



## Report of the Chief Planning Officer

### *CITY PLANS PANEL*

Date: 2<sup>nd</sup> February 2017

**Subject: 16/07088/RM – Reserved Matters application for the first phase residential building pursuant to outline permission (14/05976/OT – mixed use offices and residential/hotel building) at the eastern end of the site bounded by Wellington St and Wellington Bridge St (formerly Yorkshire Post).**

**APPLICANT**

QUOD

**DATE VALID**

14<sup>th</sup> November 2016

**TARGET DATE**

13<sup>th</sup> February 2016

**Electoral Wards Affected:**

City and Hunslet

Yes

Ward Members consulted

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

**RECOMMENDATION:**

To approve the reserved matters application subject to a deed of variation to the existing S106 agreement attached to the outline planning permission ref. no. 14/05976/OT to make the following provisions:

- To accept a commuted sum of £716,643 towards off site affordable housing provision in lieu of on-site affordable housing provision to be paid on occupation of the first residential unit
- The retention of the building as a Private Rented Scheme for a minimum period of 10 years from first occupation
- To secure payment of an additional sum of £468,989 on the sale of the first of any unit to be sold within 10 years of the occupation of the building

## 1.0 INTRODUCTION:

- 1.1 This report considers the first phase of development of the former Yorkshire Post site. Members will be aware that the site has now been vacated by Yorkshire Post and that the building has been demolished. Outline planning permission for a mixed use scheme, consisting of 3 office buildings and one residential and/or hotel building was granted after consideration of the scheme by Members at Panel in February 2015. It is this latter hotel/residential building which is now being brought forward as the first phase of development. It is proposed that the building be for residential use and operated under the Private Rented Sector (PRS) model, where all units would be rented out by one operator rather than offered for sale. It was originally estimated that the number of units in the scheme would be 204. However, now that the scheme has been properly space-planned 242 units are able to be provided.
- 1.2 This scheme was presented to Members at pre-application stage and the minutes of this are referred to in paragraph 4.3 below. The principles of the use, the footprint and the height of the building have already been established and therefore the primary physical consideration is the architectural treatment. Given it is in a prominent location adjacent the River Aire, and is between 11 and 18 storeys in height, it was considered appropriate to bring it before Members for determination.
- 1.3 In addition, it is proposed to change the affordable housing obligations in the completed Section 106 Agreement to enable a PRS model of housing to be delivered on the site.

## **2.0 SITE AND SURROUNDINGS:**

- 2.1 The first phase site is approximately half of the total 1.87 hectare former Yorkshire Post site. In addition to the building, an area of temporary landscaping fronting Wellington Street has also been included, as well as a temporary site access road to the Inner Ring Road to the west (this link being a requirement of Highways Services and controlled by condition attached to the original outline).
- 2.2 The site is now cleared following the demolition of the Yorkshire Post Building and is generally flat. It is bound by Wellington Street to the north, the low-rise car park of the Crowne Plaza hotel and the Wellington Place multi-storey car park to the east, the River Aire to the south, and the remainder of the site which gives way to the Inner Ring Road slip road (Wellington Bridge St) to the west. The surrounding area has a mix of uses comprising offices, hotels, small scale retail and residential. A number of large scale developments have been built in close proximity to the site:
- City Island Development (Residential), immediately south of the site on the opposite side of the River Aire. The development consists of two 6-15 storey curved stepped blocks and a 10-18 storey tower.
  - Wellington Place (Mixed Use), to the east of the Yorkshire Post site. The proposal consists of up to 200,000 sqm of commercial, retail, leisure and residential space in buildings of up to 19 storeys.

To the north of Wellington Street is a vacant and cleared site and a row of low rise office buildings.

## **3.0 PROPOSAL**

- 3.1 The proposal is a Reserved Matters application pursuant to the outline permission and is for a PRS residential building on the south-eastern quarter of the site. As part

of the outline it was considered appropriate to locate the residential use here as it is some distance from the primary road frontages where the impact on amenity from road traffic noise and air quality could be minimised and also had the benefit of its proximity to the River Aire.

### 3.2 Relationship to Outline Scheme

The outline approval set out a series of plans indicating the footprints of the buildings, routes through the scheme, linkages to surrounding routes and public open space areas as well as heights of each building. The footprint of the proposed building is very similar to that approved as part of the parameters plan at outline stage. The building runs parallel to the eastern boundary of the site and steps down towards the river from a height of 18 storeys down to 11 storeys fronting the river. The pedestrian route beneath the building, proposed as part of the outline approval, has been removed in favour of a cut back at the southern end of the building for reasons of pedestrian safety and the operational requirements of the commercial unit at the southern end of the building facing the river. This point was accepted by Members at pre-application stage.

### 3.3 Elevational Treatment

The elevations have been amended since the pre-application presentation and now consist of the following 3 elements:

- A vertical tower at the northern end of the building, which is of brick with a vertical bronze coloured standing seam metal cladding strip to be located on its northern and southern elevations. This has been introduced to express the verticality of this element and visually lighten the top of the tower. The corner balconies have bronze metal screens as a feature detail which also serves to protect them from wind. These are recessed all the way up the tower and again emphasises the verticality, adding depth and detail.
- An 11 storey, horizontally oriented, brick section fronting the river, again with corner balconies and bronze detailing. There is also a feature bronze clad and glazed residents lounge and terrace on the 11<sup>th</sup> floor overlooking the river.
- Located between these two brick elements would be a link element, again of bronze standing seam cladding, which would be slightly recessed from the plane of the two brick elements. This would rise up between them and turn horizontally towards the river, presenting a 3 storey element over the block below. This creates the step down towards the river required by the outline parameters.

3.4 The ground floor has larger glazed windows and is of a deeper floor to ceiling height to create a base to the building and provide visual interest on the northern, western and southern elevations.

### 3.5 Uses

The ground floor contains the entrance area to the PRS units and would be located at the base of the tower at the northern end of the building. This would give access to the main reception, which would be staffed by a concierge, and further space which is for the benefit of the residents (a number of uses for this area have been proposed e.g. work space areas with Wifi, pool tables/indoor gaming, kitchen, gymnasium).

3.6 Towards the centre of the ground floor would be a storage facility available to residents to store items they may possess, but do not need access to on a regular

basis. This part of the building would also contain servicing areas including refuse storage and back of house for the commercial (bar/restaurant) unit all access from the eastern side of the building where the vehicle servicing/turning area is located. To the south of this would be the restaurant/bar element located to take advantage of the river frontage.

3.7 The upper floors of the building would accommodate the 242 no. apartments as well as a communal lounge and external terrace area on the 11th floor, for the use of the residents of the building, with views over the waterfront. In all 570 sqm of space would be provided for communal use. The building would have Wifi and satellite television channels.

### 3.8 Private Rented Sector (PRS)

The applicant has provided the following statement in respect of the benefits of PRS schemes.

#### Security of Tenancy and Affordability

‘Private rented accommodation provides in a large part housing for those unable to access social housing stock (because they are not classed as vulnerable) but who do not have sufficient income to enter private market of ‘for sale’ housing. Renting has become the choice of a demographic who wish to live close to city centres where they work and socialise.

PRS provides affordable quality accommodation for this demographic in the right locations, with secure and professionally managed tenancies. This is in comparison to most people who rent privately who have a tenancy that lasts for six months or one year. Landlords offering this type of tenancy often only need to give two months’ notice to evict the tenant.

PRS schemes offer longer term tenancies and can ensure high quality management through single ownership.’

#### Delivery and Regeneration

‘One of the key benefits of PRS is the ability to accelerate delivery of housing at scale, making a significant contribution to the UK’s housing supply and at a mid-market price point to match local housing needs.

The advantages of new PRS developments are that homes can be let much faster than those which can be sold. They can be delivered quickly and add vibrancy early in the life of a regeneration project.....it is therefore highly suitable to large scale development and regeneration.’

### 3.9 Housing Mix

The proposal contains 111no. 1 bedroom apartments and 131no. 2 bedroom apartments.

### 3.10 Unit Size

The layouts of the 1 and 2 bedroom units have been provided and this indicates that the 1 bedroom units would be 45 sqm in area with the 2 bedroom units being between 63 sqm and 67 sqm (excluding the balcony areas of 4-5sqm).

All bedrooms would be doubles and in the case of the majority of the 2 bedroom units, one of the bedrooms would also have an en suite shower-room.

### 3.11 Affordable Housing

In respect of Affordable Housing the applicant has provided the following statement within the submitted documentation:

#### Affordable Housing

'The affordable housing obligation in the existing S106 is currently not appropriate for a PRS operator. The economics of a PRS scheme are entirely different, given that the capital values that can be realised for such an investment are lower. This is recognised in the National Planning Policy Guidance, which requires Local Planning Authorities to adopt leniency to ensure the viability of PRS schemes. (see para. 5.3)

In this case, the provision of around 50% of the total site infrastructure within this first phase of development (to the wider benefit of the regeneration of this site) also represents a significant 'up front' cost by the developer (*£2m of a total open space cost estimated at £3.5m*).

The modification does not, however, seek a reduction in the level of affordable housing - rather an alternative way of providing a 'policy compliant' contribution through a commuted sum payment.

A commuted sum payment, rather than on site provision, is entirely appropriate in planning terms. It is not possible to involve a third party Registered Social Landlord (RSL) to manage affordable units on site, due to the funding model used to finance the PRS scheme.

Whilst Grainger (the PRS provider in this case) manage affordable units through their subsidiary Grainger Trust elsewhere (in the south of England only), their involvement to manage only 12 units in a scheme in Leeds would be highly inefficient, unfeasible and not a reasonable expectation for the business.

Any restriction on the title of the development would have a direct impact on the attractiveness of the scheme for investors, which would have a knock on implication for the delivery of Phase 1 and the amount of up-front infrastructure being delivered in this first phase.

It is therefore more beneficial, and appropriate in planning terms, to provide funds towards the delivery of identified affordable housing schemes elsewhere in Leeds, as well as ensuring the deliverability of 242 PRS units.'

- 3.12 The S106 agreement attached to the outline permission requires that 5% of the units would be provided as affordable with 40% being sub-market/intermediate affordable units and 60% being social rented affordable units, in line with adopted policies. There is a fall-back position of providing a commuted sum if it is not possible to attract an RSL.
- 3.13 The proposal is to provide a level of affordable housing commuted sum in line with the Council's latest benchmark values. This will represent a sum equivalent to 5% of the total number of units (i.e. 12 units based on the 242 units in total) and split 5:7 between 1 and 2 bed units respectively in order to reflect the higher number of 2

bedroom units within the scheme. The applicant has provided justification for a figure of £716,643.

3.14 In order to provide some assurance that the units will be maintained as PRS rental units the applicant has stated that they would commit to an overage payment in the event that any units are sold on the open market within the first 10 years from the first occupation of the building. This payment would be the difference between the commuted sum based on Private Rented Sector values and the commuted sum based on open market values and is calculated at £468,989

### 3.15 Highways Access and Pedestrian Linkage

The first phase of development will deliver the vehicular access into the site from Wellington Street. This leads down the eastern side of the site to a turning and servicing area. From this area the basement car park would be accessed via a ramp. The basement would accommodate 72 parking spaces and 180 secure cycle spaces (including 4 disabled and 8 EV charge points). Space for a Car Club vehicle will be provided on the surface in the vehicle turning and servicing area.

3.16 It is not necessary to deliver the new access junction from Wellington Bridge Street as part of the first phase of development. However, a temporary route will be provided across the site from the existing junction to serve the residential building. Measures will be put in place to prevent access to the areas of the site which are not to be developed as part of this phase.

### 3.17 Landscaping

The site is to receive some of its permanent landscaping as well as some temporary treatment. The spaces to be provided can be defined in distinct areas which are referred to below:

- The Riverside - this is to receive the permanent treatment for the partial width of the site of approximately 40m. This area is contained behind the existing river wall and would be predominantly taken up with riverside walkway, but would also contain some planting. This will rise up, via a series of steps and a disabled access ramp, to the area at the base of the building. This elevated terrace area would contain both hard landscaping, to provide room for cafe and restaurant seating and planted areas, including trees. There is an obligation in the S106 for the developer to permit the pedestrian connection of the application site to Wellington Place, although, at this time, the adjoining part of the neighbouring site has not yet been developed.
- The Connector - this joins the riverside space to the south, to the main plaza (see below) to the north. This would be hard landscaped around the base of the building along its western side, in order to facilitate the expected pedestrian flows. A hoarding would be located along the western side of the connector where it is adjacent the areas of the site which are not being developed as part of this first phase. This would consist of alternating solid panels, containing art work, and open mesh, to allow views through.
- The Plaza – located to the north of the building this area would receive the permanent landscaping treatment on its southern side, around the building's main entrance, but would give way to a temporary grassed area (see below) running up to the Wellington St frontage. The Plaza will be one of two main spaces (along with The Riverside) on the completion of the scheme. It will be

a predominantly hard space, but with some planting, including trees, and small lawn areas. High quality paving will be used as well as seating and lighting.

- The temporary grassed area – this is to be laid out along the Wellington St frontage to provide a setting for the new building, prior to the construction of the buildings which have outline permission in this location. This would provide a considerable improvement to the street scene on the Wellington St frontage. It is unsustainable to carry out the permanent surface treatment here as it would simply have to be ripped up to construct the future phases. Tree planting is also to be included adjacent the Wellington Street access to the site.

The existing hoardings to the road frontage would be removed on completion of the residential building. To Wellington St these would then expose the new grassed area and along the Wellington Bridge St frontage the existing solid hoardings would be replaced by the alternating solid and mesh arrangement. The temporary vehicular route across the site would be defined by a timber knee rail with trees and shrubs located in 2.6m square planters spaced out along the northern side of the route.

### 3.18 Other works

In addition to the residential building the applicant has advised that this first phase will bring forward a range of other works to serve the remaining three plots, ensuring a significant amount of the infrastructure is already in place for future phases. This includes substantial amounts of the flood risk alleviation and scheme drainage works, including underground water storage tank, the removal of contaminated materials; breaking up and grubbing of former slabs and foundations across whole site; importing site materials and raising site levels generally; ducting for external CCTV systems and incoming services. The aim of this is to improve the market attractiveness of the site and bring about prospective early delivery of the office elements of the development. All sustainability issues are controlled by a condition attached to the original outline permission.

### 3.19 Wind

A wind report has been submitted with this application which assesses the impact of the building on the wind environment around the building and the wider area. It identifies that the north-western and south-western corners of the building will be prone to high wind speeds at ground level if no mitigation is put in place. For this reason 2 no. 3m wide x 4m high perforated bronze coloured metal screens, set within brick planters, have been incorporated at these points. The report states that this will provide sufficient mitigation to 'reduce the effects of downwash and corner wind acceleration and create an environment suitable for the intended activities. Corner balconies will also be exposed to the wind and screens are being erected to the windward side of the balconies to provide protection.

3.20 The above is being peer reviewed by BRE on behalf of the Council. At the time of writing this report these works were on-going. The outcome of this will be provided to Members at Panel.

## 4.0 HISTORY

4.1 After consideration by Members at City Plans Panel, outline planning permission for the redevelopment of the site was granted on 1 April 2015 (14/05976/OT) for:

“... a mixed use scheme comprising office (B1), residential and /or hotel (C3/C1) and a flexible range of supporting uses at ground floor (A1-A5, D1 and D2) with basement car parking; public open space and modifications to the site access junctions”

This outline consent was granted with all matters reserved other than Access, with the details of new site junctions into the site approved at outline stage. These are in approximately the same location as the two existing junctions on Wellington Street and Wellington Bridge Street. The outline consent approved a series of ‘parameter plans’ which establish the layout for the scheme with certain tolerances in the building footprint at ground and upper floors. The plans also set maximum building heights as well as the locations of the public open spaces, active frontages and connectivity through the site.

4.2 The outline consent was granted subject to a S106 agreement for the following obligations: financial contributions to public transport improvements and off site highways works; compliance with the terms of the Travel Plan for the development; the submission of details for public access areas for each phase; pedestrian connection to the neighbouring land; provision of a single Car Club space within the development (included in the plans for the first phase); a section of cycle lane on Wellington Bridge Street (Cycle Superhighway Link); provision of land along the frontage of Wellington Street for the construction of an adjoining section of cycle lane; a primary education financial contribution; training and employment initiatives.

4.3 The Agreement also requires the provision of affordable housing (5%) on-site. This was based on a market housing (For Sale) scheme.

4.4 Members considered this application at pre-application stage at City Plans Panel on 9th June 2016. The minutes set out Members’ responses to the questions asked in the officer’s report:

- Members supported the emerging design for the residential block but considered that work could be done to “lighten” the upper storeys;
- In terms of views on the provision of one and two bedroom units only Members requested more information on this issue and justification why there should be no 3 bed provision;
- Members felt that the size of the units appeared to be small;
- With regards to the provision of affordable housing Members wished to have further discussions with the applicant and the mechanisms for delivery.

## **5.0 RELEVANT PLANNING POLICIES**

### **5.1 The Development Plan**

Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires the application to be determined in accordance with the development plan unless material considerations indicate otherwise. For the purposes of decision making, the Development Plan for Leeds currently comprises the following documents:

1. The Leeds Core Strategy (Adopted November 2014)
2. Saved UDP Policies (2006), included as Appendix 1 of the Core Strategy
3. The Natural Resources & Waste Local Plan (NRWLP, Adopted January 2013)
4. Any Neighbourhood Plan, once Adopted

These development plan policies are supplemented by supplementary planning guidance and documents.

Applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The policy guidance in Annex 1 to the National Planning Policy Framework (NPPF) is that due weight should be given to relevant policies in existing plans according to their degree of consistency with the NPPF. The closer the policies in the plan to the policies in the Framework, the greater the weight they may be given.

## **5.2 National Planning Policy Framework (NPPF)**

The NPPF sets out the Government's planning policies for England and how these are expected to be applied, only to the extent that it is relevant, proportionate and necessary to do so. It identifies 12 core planning principles (para 17) which include that planning should:

- Proactively drive and support sustainable economic development to deliver homes....and thriving local places. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area.
- Plans should take account of market signals, such as land prices and housing affordability
- Recognize that residential development can play an important role in ensuring the vitality of centres
- Seek high quality design and a good standard of amenity for existing and future occupants.
- Conserve and enhance the natural environment
- Encourage the effective use of land by reusing land that has been previously developed (brownfield land)
- Promote mixed use developments and encourage multiple benefits from the use of land in urban areas.
- Actively manage patterns of growth to make the fullest possible use of public transport, walking and cycling and focus significant development in locations which are, or can be, made sustainable.

Paragraph 49 states that housing applications should be considered in the context of the presumption in favour of sustainable development.

Paragraph 50 states that local authorities should deliver a wide choice of homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities.

The Government attaches great importance to the design of the built environment. Section 7 (paras 56-66) states that good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people. It is important that design is inclusive and of high quality. Key principles include:

- Establishing a strong sense of place, using streetscapes and buildings to create attractive and comfortable places to live, work and visit;
- Optimising the potential of the site to accommodate development;
- Respond to local character and history;
- Reflect the identity of local surroundings and materials, while not preventing or discouraging appropriate innovation;

- Development to be visually attractive as a result of good architecture and appropriate landscaping.

### **5.3 National Planning Practice Guidance (NPPG)**

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

#### **The private rented sector**

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

### **5.4 Leeds Core Strategy**

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. The most relevant policies are set out below:

CC1 outlines the planned growth within the City Centre for 10,200 new dwellings.

G5 sets out the requirement for open space provision in commercial and mixed use developments.

H2 refers to new housing development. The development will be acceptable in principle providing the development does not exceed the capacity of transport, educational and health infrastructure and the development should accord with accessibility standards.

H4 states that developments should include an appropriate mix of dwelling types and sizes to address needs measured over the long-term taking into account the nature of the development and character of the location.

H5 states that the Council will seek affordable housing from all new developments either on-site, off-site or by way of a financial contribution if it is not possible on site.

P10 requires new development to be based on a thorough contextual analysis to provide good design appropriate to its scale and function, delivering high quality innovative design and enhancing existing landscapes and spaces.

T1 & T2 identify transport management and accessibility requirements for new development.

EN1 and EN2 set out the sustainable construction and on-going sustainability measures for new development.

Other relevant Core Strategy policies include:

Policy EN4 district heating

Policy EN5 Managing flood risk

Policy ID2 Planning obligations and developer contributions

Policy G1 Enhancing and extending green infrastructure

Policy G2 Creation of new tree cover

Policy G3 Standards for open space, sport and recreation

Policy G5 Open space provision in the City Centre

Policy G9 Biodiversity improvements

### **5.5 Leeds Unitary Development Plan Review 2006 (UDPR) Saved Policies**

The site lies within the designated City Centre. Saved policies that are relevant to this scheme are:

GP5 all relevant planning considerations

BD2 new buildings

N25 boundary treatments

### **5.6 Leeds Natural Resources and Waste DPD 2013**

The plan sets out where land is needed to enable the City to manage resources, e.g. minerals, energy, waste and water over the next 15 years, and identifies specific actions which will help use natural resources in a more efficient way. The policy requirements of this plan were taken into account when determining the outline proposal.

### **5.7 Site Allocations Plan (SAP)**

The Site Allocations Plan is in the process of preparation. It is tasked with allocating and identifying sufficient housing and employment land to meet requirements set out in the Core Strategy in locations that best accord with policy of the Core Strategy. It is also designating green space for protection and refreshing town centre boundaries and shopping frontages. The Publication Draft was subject to public consultation September – November 2015, and again for the Outer North East area September – November 2016. Development Plan Panel agreed changes for all areas except Outer North East in June and July 2016 and for Outer North East in January 2017, as recommendations to Executive Board. Executive Board and Full Council are expected to approve submission of the plan in April 2017 following advertisement of pre-submission changes.

The wider, former Yorkshire Post, site is allocated as site MX1-24 and is for mixed use offices and residential including 204 units (this number being taken from the estimated total of residential units set out in the outline approval).

### **5.8 Relevant Supplementary Planning Guidance includes:**

SPD Tall Buildings Design Guide – States that the western end of Wellington Street is a location for tall buildings as it is a gateway location, on one of the main approaches to the city as well as adjacent the Inner Ring Road where a 'string' of tall buildings is considered to be appropriate (evidenced by the City Island and Hotel/Student development already constructed).

SPD Travel Plans

SPD Building for Tomorrow Today: Sustainable Design and Construction

SPD Street Design Guide

City Centre Urban Design Strategy

Leeds Waterfront Strategy

## 5.9 Residential Amenity Standards – Nationally Described Space Standards:

The Council's aspirations for good standards of amenity and living conditions responds to guidance within the National Planning Policy Framework which states that a good standard of amenity for future occupants is one of the core planning principles. The Council's Executive Board (September 2014) agreed to bring forward the Leeds Standard for Council schemes which sets out the importance of excellent quality housing in supporting the economic growth ambitions of the Council. This standard closely reflects the Government's 'Technical Housing Standards – Nationally Described Space Standard' which seek to promote a good standard of internal amenity for all housing types and tenures. This sets out that a 1 bedroom (2 person) apartment should be 50 sqm in area and a 2 bedroom (4 person) apartment should be 70 sqm. For a double bedroom to be considered of sufficient size it needs to be a minimum of 11.5 sqm.

Whilst neither of these documents has yet been adopted as formal planning policy in Leeds, given their evidence base in determining the minimum space requirements, they are a material consideration in the determination of development proposals.

## 6.0 CONSULTATION RESPONSES

### 6.1 Statutory:

Environment Agency: No further comment to make given that the necessary conditions are already attached to the outline planning permission.

Canal & River Trust: No objection

### 6.2 Non-Statutory:

Highways Services: The layout of the basement car parking area and provision of 72 spaces (including 4 disabled and 8 EV charge points) is acceptable, as is the provision of 180 cycle parking spaces. The surface layout is as set out in the outline proposal and will provide sufficient space for servicing, refuse collections, drop-off and the Car Club parking space. The temporary route across the remainder of the site to the western access point needs to be provided as part of this phase.

Flood Risk Management: The details submitted with the application are in accordance with the outline approval and are acceptable.

Sustainability Nature: No objection

Wind (Peer review by BRE): As stated above, the outcome of this will be provided to Members at Panel.

## 7.0 RESPONSES FROM PUBLIC

7.1 A letter of objection has been received from Leeds Civic Trust (LCT) which makes the following points:

- The building does not fulfil the promise set out at outline stage which showed a sloping roof and terraces stepping back from the south.
- Instead of the building being treated as a single entity it steps up awkwardly as different volumes, accentuated by the variety of materials which serve to create a confused elevational appearance.

- LCT Fear that if the other blocks are treated in this way then the opportunity to create a distinctive identity, will have been lost.

However, LCT Support the landscaping strategy which they consider is well thought out and provides clear public realm structure with identifiable spaces in different locations. They would wish to see a more pedestrian dominated space at the Wellington Street entrance.

## **8.0 APPRAISAL**

### **8.1 Use**

The uses fully accord with those approved at outline stage and are therefore considered by officers to be acceptable.

### **8.2 Design**

The amendments made to the scheme since the pre-application presentation have refined the building's detailed design. This has resulted in an increase to the perceived slenderness of the tallest part of the building through the introduction of the vertical cladding and rationalization of the lower levels by the simplification of the ground floor. This results in a clearer rationale to the elevations.

8.3 The architectural composition consists of the 3 interlocking elements, with the central section, highlighted by the bronze cladding, cleverly making the transition between the tower element and the lower horizontal block. It also provides the step down towards the river required by the outline parameters. Therefore, contrary to the criticism made by the LCT, it is considered that there is clear logic to the composition.

8.4 The palette is relatively restricted to the use of brick, standing seam bronze cladding, and glass, rather than the use of too great a variety of materials, as alleged by the LCT. Brick is the predominant material which is in evidence across a number of residential schemes that front the River Aire, including Waterman's Place, Whitehall Quay and City Island. These are all considered to be successful schemes which enhance their setting.

8.5 The bronze cladding has been used to provide emphasis where it is required, notably the central element and the verticality of the tower, where the fact that it runs all the way up the building results in both a reduction in the amount of brick, and ties the tower to the other areas of cladding. This indicates a clear and consistent use of materials, rather than too great a variety. It is considered that, given the strong principle on which this design is based and the clear rationale for the use of the materials proposed, this building would provide a high quality addition to the range of architectural styles which front the River Aire.

8.6 The LCT has also raised a potential concern over the loss of distinctiveness if all of the buildings on this site were to be developed like this proposal. However, this is the only residential building on the site and office schemes generally have different characteristics to residential buildings, with an increased amount of glazing for natural lighting and less requirement for privacy, as well as different Buildings Regulation requirements to satisfy. Therefore, it is highly unlikely that the other 3 buildings would come forward in the same architectural style as this proposal. These would be taken through the pre-application process, in the same way that this building has, and so Members would have full involvement in their design development and ultimately their determination.

8.7 The outline approval agreed a set of parameters and the detailed design is a Reserved Matter. The proposal is in accordance with the approved parameters in terms of height and does step down towards the river. The office tower at the north western corner of the site is retained as the focal point of the development, being 6m higher than the tallest part of this residential phase, and therefore the main principle on which the original outline was based is still supported by this building.

8.8 Landscaping

The design of the landscaping submitted is supportive of the principles set out in the outline permission. It includes parts of all of the major elements of the final scheme as well as the temporary provision of the grassed area fronting Wellington St, which would open up the entire northern boundary of the site to views through to the building and the river beyond. This phase of development would deliver a significant amount of the total public realm and also contribute to the amenity of residents. This represents a substantial up-front investment and will also assist in promoting this part of Wellington Street with the objective of promoting further development in this area. The landscape design and the materials proposed to be used on both the permanent and temporary parts of the scheme are of high quality and are considered by officers to be acceptable

8.9 The boundary fronting Wellington Bridge St would be improved through the inclusion of a visually permeable hoarding to replace the current solid structure. This fulfils the requirements of a safe and secure boundary whilst improving the visual appearance to the street frontage and is welcomed. The temporary vehicle route through the site would be simply defined and provide a pleasant and open appearance, with views across to the new building and the river. This would fulfil the requirements of Highways Service's and is considered by officers to be acceptable.

8.10 Housing Mix

The proposal is for 1 and 2 bedroom units only, with no provision of 3 bedroom units. Core Strategy Policy H4 (Housing Mix) requires developments to include an 'appropriate mix of dwelling types and sizes taking into account the nature of development and character of the location'. Whilst a 'Preferred Housing Mix' is provided, this reflects forecast housing needs for the entire district over the plan period. It does not provide a target mix for individual developments – which should have regard to the difference in demand in different parts of the City and the form of the development.

8.11 The mix of 1 and 2 bed units proposed has been informed by the applicant's experience in delivering PRS schemes and their understanding of the needs of the market and target demographic in city centre locations. In order to explain this position, the submitted Housing Needs Assessment and Planning Statement set out the following:

'growth in rental demand over the last decade has been primarily driven by the 25-34 age group with renters in this age group more than doubling since 2003 (50% of this age group in the country are now renting privately). The increase in rental demand from this demographic is a result of a number of factors including more flexible working patterns, trends of sharing accommodation and later family formation.

Rental growth has also coincided with population growth in city centres – again led by the young, educated and single demographic. This is reflected in the existing resident profile of Leeds City Centre. Around 90% of its population...are aged between 15 and 39 with the majority (62%) within the

20-30 age group. This is significantly greater than the proportion that this age group comprise over the whole of the District (18%). The statistics also demonstrate that less than 2% of the population of the City Centre are children aged 0-14 and 2% are over 55.

In Grainger's experience 3 bed units in city centre locations would simply attract sharers rather than families – *and* even then they would be less popular than 2 bed units for sharers.'

- 8.12 The proposal does not discriminate against families renting units within the scheme, although it would be families with one child. It is also noted that, unlike many residential schemes, no studio units are being proposed here.
- 8.13 The provision of only 1 and 2 bedroom units is a requirement of the applicant given their experience of the market and in this situation, on balance, the lack of provision of 3 bedroom units is not considered to be a sufficient reason to justify refusal.
- 8.14 Unit size  
The unit sizes proposed are below those set out in the NDDS. The main reason for this is that the internal corridors and partitions have been minimized in lieu of a sprinkler fire protection system. The applicant has provided comparison layouts which demonstrate the difference between the proposed units and those with a standard corridor layout for both one and two bedroom options. In general the difference is the removal of the entrance hall from the proposed units with access being directly into the living/kitchen area.
- 8.15 Officers have looked in detail at these comparisons. It is considered that all of the proposed units contain sufficient room and facilities to provide space for the carrying out of day to day activities, such as watching television in a lounge area and sitting to eat at a permanently erected dining table, as well as the ability to accommodate a number of visitors. All main bathrooms have baths and one of the bedrooms, in a majority of the 2 bedroom units, has an en suite. Bedrooms are located to either side of the lounge, which affords them better separation and are larger than the size set out in the NDDS of 11.5 sqm. Balcony space of 4 sqm has also been provided for many of the 2 bedroom units which is excluded from the size calculations.
- 8.16 Within PRS developments there is also the provision of communal facilities which are very rarely provided as part of general market schemes. In this case the building provides a ground floor facility for the provision of a number of suggested uses e.g. work space areas with Wifi, pool tables/indoor gaming, kitchen, gymnasium etc. There is also the ground floor additional storage area and the 11<sup>th</sup> floor resident's lounge and terrace facing out over the river. These facilities provide the residents with the ability to use space that is not included in the usual unit floor space calculation.
- 8.17 The units still retain an open plan feel, individual room sizes meet NDDS standards and there is the ability to carry out all the functions within each apartment that would be expected of a self-contained unit of accommodation. Therefore, it is considered that the proposed units are of sufficient size to provide an acceptable standard of accommodation, with the added advantage of having access to the range of ancillary functions within the building, and are supported by officers.
- 8.18 Affordable Housing  
It is accepted that PRS housing has specific characteristics, brought about through its funding model, which makes it unsuitable for the delivery of on-site Affordable

Housing provision through an RSL. In some PRS schemes it has been possible to secure on site provision of affordable units to be managed directly by the PRS provider with compliance to a Local Lettings Policy, although none of these schemes have yet been built on site. In this case, it has not been possible to achieve this on site provision, and the following points are considered most pertinent in the applicant's justification for the provision of a commuted sum in lieu of on-site provision:

'As a FTSE 250 Listed Company Grainger plc is primarily focused on making profits and providing competitive total returns to its investors. This means optimising rents to maintain occupation at between 96-98% through careful tenant selection, efficient service provision and standardised processes. The introduction of any form of tenure that differs from the normal private renter would require the support of their subsidiary, Grainger Trust, which is a 'for profit' RP regulated by the HCA.

Grainger Trust does not own and manage any property outside London or Hampshire and is not set up to operate in Leeds. The involvement of Grainger Trust to manage just 12 units in a building of 242 units in this location would significantly disrupt the leasing and management processes for the building. This would be highly inefficient, unfeasible and not a reasonable expectation for the business.

Where Grainger do manage affordable units on site (through Grainger Trust) full control is retained over the tenant nominations, with exactly the same criteria as those paying full market rent. The business could not therefore agree to a restrictive lettings policy which required different qualifications for the 'affordable' units. This qualification along with a vulnerable tenant group would present management issues to the group. Grainger would be unable to provide the level of management support needed by the affordable tenants at the same time as satisfying the demands of the PRS tenants.

The introduction of different ownerships into the building would compromise the model sold to Grainger's investors as well as introduce complications of administration by requiring intercompany charging.

The on-site provision of 12no affordable units would therefore have a direct impact on the attractiveness of the scheme for Grainger's investors. This would have a knock on implication for the delivery of the first phase of development of the Yorkshire Post site and the amount of up-front infrastructure being delivered in this first phase.

There are unique site-wide infrastructure costs associated with the first phase of this development. Around £2m of the total £3.5m external works package for the entire site will be delivered as part of the first phase. This investment is required to secure Grainger's commitment as the first occupier of the site. It will also provide a significant proportion of the servicing for the three remaining plots on site, thereby catalysing future investment.

A requirement to provide the affordable housing requirement on site therefore undermines the delivery of the first phase and investment in a large amount of site wide infrastructure for the benefit of the regeneration of the rest of the site.

The applicant is not seeking to reduce the affordable housing liability through this approach. The commuted sum offer represents a contribution that is financially equivalent to an on-site provision.'

8.19 The applicant is not seeking to step around the provision of affordable housing but is seeking to make a payment of £716,643 in order that this contribution can assist in the provision of units elsewhere, at a location which is within the discretion of The Council. The National Guidance set out above makes a distinction for PRS provision which states that:

'The economics of such schemes differ from build to sale and should be determined on a case by case basis. To help ensure these schemes remain viable while improving the diversity of housing to meet local needs, local planning authorities should consider the appropriate level of planning obligations, including for affordable housing, and when these payments are required'.

8.20 Members will be aware that different approaches to the provision of affordable housing have been taken on other PRS sites, and this demonstrates that The Council is adopting an approach in line with National Guidance. Policy H5 of the adopted Core Strategy also refers to the payment of commuted sums in lieu of on-site provision where there is a robust justification for no on-site provision.

8.21 The Council has a number of housing schemes/proposals to meet the housing needs of the city which this money could be used to fund as referred to in the report to Executive Board in September 2016. The applicant has offered a commuted sum based on the PRS value of the flats, rather than their value as open market housing. Whilst this is acceptable provided the flats remain as PRS units, The Council would expect an up-lift in value for open market flats. As a result it is proposed that, should the applicant decide to sell just one of the units within 10 years of first occupation, then the further payment of £468,989 would be made to the Council.

8.22 Given the case set out above by the applicant, it is clear that there is a robust justification for not providing affordable housing on site and therefore the payment of a commuted sum is considered by officers to be acceptable.

8.23 Obligations

A deed of variation is required to the existing S106 agreement to reflect the position set out above. It is proposed that clauses which cover the following provisions be introduced:

- To accept a commuted sum of £716,643 towards off site affordable housing provision in lieu of on-site affordable housing provision to be paid on occupation of the first residential unit
- The retention of the building as a Private Rented Scheme for a minimum period of 10 years from first occupation
- To secure payment of an additional sum of £468,989 on the sale of the first of any unit to be sold within 10 years of the occupation of the building

**9.0 CONCLUSION**

- 9.1 This proposal will bring forward much needed residential accommodation in a prominent city centre location in accordance with the objectives of the NPPF and Core Strategy Policies CC1 and H2. The design of the building has been carefully considered, is of a high quality and of appropriate materials in this riverside setting in accordance with Core Strategy Policy P10. The front-end loading of a number of site-wide facilities will provide an attractive appearance in the street scene to the benefit of this part of the city centre (Core Strategy policy G1) as well as helping to generate interest in developing the remainder of the site
- 9.2 The applicant is experienced in the provision of this type of unit and therefore knows the target market. Whilst the unit sizes are below those set out in the NDDS they would still provide an acceptable quality of accommodation and, alongside the range of other facilities available to residents, are considered to be acceptable. The PRS scheme would also mean that these units can be constructed and fully occupied in a much shorter time period than if the units were to be sold.
- 9.3 The proposal will clearly assist in the regeneration of this part of the city centre where a large amount of cleared and vacant land exists and would hopefully act as a catalyst for the future development of this area. The Affordable Housing commuted sum (NPPG and Core Strategy Policy H5) being provided would also assist in funding the development of affordable housing in another part of the city thereby widening the impact of the proposal beyond its own site boundary.

**BACKGROUND PAPERS:**

Pre-application file: PREAPP/14/00564

Outline Planning Permission: 14/05976/OT

Report to Executive Board: 21<sup>st</sup> September 2016 – Investment of Affordable Housing Planning Obligation Funding

KEY

-  Phase one boundary
-  Proposed building
- HARD LANDSCAPE**
-  Paving - Primary spaces
-  Banding - Primary spaces
-  General paving
-  Building threshold paving
-  Paving - Trafficked areas
-  Bonded gravel paving - Riverfront
-  Tarmac roads
-  Bound gravel paving  
Cycle path
-  Proposed kerbs
-  Proposed concrete wall
-  Timber topped concrete bench
-  Proposed bollard
-  Proposed 1.2m post and rail fence
-  Proposed knee rail
-  Temporary vehicle mitigation barrier

- SOFT LANDSCAPE**
-  Lawn
-  Shrub and Herbaceous planting
-  Hedge planting - maximum 800mm l
-  Hedge planting - maximum 1.2m hig
-  Proposed tree in hard landscape
-  Proposed tree in soft landscape
-  Proposed multi-stem shrub
-  Proposed tree in planter
-  Existing trees to be retained during phase one works



NOTES:  
This drawing is to be read in conjunction with all relevant contract documentation from the design team, with any conflicting information to be brought to the attention of re-form landscape architecture limited in writing before commencing on site.

All dimensions in mm, unless otherwise stated.  
Do not scale from this drawing.

DATE	DRAWN	DESCRIPTION OF REVISION	REVISION LETTER	CHECKED BY
13.01.17	JB	MINOR MODIFICATION TO LANDSCAPE DESIGN	P02	GD

**re-form**  
landscape architecture

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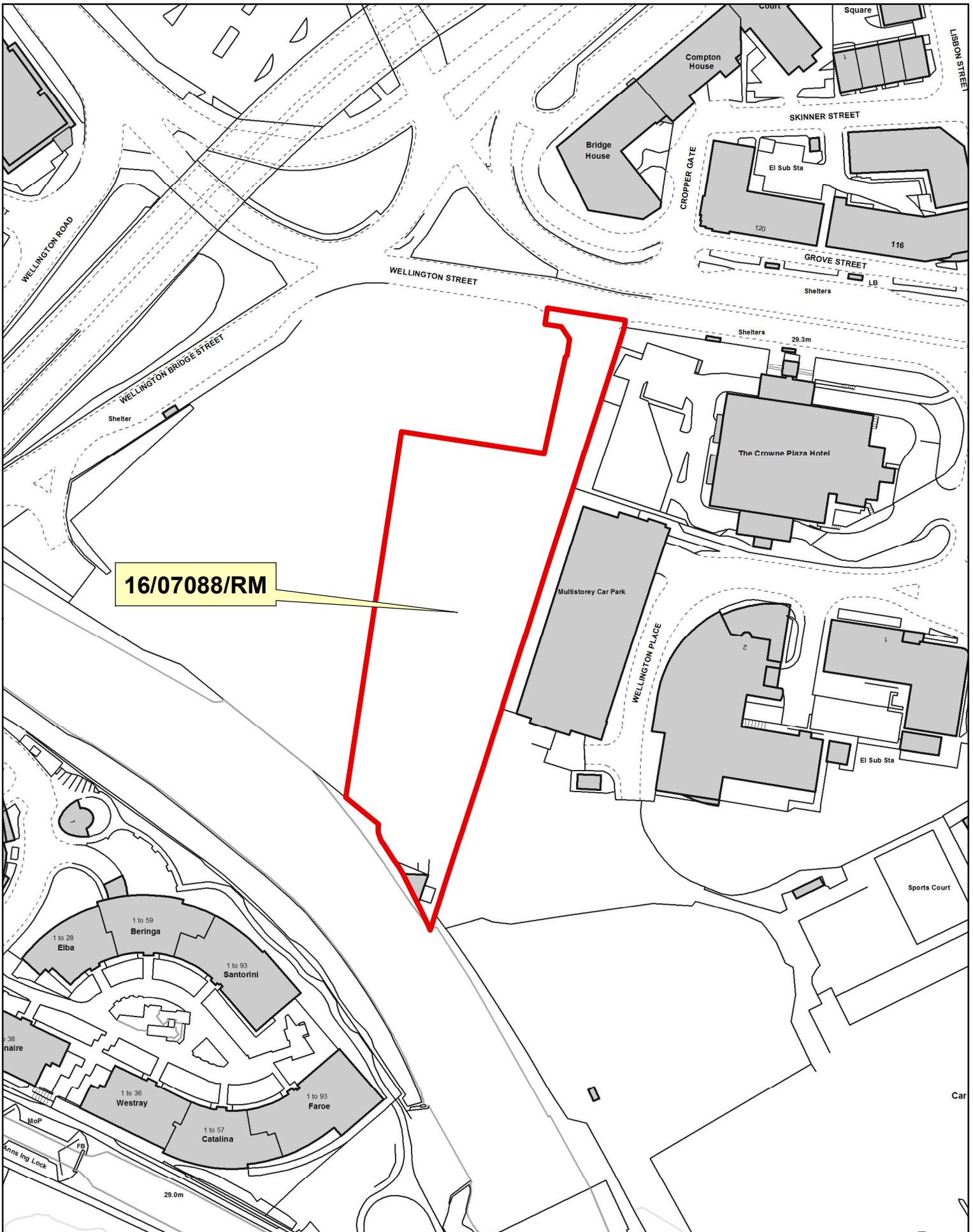
Drawing status -  
**PLANNING**

Client -  
YP REAL ESTATE LIMITED

Project -  
FORMER YORKSHIRE POST SITE, LEEDS

Drawing title -  
PHASE ONE AND TEMPORARY WORKS PLAN -  
COLOUR

Drawing scale - 1:500	Drawn by - KJ	Drawn date - AUGUST 2016
Paper size - A1	Checked by - GD	Checked date - AUGUST 2016
Drawing number - RF16-323-L10	Revision - P02	



**16/07088/RM**

# CITY PLANS PANEL

