

**Report of Director City Development**

**Report to Executive Board**

**Date: 18<sup>th</sup> November 2015**

**Subject: Regeneration Progress in East Leeds**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Killingbeck & Seacroft, Gipton & Harehills	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" 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. The Council has a key leadership role in stimulating, supporting and delivering regeneration in parts of the city that have not benefitted from economic success and related investment to the same extent as its more prosperous areas. East Leeds is one of the city's priority areas for such work. This report sets out progress in securing investment and supporting the delivery of new housing developments across the area that will help drive further positive and sustainable changes for local communities.
2. The delivery of housing is critical to supporting the city's growth, realising the Vision for Leeds and delivering the Best Council Plan. New homes and the investment that comes with them will play a central role in meeting the needs of current and future residents of Leeds; enabling families and children to be healthy and to succeed; meeting older people's needs and preference to live at home independently; and in helping communities realise ambitions for the regeneration of their neighbourhoods.
3. East Leeds will see extensive new housing development in future years with the development of land within the East Leeds Extension, Grimes Dyke and on Manston Lane. In addition mixed use and commercial led development will come forward at Thorpe Park and in the Leeds City Region Enterprise Zone at J45 of the M1.

4. However, there is a substantial amount of brownfield land in the inner area, which will play a vital role in ensuring an appropriate balance of housing development on greenfield and previously developed land, and which has the potential to support the wider regeneration of some of the more deprived parts of East Leeds.
5. The Council has a key role in bringing brownfield sites forward for development where it owns land, in working with other landowners to enable development of third party sites and in providing guidance and certainty to stimulate the necessary investment to get the best value and outcomes for local people and their neighbourhoods.
6. Over the last two years the Council has worked closely with residents, Ward Members and other stakeholders to create a Neighbourhood Framework for the Killingbeck and Seacroft area that will set out a local vision for regeneration, identify and help promote development opportunities to developers, guide development schemes, inform the determination of planning applications and identify wider improvements to ensure that new development is sustainable and provides benefits to the wider community.
7. The Framework, appended, identifies opportunities for housing development on both Council and third party land, improvements to open space and green connectivity, improvements to public transport including walking and cycling to help local people access training and job opportunities in the local area, and sets out the likely need for new schools and additional local facilities to meet growing demand as a result of population growth and new housing development.
8. This report also advises Executive Board of the intention to accept a loan from the West Yorkshire Combined Authority through the Local Growth Fund, to further enable the development of brownfield sites currently in its ownership.

## **Recommendations:**

Executive Board is recommended to:

- (i) Note the progress made in bringing forward new housing development in East Leeds;
- (ii) Note that the Council has secured a Local Growth Fund loan to support the development of brownfield sites in East Leeds and that the Deputy Chief Executive can approve that the Council enters into the loan agreement under existing delegations;
- (iii) Note the preparation of the Killingbeck and Seacroft Neighbourhood Framework;
- (iv) Agree the development principles and approach included within the framework as summarised in paragraphs 3.23 - 3.40 of this report;
- (v) Approve that the Director of City Development makes future changes to the Framework to ensure consistency with the Site Allocations Plan upon its adoption.

## **1. Purpose of this report**

- 1.1 This report provides an overview of the Council's positive and proactive enabling activity to progress regeneration in the urban areas of East Leeds, focusing on the role of new housing developments in providing the investment required to deliver sustainable neighbourhood improvements.
- 1.2 It sets out the principles and primary proposals within the Neighbourhood Framework for Killingbeck and Seacroft and seeks approval to this document.
- 1.3 Executive Board is also asked to note the intention to accept a Local Growth Fund loan from the West Yorkshire Combined Authority, to be injected into the capital programme to support the Brownfield Land Programme.

## **2. Background information**

- 2.1 The delivery of new housing is critical to supporting the city's growth, realising the Vision for Leeds and delivering the Best Council Plan. It plays a key role in meeting the needs of current and future residents of Leeds; enabling families and children to be healthy and to succeed; meeting older people's needs and preference to live independently at home; and in helping communities realise ambitions for the regeneration of their neighbourhoods.
- 2.2 The Council has a key leadership role in stimulating and supporting housing development, particularly in areas of the city where there are challenging market conditions and on sites where there may be complex technical and delivery challenges to resolve. In many of the Council's priority regeneration areas, new housing and regeneration investment will principally come through the development of brownfield land, where the Council takes a proactive approach to addressing such issues, working in partnership with developers and other public agencies.
- 2.3 The city's regeneration areas are sustainable locations for new homes, but have not been the focus of significant market-led housing development as in some more prosperous parts of the city. The Council therefore has a key role to play in bringing its own land forward for development, working with other landowners to unlock sites and in providing guidance and certainty to stimulate the necessary investment for regeneration to get the best value and outcomes for local people and their neighbourhoods.
- 2.4 In January 2004, the proposals for the regeneration of the East and South East of Leeds (EASEL) first emerged and were recognised as an ambitious and multi-faceted regeneration programme which was intended to utilise the assets held by the Council, capture the expertise of the private sector and develop a vehicle which could maximise the generation of resources for the benefit of the area. Bellway was duly selected as the partner to deliver the regeneration ambitions for the area and entered in to a Strategic Development Agreement with the Council in 2008 for the development of over 700 homes on eight sites across Gipton and Seacroft. Although, the EASEL programme was hit hard by the economic and housing market downturn and has not delivered as originally intended, there has been a steady programme of delivery of almost 400 new homes.

- 2.5 Coming out of the downturn, the Council has sought other routes through which the investment in new homes and infrastructure for East Leeds can be attracted and secured. Development of brownfield land in these inner areas should also now be seen in the context of proposed new housing developments in the wider East Leeds area, through the development of land within the East Leeds Extension, Grimes Dyke and on sites at Manston Lane. In addition mixed use and commercial led development will come forward at Thorpe Park and in the Leeds City Region Enterprise Zone at J45 of the M1.
- 2.6 In January 2013, Executive Board agreed to establish a Brownfield Land Programme which sought to progress the delivery of new housing on Council sites in the city's more marginal locations, to support neighbourhood regeneration. In November 2014, Executive Board agreed to the use of the Homes and Communities Agency's Delivery Partner Panel as a means of procuring one or more development partners to accelerate delivery at scale.
- 2.7 Further, in March 2015 Executive Board noted the ongoing approach to supporting the acceleration of housing growth as a 'breakthrough project' and that the Council had been successful in provisionally securing funding through the Local Growth Fund to support the development of brownfield sites in East Leeds.
- 2.8 The main part of the report provides a progress update on how the Council is progressing enabling activity to support the delivery of regeneration in East Leeds, together with related matters for Executive Board's consideration, covering:
- Current and forthcoming housing developments, including progress on the Brownfield Land Programme;
  - Funding for site development and new development guidance proposed through the Killingbeck and Seacroft Neighbourhood Framework

### **3. Main Issues**

#### **Progress on Housing Developments in East Leeds**

- 3.1 Following gradual recovery of the housing market since 2008 there are now positive indications that new residential development, if properly enabled and co-ordinated, can offer a sound basis for delivering neighbourhood regeneration plans across East Leeds.
- 3.2 At Barnbow development of former industrial sites has progressed with Bellway and Optare having built out circa 120 units since 2012/13. Further progress on these sites will be closely linked to the availability of new road infrastructure at Manston Lane to be provided through the development of Thorpe Park.
- 3.3 Despite the recession Bellway was able to develop four sites in Gipton, the most recently completed being 51 homes at Thorn Walk. Bellway has recently submitted a planning application for 100 homes on land at Oak Tree Mount in Gipton and recommenced development of the Parkside site in Seacroft, which following sale to the developer by the Council in 2008 had been partially built out

but mothballed by 2012, due to very slow sales rates causing viability challenges for the developer.

- 3.4 However, Bellway has been unable to bring forward schemes on land at Amberton Terrace, Gipton, and the former York Road depot site in Seacroft, which were included within the EASEL Development Agreement as it considers these sites to be unviable due to site conditions, abnormal costs and achievable sales prices. These sites will now be subsumed back into the Council's Brownfield Land Programme.
- 3.5 In Halton Moor, Gleasons is building 44 houses on land acquired from a third party at Cartmell Beck comprising a mix of two, three and four bedroom houses.
- 3.6 In March 2015, the Homes and Communities Agency (HCA) announced its selected developer for the Seacroft Hospital site, with a partnership of Keepmoat and Ignite (Strata Homes) currently undertaking pre-planning application consultation on a c500 home development scheme, part of which is a brownfield site.
- 3.7 Following a marketing exercise started in May 2014, the Council has exchanged contracts with Strata Homes for the disposal of two sites at Asket Drive, Seacroft. Planning approval for a 128 home scheme was granted in October 2015 and completion of the sale is imminent; development is expected to commence on site in January 2016.
- 3.8 In July 2015 the Council invited expressions of interest from the HCA's Delivery Partner Panel for the development of 33 ha of land in two packages across Seacroft (8 no. sites/ 26 ha) and Halton Moor (5 no. sites/ 7 ha). The response to this has been very positive with the procurement now moving into a tendering phase. It is anticipated that preferred bidder(s) will be selected early in 2016, following which a development agreement will be entered into and planning consents sought.
- 3.9 The Council is utilising the HCA's Delivery Partner Panel on the premise that the procurement process is simple, includes key delivery partners, and allows for a quicker start on site and more certainty over development of a large package of land, than would be achieved through more traditional, individual disposals. The programme aims to secure delivery partner(s) and commence development of the first of up to 1,000 new homes across the areas by early 2017.
- 3.10 However, the area does remain challenging in parts and there remains a need for the Council to take a leadership role, continue to provide guidance and to seek, stimulate and co-ordinate both public funding and third party development interest.

### **Funding for Site Development**

- 3.11 In recognition of the residual challenges to making market-lead development work in some parts of East Leeds, the Council has secured in principle £1.1m of funding from West Yorkshire Combined Authority's (WYCA) Local Growth Fund, to support the development of brownfield sites.

- 3.12 Local Growth Funding cannot be offered as a grant to the Council, with WYCA offering loans through this fund and requiring at least the value of its investment to be returned in due course. The Council proposes to accept a loan at 0% interest to fund infrastructure works on sites within the Brownfield Land Programme, with the objective to improve their viability for development. It is anticipated that the funds will be made available as a 0% loan to the developer(s) selected through the Delivery Partner Panel process described above.
- 3.13 Following the sale of the sites and completion of the loan funded works, the loan will be repaid to the Council. The Council will then repay its original loan from WYCA provided sufficient receipt is achieved from the sale of the land. However, some flexibility has been agreed, which would allow the Council the opportunity to recycle the loan to support further brownfield sites in East Leeds to be brought forward for development.
- 3.14 The Deputy Chief Executive can approve the terms of the LGF loan as negotiated between the Council and WYCA, under existing treasury management delegations.

### **Killingbeck and Seacroft Neighbourhood Framework**

- 3.15 The Seacroft area has large areas of brownfield land and will be a focus for the Council's activity in bringing forward new homes.
- 3.16 To help to guide and promote future development here and to ensure the benefits of investment are realised as part of an integrated approach to regeneration, a strategy is required which helps set out local aspirations for change, the delivery of which could be supported by new development through S106 contributions and the Community Infrastructure Levy.
- 3.17 On this basis, a Neighbourhood Framework has been prepared for Killingbeck and Seacroft which:
- accompanies and strengthens existing neighbourhood management and partnership work by articulating the community and stakeholders aspirations for physical changes and new development;
  - promotes development opportunities to potential investors and developers;
  - provides guidance to developers about the key principles for future development.
- 3.18 The Localism Act provides the communities in areas such as Seacroft with the opportunity to come together to lead the preparation of a Neighbourhood Plan. A Seacroft Neighbourhood Planning group has been set up and is now constituted as a Neighbourhood Forum to develop a Neighbourhood Plan for the area. The Council has engaged with the Forum and the Framework presented in this report is likely to form the basis for any future work on a Neighbourhood Plan by the local community.
- 3.19 Scoping work on the Killingbeck and Seacroft Neighbourhood Framework commenced in June 2014 with the Killingbeck and Seacroft Ward Members who have supported the process throughout, with input from a range of Council services to ensure the plan provides a sustainable solution for the area. The

culmination of this work resulted in the production of a Draft Plan which was consulted on in January 2015.

- 3.20 Over 100 completed feedback forms were received through the consultation sessions which were held over a period of 6 weeks at a range of locations including shopping areas and community facilities. The feedback received from the consultation has helped to shape and inform the preparation of the Killingbeck and Seacroft Neighbourhood Framework document. Further consultation since the production of the document has taken place with the Killingbeck and Seacroft Community Leadership Team and Seacroft Neighbourhood Planning Forum. In addition consultation took place at a number of Children's and Young People's events in August 2015. There was broad support for the Framework and in particular the approach of prioritising investment into existing greenspaces and improving greenspace connectivity across the estate rather than creating new areas of greenspace as part of new development schemes. The key emphasis was on improving the image, range of children's facilities and security at the neighbourhood parks. Traffic management and traffic calming are also considered a key priority across the estate to improve safety and the local environment.
- 3.21 The vision that has emerged for the Killingbeck and Seacroft Neighbourhood is to create an attractive, well connected and sustainable place to live, in particular improving the quality and range of housing for existing residents, whilst also providing much needed housing for new residents. It is also important to make it easier for local people to access training and job opportunities in the local area, in particular the Leeds City Region Enterprise Zone, and Thorpe Park, as well as construction jobs arising from the development associated housing development in the wider East Leeds area.
- 3.22 Once approved, the framework will be used to promote regeneration opportunities to developers and guide proposals as they emerge. This will assist the delivery of the sites included in the brownfield land programme as well as helping to bring forward other investment as set out in the document. As the document sets out an overarching vision and high level development and investment opportunities, there is further work to be done to define the nature of individual schemes working with developers. There are further opportunities for community involvement as development proposals emerge and around options for greenspace investment.
- 3.23 The key elements of the framework are set out in the following paragraphs:
- Housing
- 3.24 Local people are concerned about the shortage of good quality, affordable housing in the area. People want to stay in the area to be near friends and family but there is a view that housing options and choice are limited. One of the aims of the framework is to identify future housing development sites to meet this need, whilst also seeking to attract new people the area.
- 3.25 Local people want to see more family and older people's housing. This allows existing families to grow in the area and allows older people to downsize without moving away.

- 3.26 Differing housing types and tenure to give people affordable options for owning their own property are needed. There should also be opportunities for people to buy houses on the open market. Rental properties will continue to play an important role in the area providing much needed affordable and flexible housing. Some sites lend themselves better than others to affordable or market housing. Sites of varying sizes have been identified within the framework for housing including a number of small infill sites which may be attractive in particular to small developers or housing associations. Many of the sites have been identified for redevelopment for some time following the demolition of poor quality and non-traditional housing over the last 10 years. However, some new sites have emerged through the process, which are primarily underutilised areas of land which contribute little to the overall estate environment and provide little benefit to the community in their current form.
- 3.27 Based on an average density of 30 dwellings per hectare, there is the potential to deliver circa 2000 homes across 20 development sites in Killingbeck and Seacroft. It should be noted that some sites identified in this framework will achieve lower densities given development constraints, such as topography, tree coverage and ground conditions.

#### Economy

- 3.28 For an area to be sustainable it should be accessible, have a good range of shops and facilities which meet local needs and provide local employment opportunities. Seacroft has a vibrant commercial centre with the largest concentration of shops at the Seacroft Town Centre which is anchored by Tesco Extra. This centre serves as a popular destination for shopping for both residents living in and outside the area. Opportunities that would help to diversify the range of shops in this centre would be supported.
- 3.29 There are other freestanding food stores within the area and a number of smaller shopping parades that include convenience stores that are performing well. Whilst these shops provide an important function meeting the needs of local people in the area there may be further opportunities for investment to sustain and enhance the retail offer in the future.
- 3.30 Other than 'green' leisure, Fearnville Leisure Centre lies to the west of the area. Options are currently being explored by the Council to review leisure centre provision in the area, to ensure high quality, accessible provision.
- 3.31 Development of housing will provide employment and training opportunities for local people. Improving links to surrounding areas will also be critical to helping people to access new jobs in particular at Leeds City Region Enterprise Zone which is located a J45 of the M1, Thorpe Park and the City Centre.

#### Greenspace

- 3.32 Improvements to greenspace and public realm and better pedestrian and cycle connections will help to improve the liveability of the area whilst also providing improvements to health and well-being. The key areas for investment will be The Rein, Seacroft Gardens, Seacroft Hall and Wyke Beck Valley including connections to these areas of open space.



- 3.33 Rather than providing significant new areas of greenspace as part of development schemes, developers will be encouraged to provide contributions which can be used to invest into existing greenspace. The area is currently well served with open space but its quality and usability can be improved. Equally the provision of fewer but better, safer and more accessible play areas and facilities for young people is needed. Such improvements and improved access to greenspace and nearby attractions will help to promote more active and physical recreation and make the area more child friendly. Opportunities have been identified for community led improvements which could include the creation of community gardens and local food growing schemes. This will not only improve the appearance of the area but has the potential to provide significant health benefits for residents.

#### Connectivity

- 3.34 For Killingbeck and Seacroft to become more sustainable, good connections need to be created across the area and beyond. Seacroft already has a bus station at the District Centre which benefits from regular bus services to the city centre, pedestrian and cycle routes across the area including cycle paths through Wyke Beck, however, residents want to see further improvements to help them get to nearby facilities and employment centres.
- 3.35 Bus services to the city centre are good but there are no services to nearby areas of employment such as Leeds City Region Enterprise Zone and Thorpe Park. The re-tasking of services to provide links is critical to the success of the area, allow residents the opportunity to access training and employment opportunities. The development of new housing will help to improve the viability of existing bus services and the creation of new ones to major employment growth areas. In the future there may be scope to extend the New Generation Transport line to cover the eastern side of the City which would bring significant economic regeneration benefits to the area. The introduction of New Generation Transport to East Leeds could provide important opportunities for bus services to feed into this network, making it easy to use for residents in Killingbeck and Seacroft.
- 3.36 The option of building a new road to link between North Parkway and South Parkway around the David Young Community Academy site, which could also become a bus route. This will improve connectivity across the estate and is something that developers are being encouraged to respond to as part of the land disposals being progressed through the Homes and Communities Agency's Delivery Partner Panel.
- 3.37 Walking and cycling offers one of the easiest ways to get around the local area. Investing in the infrastructure of the area with some 'low cost' improvements supported by development schemes will help to make this easier.

## Community Facilities

- 3.39 There are a number of community buildings within the area providing services run by the Council and partners. These facilities range in quality, usage and sustainability and some need to be better promoted to maximise their benefit to the local area. The Council is currently reviewing assets across the city and the framework will inform this work, so that any changes proposed to facilities and services takes place in a co-ordinated way in the context of wider neighbourhood improvements. The demand for other public services will increase as the population grows and new development is realised. The demand for health related services will increase and surgery provision will need to be reviewed.
- 3.40 Expected population growth, alongside the development of new houses will put more pressure on nursery and childcare provision, as well as primary and secondary schools. Opportunities to expand existing schools are already being addressed and new schools may be required.

## **4. Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Ward Members for Killingbeck and Seacroft and Temple Newsam (for Halton Moor) have been engaged in the work to bring sites through the DPP procurement and have supported the intention to remediate, prepare and develop them for housing.
- 4.1.2 Consultation on the Killingbeck and Seacroft Neighbourhood Framework has been extensive and robust, covering local residents, community leaders, ward members, Council services and external partners, as well as the Seacroft Neighbourhood Planning Group. The Executive Member for Regeneration, Transport and Planning has also been briefed.
- 4.1.3 Scoping work on the Killingbeck and Seacroft Neighbourhood Framework was started in June 2014 with Killingbeck and Seacroft Ward Members, who have since been closely involved throughout the drafting and preparation of the document.
- 4.1.4 Public consultation on the draft framework plan took place in January 2015 and again in summer 2015. The feedback received from the consultations has been generally positive and has helped to shape and inform the preparation of the Killingbeck and Seacroft Neighbourhood Framework document. In addition officers have attended a series of events in August as part of the Children's and Young People's day. Consultation has resulted in further changes to the document and the plan.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 An Equality Impact screening was completed for the engagement and consultation phase of the Neighbourhood Framework to ensure that effective community engagement took place. The EDCI report is attached as an appendix to this report.

4.2.2 Proposed housing developments will require planning consent including a consideration of affordable housing requirements in line with Leeds City Council policy. This will include housing market assessment data and will consider the housing needs of equality groups in the neighbourhood context. The principle of working with existing community networks is perceived as the most likely to involve as wide a range of people as possible. Factors that might impact on community cohesion as new residents in different tenures arrive will be explicitly considered in response to perceived risk.

### **4.3 Council Policies and Best Council Plan**

4.3.1 The delivery of new homes on brownfield land and regeneration of deprived areas seeks to deliver the Council's Strong economy – Compassionate city ambitions. In addition, such work contributes to a number of Best Council Objectives, in particular:

- promoting sustainable and inclusive economic growth through the development of new homes including affordable provision with linked construction jobs and training opportunities;
- becoming a more efficient and enterprising Council through reducing the costs associated with managing surplus land, providing better quality living accommodation and environmental quality of neighbourhoods whilst securing New Homes Bonus income to the Council;
- building a Child Friendly City through ensuring high quality design and linked provision of play areas and open space; and
- supporting the delivery of the better lives programme by facilitating opportunities for the delivery of specialist older people's housing.

### **4.4 Resources and value for money**

4.4.1 The procurement of a delivery partner(s) through the Delivery Partner Panel is being managed through existing officer resources.

4.4.2 No specific resources have been identified to support the preparation of the neighbourhood frameworks. Officer time from within the Asset Management and Regeneration, Environment and Housing, Area Support, Planning and the Sustainable Design Unit has been met from within existing resources. Costs of community consultation, printing and any other work to inform the preparation of the frameworks has been met by the Regeneration Programmes Division budget.

4.4.3 The majority of development sites identified in the framework are Council owned and could provide a capital receipt for the Council. There are costs associated with the implementation of some of the wider improvements identified in the framework such as greenspace enhancements. Possible grant funding sources and the use of planning contributions will assist with the delivery of such work.

- 4.4.4 The Council has secured in principle £1.1m of funding from the Leeds City Region Local Enterprise Partnerships (LEP) Local Growth Fund (LGF), to support the development of eight sites in East Leeds through infrastructure works. The loan is provided at a 0% rate of interest, and is provided on the basis that where possible it will be repaid by the Council following disposal of sites for development.
- 4.4.5 The Deputy Chief Executive can approve the terms of the LGF loan as negotiated between the Council and LEP, under existing delegations. It is intended to accept the loan and complete the related agreement.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 Local Growth Fund approval is subject to a legal agreement with the West Yorkshire Combined Authority. Legal advice on the terms of this agreement has been provided through solicitors in the Projects, Programmes and Procurement Unit.
- 4.5.2 There are no specific legal implications on the Neighbourhood Framework. Legal input will be required as the Council engages with developers to bring forward schemes.

#### **4.6 Risk Management**

- 4.6.1 The bringing together of the Neighbourhood Framework has been managed according to the principles of the Council's DSC project management methodology. The principle risks associated with this work concern the need to ensure proper engagement with local stakeholders and to effectively identify the full range of local issues such that the Framework has a basis in fact and is deliverable.
- 4.6.2 The drafting of the framework is the product of robust research and consultation and has been brought forward with full reference to the Council's activities in reviewing development potential. As such it is considered that there are minimal risks to the Council in agreeing the Framework as a tool for assisting planning and guiding development in the area.
- 4.6.3 The majority of sites are consistent with the Site Allocations Plan. However, there are some sites that contain areas of greenspace that need to be considered through the Site Allocations process. These sites are presently out to consultation and there may be opportunities to consider the particular greenspace sites before submission to the Secretary of State. The adopted Core Strategy includes policies which allow for off-site greenspace improvements to compensate for the loss of existing greenspace which will need to be applied in bringing these sites forward, if the Site Allocation Plan proposals are adopted in their current form.
- 4.6.4 A range of options for the way the Local Growth Funding could be used to support development have been considered. The Council has also sought Counsel advice to ensure the funding is used in a state aid compliant way. It is proposed to pass the funding onto the developer(s) selected through the Delivery Partner Panel procurement process via a loan agreement. The bidders will be asked to set out their approach to using the loan on publicly adoptable infrastructure and for its repayment to the Council upon completion. The approach proposed

represents the best value for money as it removes the risk of the Council using the funding on potentially abortive works in advance of site disposal, ensures the funds will be targeted at necessary works, reduces standalone preliminary costs and complies with state aid requirements.

- 4.6.5 The Council will undertake full legal, financial and commercial due diligence checks on developers bidding to take forward this work to enable a consideration of any risks of default in making loans on the basis described. The Council will also place a charge on the sites for the value of any loan, until repaid.

## **5. Conclusions**

- 5.1 There are positive signs of market recovery and housing development gathering pace across the urban areas of East Leeds, offering a sound basis for progressing local regeneration plans. The Council's own activities to enable this are moving forward, with both availability of funding and procurement of partner or partners also progressing
- 5.2 The Council owns a number of brownfield sites in the Killingbeck and Seacroft areas which could come forward as part of this work and to ensure the local regeneration vision is clear, to promote the area to developers, assist in the determination of planning applications a Neighbourhood Framework has been prepared setting out where new housing could be developed and the other investment needs in the area to ensure that all residents benefit.
- 5.3 The Framework has been prepared with substantial input from ward members and the local community. Once approved, the document will be disseminated widely and published on the Council website.

## **6. Recommendations**

- 6.1 Executive Board is recommended to:
- i) Note the progress made in bringing forward new housing development in East Leeds;
  - ii) Note that the Council has secured a Local Growth Fund loan to support the development of brownfield sites in East Leeds and that the Deputy Chief Executive can approve that the Council enters into the loan agreement under existing delegations;
  - iii) Note the preparation of the Killingbeck and Seacroft Neighbourhood Framework;
  - iv) Agree the development principles and approach included within the framework as summarised in paragraphs 3.23 - 3.40 of this report;
  - v) Approve that the Director of City Development makes future changes to the Framework to ensure consistency with the Site Allocations Plan upon its adoption.

## **7 Appendix**

7.1 Killingbeck and Seacroft Neighbourhood Framework document and the Engagement and Consultation report.

7.2 EDCI screening

## **8 Background documents<sup>1</sup>**

8.1 None

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<sup>1</sup> 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.