal arrangements or vehicles through which a private sector lead would be taken on the design and delivery of the road.
- 3.4 Planning applications for housing are instead coming forward on an incremental basis, starting with the Northern Quadrant, where developers propose to provide for delivery of a separate section of ELOR, alongside house building in that part of the allocation. Discussions are continuing with all land interests in the area but it is now unlikely that the full route can be delivered through a single, private sector-lead approach.
- 3.5 The road will also require significant funding to meet its estimated costs of c£75m at current prices – this may be recoverable through developer contributions but is likely to require significant up front funding.
- 3.6 The ability to plan and deliver the road will require resolution of these matters as the project is developed. The scale of ELOR, its complex planning and delivery context and the absence of a private sector lead requires the Council to take a leading role at least in the first stages of its feasibility, design and the development of a funding business case. In its capacity as the Local Planning and Local Highways Authority it would in any case be required to ensure any ELOR proposals met local and statutory requirements and therefore the Council's early involvement will offer benefits in terms of strategic control and reduction of risks relating to design, planning and statutory procedures.
- 3.7 The Council may also be required to lead on the actual procurement and delivery of the road, either in-part or wholly if no other party is in a position to do so.
- 3.8 This requires an initial resourcing and financial commitment that will ensure the identified range of tasks to develop the project and prove a funding business case can be properly and diligently undertaken in a way that manages risk to the authority, delivers the right solution from an engineering, planning and community perspective and provides for the delivery of this in an optimum timescale.
- 3.9 The Council made an initial financial commitment of £150,000 in January 2013, to fund a pre-design feasibility study into the strategic scope of ELOR. The Council's previously appointed strategic partner for highways & Transportation, Mouchel, was commissioned to undertake the feasibility, which was completed in September and reported to Executive Board in October.

- 3.10 The feasibility costs subsequently back-funded through a successful application to METRO for a total of £1.3m in project development support as part of the approved West Yorkshire Plus Transport Fund (WY+TF) programme, to fund the work required to move the ELOR project on from feasibility stage to the point where it would be capable of submission as a planning application (i.e. Gateway 3 below). METRO is making these funds available in tranches, with the first £350,000 up to the end of the 2013/14 financial year.
- 3.11 Release of funds from the WY+TF is overseen by the Joint Member Portfolio Board of the six participating authorities. Further tranches of resource will be drawn down on clear evidence that there is progression through a series of agreed 'gateway' stages (which mirror those used by the Department for Transport) in the development of the project and that it can satisfactorily demonstrate business case requirements needed to ultimately to access the fund contribution needed to support delivery of the final confirmed scheme proposal. The programming and delivery of all WY+TF schemes including the ELOR project is a matter for continuous review with the METRO programme team supporting the Portfolio Board to ensure the timely progress of individual projects and release of funds.
- 3.12 The WY+TF project funding gateways and the core tasks that each of these lead to are set out below:

Gateway 1 Project Initiation, leading to Stage 1 tasks - preliminary validation and preparation:

- Risk review and strategy
- Environmental desktop exercise
- Ground Investigation desktop exercise
- Procure & commission topographic surveys
- Develop procurement strategy and draft tender
- Develop consultation strategy
- Agree alignment

Gateway 2 LCC sign off ELOR alignment, leading to Stage 2 tasks - completion of Business Case:

- Engineering assessment
- Environmental surveys
- Environmental Assessment (baseline and consultations)
- Traffic modelling
- Traffic and Economic assessment
- Public consultation
- Completion of business case

Gateway 3 LCC sign off business case, leading to Stage 3 tasks - assessment and preliminary design:

- Further engineering assessment, environmental assessment and traffic modelling
- Planning application (and determination), to comprise:

- site plans
- geotechnical studies & ground investigations
- topographical and levels studies
- drainage and flood risk assessments
- Environmental Assessment (EA)
- Sustainability statement
- Tree survey
- Ecology surveys and reports
- Transport assessment
- Archaeological survey
- Extensive layout and sectional plans
- Schedules of specification and materials

Gateway 4 Planning approval obtained and delivery strategy to be agreed, leading to Stage 4 tasks - statutory procedures and final design:

- Cabinet approval
- Land acquisitions
- Highway Orders
- Compulsory Purchase Orders (if needed)
- Public Inquiry
- Major scheme evaluation and monitoring
- Completion of detailed design

Gateway 5 Full funding approval to proceed:

- Construction
- Adoption and opening of road

3.13 The development work described above to meet the WY+TF requirements and those of the ELOR project has been divided into several stages. Stage 1 tasks are underway and in line with its existing contract for highway and transportation professional services and in accordance with the requirements of the Council's Contract Procedure Rules, the Council has commissioned Mouchel as a continuation of previous feasibility work to assist with this. Not all of the tasks require the consultant to lead; some will be undertaken directly by the Council, with close working across the project to ensure the programme of work is co-ordinated. The Stage 1 tasks are being funded through the first tranche of funds drawn down from METRO.

3.14 The indicative programme for the ELOR project is attached as Appendix 1. This follows the WY+TF gateway model described above and has been drafted by Mouchel Ltd as part of its Stage 1 commission and is based on ELOR being delivered as a single engineering project, by the Council. This has been checked and validated by the Chief Officer, Highways & Transportation as an optimal position given what is currently known about the site and the delivery conditions.

- 3.15 This programme assumes an approach to procurement where Leeds City Council would undertake design development up to the completion of the statutory processes and the obtaining of any required funding. Mouchel is augmenting the Council's own transportation and project resources with their engineering services to deliver this stage of the project.
- 3.16 Further work is required for Gateway Stage 1 to confirm the preferred procurement strategy. For the scale and scope of this scheme an Early Contractor Involvement (ECI) contract may well offer benefits. This form of procurement has recently been used with great success on the £50M Inner Ring Road Stage 7 and £21M A65 Quality Bus Corridor projects both of which were delivered under budget and ahead of programme. Under this form of procurement the contractor is engaged at an earlier stage and is able to bring their expertise in buildability and programming to the development and design of the project assisting with value engineering and providing a greater degree of confidence in constructing to programme and budget.
- 3.17 Under a more traditional procurement approach, the Council would not tender the works until a substantial element of the design has been completed, although even within this form of contract there would be options to optimise the balance of risks held between Client led/Contractor led design. This form of contract may offer a lower initial tender price for the works because of the greater emphasis on price, but this needs to be balanced with managing the increase risk of cost increases and a more adversarial relationship with the contractor. The approach to procurement is currently being considered and will be confirmed as part of the Stage 1 work.
- 3.18 The indicative programme is essentially sequential between stages, with some critical links determining progression but with some tasks which have the potential to overlap the gateways without causing delay – for example, the procurement strategy and engagement of a contractor is started during Stage 1 but would not be completed until Stage 2 tasks are delivered.
- 3.19 The indicative programme suggests the following high level milestones, that would result in a road opening c.6.5 years from now:
- Stage 1 completion by end of March 2014
 - Stage 2 commence April 2014, completion by June 2015
 - Stage 3 commence January 2015, completion by January 2017
 - Stage 4 commence October 2015, completion by June 2018
 - Stage 5 commence July 2018, completion by September 2020
- 3.20 At this early stage it is difficult to confirm these precise dates with real certainty. The ability to do so will improve as Stage 1 and Stage 2 tasks proceed and greater clarity is achieved on areas of risk and information is gleaned about currently unknown factors that would determine the efficiency or otherwise of the tasks in each stage and the timescale in which gateways can be reached.

- 3.21 It is generally the case that in a project of this nature the greatest scope for programme efficiency would be at Stage 3 - the preliminary design and engineering assessment - though this will inevitably be determined by the findings and progress at Stages 1 & 2.
- 3.22 For example, the current desktop activities in Stage 1 and the site surveys in Stage 2 will to an extent enable greater clarity on important matters such as ground conditions and engineering constraints, which will have an impact on the complexity of design required and the construction programme. Also public consultation undertaken at Stage 2 will identify the extent of any opposition to the scheme and whether this may have scope to delay the delivery programme at Stage 4 through any requirement for a CPO Inquiry.
- 3.23 It is therefore very possible that this programme will change, with the potential for both efficiencies and/or increases in timescale at any stage.
- 3.24 Underlying the whole approach to the programme is the assumption that finance will be in place to enable the required project design and management but also to pay for the resulting construction contract.
- 3.25 The current funding of £1.3m available through METRO, subject to satisfactory completion of each project stage, is considered sufficient to move the work on to Gateway 4 (planning approval and delivery strategy in place), broadly on the timetable indicated.
- 3.26 It has been considered whether further funds could be obtained to buy in more resources to move the work forward at a quicker pace. However at this stage no other funds can be confirmed and the level of resource available through Mouchel Ltd and existing Council staff working on the scheme, is considered to offer the best value for money solution. This will however be kept under review and if there are demonstrable programme gains to be made through the application of more staff to identified tasks, whilst maintaining certainty of funding available to reach Gateway 4, this will be actioned.
- 3.27 Moving beyond this point, to initiate statutory procedures, confirm the highways engineering contract and draw down the full West Yorkshire Transport Fund allocation will require confirmation that funds can be put in place to cover all remaining costs towards constructing and opening the new highway. All the while that there is no funding confirmed to the delivery of ELOR there must remain a high level risk that the last stages of work towards final design and construction could be delayed.
- 3.28 In considering the role of the highways and engineering advisors (whether internal or externally sourced) and timings of the delivery programme it is important to note the role of other parties in fixing and confirming the scope and requirements of the key elements for Gateway 2 and beyond. In particular “freezing” the alignment constraints and line of route, firstly in defining these planning and development terms and, secondly, where the role of the engineering advisor is vital the physical and technical constraints of route location. To complete the task successfully both elements have to sequentially.

b) What is the nature of the relationship with Mouchel in advising on feasibility and also carrying out work on behalf of the council and would different arrangements allow for quicker progress on the East Leeds Orbital Road

- 3.29 Mouchel is an international infrastructure and business services group and is the Council's previously appointed strategic partner for highways and transportation. Mouchel were appointed following an EU procurement process based on Quality and Price. Mouchel and the Council entered into its second successive partnership contract in September 2008. The contract was for a minimum initial period of 3 years with the option to extend up to a maximum of 10 years – the contract was extended to March 2014 and a further extension is currently being proposed probably until September 2015. Mouchel's rates still compare favourably with those of other consultants.
- 3.30 Under the Council's own Contract Procurement Rules (CPR 3.1.6) there is a requirement to comply with the hierarchy for commissioning of work as follows:
- I. Internal Service Provider
 - II. Exclusive Providers
 - III. Existing Provider
 - IV. Framework Contracts
 - V. Procurement of New Contract
- 3.31 In accordance with these procedures Mouchel has been appointed to undertake the ELOR feasibility work, following agreement of the level of resource input required and the fee for this. The Council also provided staffing input to support this work with transport modelling and to manage the project. Should Mouchel not be able to offer the services required by the Council as an Existing provider, formal approval or possibly a waiver of CPRs would be required to engage alternative suppliers either through other frameworks that may be available for use by the Council or by procurement of a new contract.
- 3.32 In addition to providing a 'top-up' resource to deliver programmed work and assist in managing unplanned fluctuations in workload, the partnership does have the additional benefit of offering support and advice of a more strategic nature from the wider Mouchel organisation
- 3.33 Progress on the feasibility work was reported to the Council's East Leeds Project Board, which is chaired by the Director of City Development. The final feasibility study and supporting technical information was checked by highways officers, agreed by the Chief Officer, Highways and Transportation and reported to the Project Board upon completion. It was noted as presenting a realistic and pragmatic position, having responded to all aspects of the Council's brief.

- 3.34 In the absence of available officer resources and in the interests of continuity (avoiding the potential cost and delay involved in procurement of alternative external advisors), and in accordance with Contract procedure Rules, Mouchel was commissioned to undertake the first stage of preliminary validation tasks following the feasibility study, to progress the project to a West Yorkshire Plus Transport Fund Gateway 2 review (currently programmed for March 2014, as set out above). Satisfactory progress in terms of technical outcomes and programme milestones will enable further West Yorkshire + Transport funding to be drawn down and ensure continued progression of the project.
- 3.35 Mouchel is not commissioned beyond the current Stage 1 validation. A review of the delivery timetable could be undertaken at Gateway 2 by Metro (with the Council) and consideration given to the use of its framework, with a view to securing better consultant rates and thereby increasing resources to enable the following stages of the project to progress quicker.

c) The section 106 arrangements, with particular reference to ward Members' determination to see community benefits for local residents

- 3.36 The approach to s106 and planning obligations in the East Leeds Extension is currently being considered as part of the Local Planning Authority's discussions with the Northern Quadrant consortium in relation to its planning application on land between the A58 and A64 for 2000 homes with related community facilities and the route of ELOR through this section of the UDP allocation.
- 3.37 Any arrangements agreed at the Northern Quadrant will establish important principles for the approach to securing planning obligations on the remainder of the East Leeds Extension, to ensure a fair and equitable approach to all development proposals that come forward.
- 3.38 The S106 package for the Northern Quadrant has been the subject of discussion and negotiation throughout the application process and would be expected to cover the following planning obligations:
- **Affordable Housing** at 15% of the housing proposed;
 - **ELOR** - costs of constructing the new infrastructure and junctions;
 - **Education** – provision of funding to provide for the additional primary and secondary school capacity required to support the development and dedication of land within the site for the provision of a new Primary School;
 - **Open Space** – provision of local play areas and amenity spaces throughout the development, together with a larger area of land towards Thorner Lane to be set out as an informal 'country park';
 - **Public Transport contributions & Travel Plan** – including funding towards extension of bus services into and around the area, new public transport facilities, new pedestrian and cycle facilities;
 - **Highways** – other works to upgrade the existing road network to mitigate the impact of increased traffic arising from the development;
 - **Training & employment**– a bespoke programme to engage local people in the job opportunities that will arise on the development.

- 3.39 Ward Members' views have been central to the discussions on the application and the development of the s106 package. A Consultative Forum of local stakeholders, chaired by Cllr Pauleen Grahame (Crossgates & Whinmoor) and including Members from Crossgates & Whinmoor, Harewood and Roundhay wards has met 8 times throughout the application process to feed in views and concerns on the proposals. Ward Members have also separately been regularly briefed and discussions held as negotiations on the application have evolved.
- 3.40 There has been a clear view from Ward Members that the delivery of ELOR is paramount and should be prioritised and achieved as early as possible, if not in advance of the house building programme, should planning permission be obtained.
- 3.41 The cost of ELOR is likely to be significant and could represent approximately 25% of the total S106 costs. The developer has proposed an approach to making financial contributions to of ELOR that will require an agreement to the overall quantum, phasing and prioritisation of all s106 payments. The Council would assume responsibility for the delivery of ELOR under this approach.
- 3.42 This was reported to City Plans Panel in December 2013 where the principle was agreed that the delivery of ELOR should be prioritised in the s106 package for the Northern Quadrant together with phasing of other s106 obligations and payments, to be further agreed in detail. This principle and implications for the Council was further noted by Executive Board in January 2014.
- 3.43 The quantum of the developer's ELOR contributions would be subject to agreement on the cost estimates for construction of this section of the road, the number of homes to be developed and a viability appraisal of the scheme to assess whether the full package of s106 obligations could be funded by the proposed development. Work is currently underway to reach an agreed cost estimate and to assess the overall viability of the development, which will inform the possible requirement to reduce or re-phase other obligations such as the proportion of Affordable Housing.
- 3.44 The implications of this will be discussed with Ward Members before it is agreed as a basis on which a determination of the planning application would be made.
- 3.45 The consortium has additionally proposed that if any grant or loan can be obtained from the public sector towards the cost of ELOR and this results in an excess of funding above the agreed estimated ELOR costs, the Council would spend the excess developer contributions on enhancing infrastructure associated with the development (which could for example include funding additional Affordable Housing). In this way the overall value of all s106 and ELOR contributions paid to the Council would remain the same as agreed at the outset and no subsidy would occur.

- 3.46 In taking this approach forward to future proposals in other parts of the East Leeds Extension, it will be necessary to work in a changing statutory environment. From April 2015 the use of section 106 obligations to deliver infrastructure such as ELOR is due to be limited as the latest iteration of the Community Infrastructure Levy (CIL) regulations take effect. S106s will only be used for affordable housing and anything required for the specific development site to make it acceptable in planning terms.
- 3.47 The CIL charge will be mandatory and non-negotiable whereas section 106 contributions are negotiable. Guidance in the draft National Planning Policy Guidance indicates that where an applicant is able to demonstrate to the satisfaction of the LPA that planning obligations would cause the development to be unviable the LPA should be flexible in seeking such planning obligations. In practice therefore any S106 payments will need to be levied from what is left after the payment of CIL and other costs of development, subject to viability.
- 3.48 The CIL rate agreed for this area in the Draft Charging Schedule is proposed at a modest level to reflect the substantial site development and infrastructure costs that the ELE is expected to meet (including ELOR).

d) What is the quality and mix of housing to be provided within the East Leeds Extension scheme?

- 3.49 The Northern Quadrant outline planning application does not include details relating to the type, mix and design of housing. These would be discussed and agreed as part of future reserved matters applications and in the discharge of any relevant conditions. The Local Planning Authority has detailed best practice for the design of housing and residential areas in its 'Neighbourhoods for Living' SPD, which will be used in taking forward these discussions and in guiding future proposals that may come forward elsewhere in the East Leeds Extension.
- 3.50 Ward members would continue to be engaged during the detailed design process.
- 3.51 The mix of house types delivered on this site will be driven to a large extent by the market for new homes in this part of the city, as well as an appropriate design response to the planning of the neighbourhood. The application includes a Housing Market & Needs Assessment undertaken by re'new, which offers a view on this. It indicates that a mix of housing is required in the Northern Quadrant, aimed at higher income groups, first time buyers, households with moderate incomes and for older people (either to rent or buy). It highlights that in planning new housing schemes it is important to ensure the housing mix is flexible enough to meet changing needs over time and that it is likely that a wide mix of 2, 3 and 4 bed housing will be required to cater for aspirational demand within Leeds and from incoming households, local families seeking to 'trade up', young 'family builders' and older people possibly looking to downsize their existing accommodation.

- 3.52 The planning requirement of any residential development in the East Leeds Extension is to provide 15% of housing as affordable in accordance with the definitions in the Council's Interim Affordable Housing planning guidance. The allocation covers two areas within the guidance - in the Inner Suburbs the mix within this 15% provision should be 40/60 social rent/submarket, and in the Outer Suburbs 50/50.
- 3.53 The scale of affordable housing to be provided will be subject to the viability assessment currently underway, whilst the precise mix of tenure and scope for any specialist provision will be subject to discussions following any outline planning approval on the high level principles of development.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Northern Quadrant planning application has been the subject of extensive consultation and engagement through the Consultative Forum, presentations to City Plans Panel, discussions with Ward Members and public consultation events.
- 4.1.2 The East Leeds Regeneration Board has also held discussions relating to the matters addressed in this report. The Board has Member representatives from each of the East Leeds wards, each of the Council's political groups, the MPs for Leeds East and Elmet & Rothwell, as well as representatives from the HCA and METRO.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no specific EDCI implications arising from this report, as it responds to queries raised by Board Members.

4.3 Council Policies and City Priorities

- 4.3.1 The ELE and ELOR are included within the allocations and policies of the Unitary Development Plan. The ELE will be retained as a housing allocation in the Local Development Framework.
- 4.3.2 The delivery of this housing and the related infrastructure relate very strongly to the Vision for Leeds to 2030, which states that the city will be prosperous and sustainable, with a strong local economy driving sustainable economic growth and sufficient housing to meet the needs of the community.
- 4.3.3 The Leeds City Council Business Plan to 2015 includes the aspiration to provide clear, accountable civic leadership that unites public, private and third sector partners to deliver better outcomes for people in Leeds. This report sets out further details on how the Council can play this role in relation to delivery of the ELE.

- 4.3.4 The Business Plan also has specific priorities for City Development to create the environment for partnership working, to identify strategies to support the delivery of new housing and to create a safe and efficient transport network, all of which would be progressed through the ELE/ELOR. The approaches set out in this report will also assist in delivering the Council's Child Friendly City aspirations by enabling a co-ordinated approach to the provision of new homes, open spaces, schools, transport and traffic to ensure the needs of children and young people are considered in the very early stages of planning.

4.4 Resources and Value for Money

- 4.4.1 There are no specific resource implications related to this report, which presents information for discussion by the Scrutiny Board.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 There are no specific legal implications related to this report, which presents information for discussion by the Scrutiny Board.

4.6 Risk Management

- 4.6.1 There are no specific risks related to this report.

5 Conclusions

- 5.1 The report presents a response to four specific queries raised by Scrutiny Board members at the meeting of 7th January.
- 5.2 The potential to speed up the programme for delivery of ELOR has been set out in the context of the current known delivery conditions and resources available to undertake the work. At this stage the programme remains indicative, optimistic but achievable, though progression of the first two stages of work and establishment of a preferred procurement route will provide more clarity on any potential efficiencies or scope for delay.
- 5.3 The work to move the project forward is being led by the Council with input for the first stage of work being delivered by Mouchel, the Council's strategic partner for Highways & Transportation..
- 5.4 The approach to securing s106 contributions for the East Leeds Extension and meeting Ward Members' concerns is currently being established through negotiations on the Northern Quadrant outline planning application. A principle has been established, through discussion with Ward Members and the agreement of both City Plans Panel and Executive Board, that the delivery of ELOR is prioritised in the s106 package. A viability assessment is underway to determine whether other planning obligations will need to be reduced or phased to enable delivery of the scheme. This would be subject to further discussion with Ward Members.

- 5.5 The mix of housing to be provided in the East Leeds Extension is still to be determined, but is likely to be driven by the housing market in this part of the city. A Housing Market and Needs Assessment independently carried out for the Northern Quadrant indicates the scope for a broad range of housing types and sizes to meet demand from across the housing needs spectrum.
- 5.6 Subject to viability, the East Leeds Extension would be expected to deliver 15% affordable housing as part of any residential development, split between social rented and sub-market rented housing.
- 5.7 The quality of housing will become evident in more detail following the granting of any outline approval and submission of reserved matters applications to enable the first phase of house building on the Northern Quadrant site. The Local Planning Authority will seek to embed best practice in residential design through the application of its Neighbourhoods for Living planning guidance.

6 Recommendations

- 6.1 Scrutiny Board is asked to note the report and consider the responses to its previous queries.

7 Background documents¹

- 7.1 None.

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