



Report of the Chief Planning Officer

CITY PLANS PANEL

Date: 10th October 2019

Subject: Major planning application for Build to Rent residential development of 7-22 storeys with 349 no. apartments, landscaping, basement parking and associated works at land off Marsh Lane, Saxton Lane and Flax Place, Leeds, LS9 8HE (Application reference 19/01010/FU)

Applicant – Court Collaboration

<p>Electoral Wards Affected:</p> <p>Burmantofts and Richmond Hill</p> <p><input type="checkbox"/> Yes Ward Members consulted</p>	<p>Specific Implications For:</p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input type="checkbox"/></p>
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RECOMMENDATION: DEFER and DELEGATE to the Chief Planning Officer for approval subject to the draft conditions attached to this report at Appendix 1 (and any others which he might consider appropriate) and also the completion of a Section 106 Agreement to include the following obligations:

- 15 Affordable housing units to be provided on site (see paragraph 9.10)
- Public access to open space area to be accessible 24 hours
- Contribution towards legible Leeds wayfinding (£32,000)
- Contribution to changes to TRO's (£20,000)
- Contribution for loss of on street car parking spaces (£36,000)
- Wayfinding contribution (£32,000)
- Residential Travel Plan Fund including a contribution towards the proposed footbridge over Marsh Lane (£87,337.25)
- Travel Plan review fee (£4,494)
- Employment and training opportunities

In the circumstances where the Section 106 Agreement has not been completed within 3 months of the resolution to grant planning permission, the final determination of the application shall be delegated to the Chief Planning Officer.

1.0 INTRODUCTION:

- 1.1 Members were presented with this scheme at pre-application stage on 13th September 2018 and the scheme was generally well received (see paragraph 4.1). Since this time the building form has evolved and the areas around the base of the building and the public route through the site developed further.

2.0 SITE AND SURROUNDINGS:

- 2.1 The site is currently occupied by 2 low level metal clad industrial style sheds, currently used as a church and childcare/nursery facility, with a car park sitting between the two accessed from Saxton Lane to the south. The site is surrounded by a mix of palisade fencing and brick walling and is prominently located on Marsh Lane being clearly visible from the gyratory system.

To the north of the site is the elevated railway viaduct which is the only rail route into the eastern side of the city. This increases the prominence of the site as it is clearly visible when arriving into the city by train. The arches contain commercial uses which range from a food premises to vehicle repair and servicing. To the north of the viaduct is the vacant former Marsh Lane goods yard and the clearly visible presence of Quarry House.

- 2.2 To the south is a commercial garage/M.O.T. site, a 12 storey metal clad student housing scheme at 1 Mill Street and the Leeds Central Ambulance Station (Saxton Lane is an ambulance 'Blue Route'). To the south-west is the 'Gateway' residential development up to 14 storeys which sits in the middle of the gyratory system.
- 2.3 Immediately to the east of Flax Place is the site of the booster station for the Leeds District Heating Network (Leeds Pipes) which is in a low rise building with a 20m high exhaust flue. To the south-east is the Saxton Gardens residential scheme which grows in height to 8 storeys as it rises up the hill.
- 2.4 The site is located within the defined City Centre but is not allocated for a specific use on the Local Development Framework (LDF) Policies Map. The site lies within the boundary of the Aire Valley Leeds Area Action Plan (AVLAAP).

3.0 PROPOSAL:

- 3.1 Two buildings are proposed separated by public realm which provides a permeable route for pedestrians from Saxton Lane to the south, through to Railway Street to the north and then on through the railway arches to the Marsh Lane/Shannon St development area and Quarry Hill. The taller Block A, facing Marsh Lane, is linear in plan sitting above a wider ground floor podium and steps from 18 to 20 to 22 floors in order to create interest on the skyline with the tallest element being located in the centre of this composition.
- 3.2 Block B, facing Flax Place, steps up from 6 to 12 and then to 18 storeys at its highest point adjacent the railway viaduct and is an open U-shaped in plan. The two buildings are 20m apart at their nearest point at first floor level but in general they are between 25m and 35m apart at the upper levels.
- 3.3 The external materials of the group of buildings is brickwork and masonry with punched window openings and a mixed palette of complementary brick tones will be used across both buildings. This will be used to set up a series of grids across the façades to create depth, visual interest and a method of tying the various elements of the buildings together. The public realm through the centre of the site will be a mix

of hard and soft landscape containing trees in raised planters. There is also an apron of land fronting Marsh Lane which would be given over to grass containing wind mitigation features supplemented by landscaping.

3.4 The scheme contains 349 no. Build to Rent (BtR) apartments comprising:

Block A:

1 Beds: 86
2 Beds: 70
Total: 156

Block B:

1 Beds: 103
2 Beds: 72
3 Beds: 18
Total: 193

3.5 The apartments range in size: 1 bed 43-53 sqm (majority 50sqm); 2 bed 67-73 sqm (majority 70sqm); 3 bed 85-88 sqm. All apartments meet the Nationally Described Space Standards (NDSS) and those L.C.C. standards contained in Policy H9 of the Core Strategy Selective Review (CSSR). The ground floors provide a 320 sqm area of residents facilities comprising a community, work and event space in the block A podium, in addition to plant, refuse and bicycle storage areas in both blocks A and B.

3.6 Vehicular access is proposed via a ramp to a basement parking area taken from Flax Place. The existing access to the site from Saxton Lane is to be closed and a lay-by for 4 vehicles introduced for car club bays and pick up/drop off without blocking the public highway. This is important to avoid potential obstruction on Saxton Lane and to its function as part of the "blue route" for the ambulance station to the south. A new layby will be created along Railway St to the north for servicing and deliveries requiring the removal of a number of on street parking bays (the loss of which will be mitigated by a Section 106 contribution).

3.7 A total of 53 parking spaces (incl. 3 no. disabled spaces) are to be provided in the basement with 5 no. Electric Vehicle Charging Points (EVCP) and 15 no. motorcycle spaces. 353no. residential and visitor bicycle storage spaces are also proposed and these will be at ground floor level for ease of access. Common parts and public realm will be managed spaces and a concierge will be provided with an office overlooking entrances and the public areas.

3.8 The main resident accesses are provided from two entrances off the public realm. The space between the buildings is 25m across at it widest point narrowing to 12m at the northern end and runs for the full depth of the site (approx. 50m).

3.9 The site has been the subject of a wind tunnel study which requires the erection of a significant number of wind mitigation devices around the perimeter of the site, within the route through the centre of the site and on the building in the form of a canopies and upstand at first floor level. These take the form of porous metal screens i.e. metal that has holes in it to allow some of the wind/air movement to pass through and which otherwise dissipates the flow of wind over its surface. Given the number of these and their prominent location, some of them will be designed as art installations.

- 3.10 There is a requirement to locate a wind mitigation screen off-site, adjacent the railway viaduct to the north-west of the site and close to the doorway into the existing commercial food premises. This is on adopted highway in an area which does not form the main pedestrian route and future cycleway.
- 3.11 The building contains the following sustainable features:
- Low U-values for external walls, glazing, roof and floors.
 - High standards of airtightness (i.e. minimising air leakage and infiltration rates through gaps and openings).
 - Energy efficient lighting throughout.
 - High efficiency motors incorporated into all building services.
 - Provision of a full building energy management system with energy metering to control and monitor all energy consuming plant and systems; and environmental conditions.
 - Utilisation of free cooling from ventilation systems where possible.
 - Provision of a lighting control system with daylight linking and occupancy sensing to limit unnecessary use of electric lighting.
 - Photovoltaic array sized to meet the requirements of the residential and landlord areas to be located on the flat rooves of the building
 - Flow restriction and low volume cisterns to demonstrate a maximum water consumption of 110 l/person/day
- 3.12 A total of 2% of the units are to be made wheelchair adaptable/accessible to meet the requirements of CSSR Policy H10 in terms of accessible homes and the applicant accepts the condition requirement for the provision of 30% of the units to be accessible and adaptable.

4.0 RELEVANT PLANNING HISTORY:

- 4.1 The scheme was presented to Members at City Plans Panel on 13th September 2018. The minutes state that:
- Subject to further discussions Members were generally supportive that the variation in heights of the proposed buildings provided sufficient interest in the built form and was acceptable on the Leeds skyline in this prominent location
 - Members were of the view that the emerging elevational treatment of the proposal was acceptable
 - Members were supportive of the emerging landscape scheme and pedestrian routes through
 - Members considered the approach to car and cycle parking provision was acceptable
 - Members expressed the view that the 5% affordable housing provision should be provided on-site.
- 4.2 Following the relocation of Alton Cars, the site has been used as a place of worship for Living Hope Church.
- 4.3 Approval was granted for a Build To Rent scheme at Flax Place at City Plans Panel in November 2017 (app. ref. 17/06296/FU). This approved 300 residential units, a retail unit, a health care centre, parking and landscaping. This was set out with a

similar 2 building approach with an area of open space located between the buildings oriented north/south. This layout sets up the possibility of a secondary pedestrian route running parallel with Flax Place which ultimately could connect to the central route forming part of the proposals which are the subject of the application at Saxton Lane. The approved Flax Place scheme would be located at the southern end of this route, with the current proposal for Saxton Lane at the northern end.

5.0 CONSULTATION RESPONSES:

5.1 Statutory

There are no statutory consultees for this site

5.2 Non-Statutory

District Valuer: Affordable housing is to be provided on site. However the applicant has submitted a viability appraisal to demonstrate that they cannot meet the Council's full affordable housing requirement. This has been independently reviewed by the District Valuer (DV). The DV has concluded that although the applicant cannot afford the full policy compliant position of 7% of the total units as affordable housing the applicant can afford to provide 4.23% (15) of the total units as affordable housing in addition to the other S106 and CIL obligations (see Appendix 2).

Highway Services: The site is in an accessible location being in close proximity to city centre services and facilities, however there is significant severance due to the major highways between the site and city centre facilities. Improvements are therefore requested to pedestrian and cycle routes including:

Improvements to pedestrian wayfinding - as the development is on the fringe of the city centre, the provision of high quality wayfinding signage is a key tool in ensuring residents have the confidence and knowledge to walk to and from the city centre. There is no quality wayfinding provision in the area currently, therefore it is appropriate for a contribution to be required for additions to the city centre pedestrian wayfinding 'Legible Leeds'. City Centre Management have identified the need for 8 new signs, at a cost of approximately £32,000.

Improvements to pedestrian connectivity- a contribution is required towards a planned pedestrian footbridge across Marsh Lane as identified in the Council's bid to central government for a Housing Infrastructure Fund.

It is noted that Saxton Lane serves as a blue light route from the Central Ambulance Station on Flax Place requiring a clear out-bound route.

The car parking, cycle parking and motor cycle parking levels are considered to be acceptable. The basement layout is acceptable and contains adequate EVCP and disabled parking spaces. The servicing arrangements on the highway are acceptable.

A stage 1 road safety audit has been carried out for the offsite highways works including the new access. This has been approved.

The provision of a construction management plan to safeguard highway amenity and safety should be controlled by planning condition.

Travelwise (Travel Planning): No objection. The legal agreement should include the Travel Plan Review Fee of £4,494; two car club bays on Saxton Lane should be protected by a TRO, signing and lining; Residential Travel Plan Fund of £87,337.25. Conditions should cover cycle parking, motorcycle parking and Electric Vehicle Charging Points

Environmental Studies Transport Strategy (Noise and internal heating/cooling): The submitted assessment of internal temperatures (Thermal Comfort Report – TM59 Saxton Lane by consultants at Yonder) indicates that there will be periods of time during warmer weather that temperatures will exceed satisfactory levels despite meeting the overheating criteria described in CIBSE TM-52 guidance document. Additionally, the ventilation strategy relies on open windows for comfort cooling. This approach is not acceptable in high noise environments adjacent to a railway and several major roads in the city centre.

The TM-52 criteria considers the amount of time where temperatures exceed 26°C in environments where noise is not a concern. It does not detail the periods of time where temperatures are for example between 20°C and 25.5°C. It can reasonably be expected that residents would open windows before temperatures reached 26°C. It is simply not appropriate to rely on the use of this methodology where there are additional environmental noise concerns.

The noise assessment by Sharpes Redmore consultants concluded that with appropriate acoustic glazing, satisfactory internal noise levels can be achieved. However, such internal noise protection is circumvented when windows are opened for comfort cooling. Without an alternative ventilations system, residents would be forced to make the choice between being uncomfortably hot or experiencing excessive noise. Measured noise levels around the site show that facades facing the road and/or rail sources significantly exceed the noise levels we would deem acceptable with open windows.

An acceptable ventilation strategy should provide occupants with the ability to make a choice over whether to open their windows in warm weather but provide a ventilation system that would allow them to keep windows closed so as not to suffer the adverse effects of environmental noise whilst maintaining comfortable room temperatures. As with the acoustic glazing specification, some apartments facing into the courtyard and screened from noise sources may be able to maintain satisfactory noise levels with windows open and so not require additional treatment.

As outlined above this team objects to the proposals. However, we believe that a technical solution is available and would be happy to consider an alternative scheme from the developer.

Further to the above response the applicant has confirmed that they will accept a planning condition to agree the details of an acceptable noise and ventilation strategy. In response the Council's Environmental Studies team has confirmed that a pre-commencement condition requiring the submission and agreement of an acoustic and ventilation strategy would be an acceptable approach, noting that the technical solution will incorporate a form of mechanical ventilation with comfort cooling to obviate the need to open windows in warm weather.

Environmental Health Air Quality: This submitted AQ assessment is showing a number of potential exceedances of the NO₂ (Nitrogen Dioxide) objective levels at ground floor level, with additional receptors within 10% of this (>36ug/m³) on floors

1 and 2. The assessment assumes a general reduction of NO₂ with height, and it is assumed that this is correct.

The applicant's representative is proposing mitigation for NO₂ for those dwellings which are estimated to be above 36ug/m³. This mitigation, takes the form of NO_x filters, to be installed within a mechanical ventilation system to the effected apartments at ground, first and second floors. It is advised that, should the proposal be fitted, maintained, and their use implemented effectively then this should address EH concerns and provide a degree of certainty that air quality will not be a limiting factor to the proposal.

Flood Risk Management: No objection subject to a condition controlling surface water drainage;

Yorkshire Water: No objection subject to conditions regarding foul and surface water drainage; no building over public sewers and other drainage features.

Sustainability - Contaminated Land: No objection subject to conditions requiring phase 2 contamination study; actions in respect of unexpected contaminants; control over imported soils.

L.C.C. Education: No objection - taking into account the flatted nature of the scheme it is likely to yield very low primary pupil numbers that could potentially be absorbed by the established schools (2 per year group). Whilst some pressure exists on local schools there is also a proposal to open a new free school close to the city centre within walking distance of this site.

Leeds Bradford Airport: Aviation obstacle lighting is to be installed which satisfies the necessary requirements

The Coal Authority: Report that there are no coal risk issues with this site.

Waste Management: The bins will have to be presented to the collection point which meet a series of criteria in terms of distance and lack of impedance.

Network Rail (NR): No objection in principle. The developer will have to liaise with NR's Assett protection team regarding the construction work. There shall be no increase in water draining towards NR assets. Other safeguards for the NR assets are set out that will be included in an informative on the decision notice. NR make it clear that 'if excavations/piling/buildings are to be located within 10m of the railway boundary a method statement should be submitted to NR for their approval'. The submitted glint and glare study provides some reassurance that train driver visibility is unlikely to be impacted by the development. In order to safeguard the position a monitoring condition is required for 24 months after the completion of the scheme. Residential use adjacent to an operational railway may result in neighbour issues arising. Consequently every endeavour should be made by the developer to provide adequate soundproofing for each dwelling. In a worst case scenario there could be trains running 24 hours a day and the soundproofing should take this into account. Therefore, method statements, soundproofing, lighting and landscaping should be the subject of conditions.

In respect of the wind mitigation screen the following need to be adhered to:

- Nothing must be attached to the viaduct itself
- The planter should be a minimum 1m from the viaduct
- The planting should be managed

- The planter must not obstruct any manholes or below-ground services

West Yorkshire Archeology Advisory Service: There are no significant archaeological implications associated with the proposed development.

Wind Consultant: The scheme has been extensively wind tunnel tested. Due to the way the testing was carried out there was a request from Atkins, who carried out the peer review for the Council, for the applicant to provide a baseline scenario for the building without mitigation. The updated testing shows that without mitigation the proposed development would result in walking conditions in and around the site that would be windier than suitable and result in strong winds (primarily in areas along Railway Street, to the north and south of block A and within the courtyard between blocks A and B).

The applicant has therefore proposed a package of mitigation measures to create a safe wind environment. This includes both soft and hard landscaping elements comprising deciduous trees, hedges, porous screens, and canopies to block A. In addition a porous screen is to be located on the adopted highway to the south of the railway viaduct.

The applicant has also proposed at the request of Atkins a method for undertaking post installation testing of the mitigation measures to ensure that they have been effective.

Atkins confirmation that the updated modelling work and the proposed approach for installation testing is considered acceptable was awaited at the time of writing this report. Members will be updated on Atkins' response at the Plans Panel meeting.

West Yorkshire Police: Provide advice to the applicant in respect of boundary treatment, defensible space, footpaths around the site, the use of bollards, lighting, CCTV, securing the basement car park, the use of the reception area, door access control systems, cycle storage mail delivery and door & window security. The applicant is aware of this advice.

6.0 PUBLIC REPRESENTATIONS

6.1 The application was advertised by site notice on 13th March 2019 and in the Yorkshire Evening Post on 15th March 2019. The following representations have been received:

6.2 Letter of objection received from Leeds Civic Trust:

LCT agree that residential use is appropriate for this area, however, objects to the following:

- There is no attempt to align with route through the site with the open railway arch to the north or to the wider local context
- Potentially, the erection of two tall towers provides an acoustic buffer to some of the worst effects of existing railway and highway conditions but the positioning of the Western tower will deprive the other block of any afternoon light.
- There would be overshadowing of 3 shops in the railway arches
- The proposal would remove a church and a nursery which will impact the local area.

- The ground floor consists of facilities for the building and only a few residential units which reduces natural surveillance
- There is no provision of shops or shared facilities at ground floor level as required by the AVLAAP
- Residential units have no outdoor space
- Personal outdoor space could be included and this would mitigate wind paths between the two buildings
- The building looks to have frameless windows and Mechanical ventilation which is contrary to BRE findings on air quality
- The facades look generic rather than specifically designed for this area
- Unit layouts look insufficient and poor
- The landscaping looks insufficient
- The roof could host a wind turbine, Photo-voltaic panels and habitats for insects and birds
- The scheme should link to the District heating network
- There is no sustainability statement

6.3 From a resident of 'Saxton', The Avenue, Richmond Hill

- Does not object to the building itself but does not believe it should be for rent only. A percentage of these properties should be sold to first time buyers as well as private sales
- The scheme should include a supermarket or doctor's surgery or both

6.4 The Living Hope Church which currently occupies the site have written to confirm that they do not object to the proposal.

6.5 The scheme was the subject of a public consultation exercise undertaken by the Applicant on 11th September 2018 at the Leeds College of Music as well as leaflets distributed to over 900 local residents and businesses and the creation of a bespoke web page to advertise the event and obtain feedback. A meeting with the Saxton Garden Resident's Association also took place. Items raised included: principle of the development; Affordable Housing; Public Open Space; Highways Infrastructure; Impact of Construction; The use of the building for community use; Height of the proposal; Daylight and sunlight to the units, Connection to the district heating network; Parking levels.

7.0 RELEVANT PLANNING POLICIES:

7.1 Statutory Context

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 at this site, the Development Plan for Leeds currently comprises the following documents:

- The Leeds Core Strategy (CS - Adopted November 2014 and CS Selective Review –Adopted September 2019)
- Saved Unitary Development Plan Review Policies (UDPR - Adopted 2006)
- The Natural Resources & Waste Local Plan (NRWLP - Adopted January 2013) including revised policies Minerals 13 and 14 (Adopted September 2015).
- Leeds Site Allocations Plan (SAP - Adopted July 2019)
- Aire Valley Leeds Area Action Plan (AVLAAP) (2017)

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

7.2 Development Plan

7.2.1 Leeds Core Strategy

The Core Strategy (CS) 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 to this application are set out below.

Spatial Policy 1: Location of Development states that:

(i) The majority of new development should be concentrated within urban areas taking advantage of existing services, high levels of accessibility and priorities for urban regeneration and an appropriate balance of brownfield and green-field land

Spatial Policy 3: seeks to maintain and enhance the role of the City Centre as an economic driver for the District and City Region, by comprehensively planning the redevelopment and re-use of vacant and under-used sites for mixed use development and areas of public space; enhancing streets and creating a network of open and green spaces to make the City Centre more attractive; and improving connections between the City Centre and adjoining neighbourhoods.

Spatial Policy 5: Aire Valley Leeds Urban Eco-settlement

Aire Valley Leeds (Urban Eco-Settlement) is identified as a strategic location, providing a minimum of 6,500 new homes.

Spatial Policy 11: includes a priority related to improved facilities for pedestrians to promote safety and accessibility, particularly connectivity between the edges of the City Centre and the City Centre itself.

Policy CC1: City Centre Development

The City Centre will be planned to accommodate at least the following:

(iii) 10,200 dwellings.

b) Encouraging residential development including new buildings and changes of use of existing buildings providing that it does not prejudice the town centre.

Policy CC3: new development will need to provide and improve walking and cycling routes connecting the City Centre with adjoining neighbourhoods.

Policy H3: housing development should meet or exceed 65 dwellings per hectare in the City Centre.

Policy H4: 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.

Policy P9: states that where proposals for development would result in the loss of an existing community facility or service, satisfactory alternative provision should be made elsewhere within the community if a sufficient level of need is identified.

Policy P10: New development for buildings and spaces, and alterations to existing, should be based on a thorough contextual analysis to provide good design appropriate to its scale and function. New development will be expected to deliver high quality innovative design that has evolved, where appropriate, through community consultation and which respects and enhances the variety of existing

landscapes, streets, spaces and buildings according to the particular local distinctiveness and wider setting of the place, contributing positively towards place making and quality of life and be accessible to all.

Policies T1 & T2: identify transport management and accessibility requirements to ensure new development is adequately served by highways and public transport, and with safe and secure access for pedestrians, cyclists and people with impaired mobility.

Policy G9: states that development will need to demonstrate biodiversity improvements.

Policies EN1 and EN2 set targets for CO2 reduction and sustainable design and construction, and at least 10% low or zero carbon energy production on-site.

Policy EN 4: Hierarchical approach to connection to a district heating system.

Policy EN5 identifies requirements to manage flood risk.

The CS Selective Review: was adopted by Full Council in September 2019 and this has resulted in the following policy changes. Subsequent to adoption, all policies subject to the CS Selective Review can now be afforded full weight.

Policy H5 - increases the amount of affordable housing to be provided and includes a new section on Affordable Housing and Build to Rent Schemes. This offers the following options: 20% of the units to be let at 20% below market rent; 7% of the units to be let on a 60/40 split lower decile/lower quartile; financial contribution for provision off site.

Policy H9 – Sets minimum space standards in line with the Nationally Described Space Standards

Policy H10 - requires accessible and adaptable housing to be provided.

Policy EN2 - requires residential development to achieve a maximum water consumption of 110 litres per person per day.

7.2.2 **Leeds Unitary Development Plan Review 2006 - Saved Policies**

Policy BD2 (Design and siting of new buildings)

Policy BD4 (Plant equipment and service areas)

Policy BD5 (All new buildings and amenity)

Policy GP5 (All planning considerations)

Policy LD1 (Landscaping schemes)

Policy CC2 (City Centre boundary)

7.2.3 **Leeds Natural Resources and Waste DPD 2013 including revised policies Minerals 13 and 14 (Adopted September 2015)**

The plan sets out where land is needed to enable the City to manage resources, like 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. Relevant policies include:

Air 1 management of air quality through new development

Water 7 surface water run-off

Land 1 contaminated land

7.2.4 **Leeds Site Allocations Plan (SAP)**

The site is not allocated for any use in the SAP

7.2.5 **Aire Valley Leeds Area Action Plan (AVLAAP) (2017)**

The site is not allocated within the AVLAAP. However, it is within the designated East Street Opportunity Area (“ESOA”) (Policy EB4), where the redevelopment of existing buildings for residential purposes is encouraged. The ESOA contains a set of principles to guide development, including:

- The development in the ESOA should enhance its role as a gateway into the city centre;
- Providing improved pedestrian and cycle connections between the Saxton Gardens, Richmond Hill and Cross Green areas and the city centre, Leeds Dock and South Bank;
- Creating active frontages on the ground floor of buildings along the main routes in the area; and
- Improving the visual and environmental quality of the East Street corridor through high quality, distinctive building design, attractive areas of new landscaping and improvements to the public realm.

Policy AVL18 states the Council will seek to improve public health outcomes, reduce health inequalities and improve the accessibility of health services in the AVL through a range of measures and interventions, including:

- 1) Promoting energy efficient new homes, promoting decentralised, lower cost energy production and distribution through the creation of local heat networks.
- 2) Use of local employment and training agreements associated with new development and improvements to the local transport network to improve connections from east and south Leeds.
- 3) Promoting ‘child friendly’ development, including safer streets and reducing the physical barriers created by major roads.
- 4) Providing new and improved green routes linking communities and key destinations.
- 5) Providing high quality new areas of green space within new development and improvements to the quality and accessibility of existing green spaces.

Policy AV17 supports the delivery of a phased heat network in AVL during the plan period forming part of a wider scheme linking to the city centre and other areas. Where a development proposal is located within a district heating network ‘cluster’, it requires as a minimum, for a scheme to be designed to allow connection to a district heating network set out under Policy EN4 (Core Strategy), subject to whether it is technically viable and appropriate and of a scale to which the policy applies.

7.3 **Supplementary Planning Guidance**

Tall Building Design Guide and draft version 2019

SPD Parking

SPD Street Design Guide

SPD Travel Plans

SPD Building for Tomorrow Today: Sustainable Design and Construction

SPD Accessible Leeds

SPG City Centre Urban Design Strategy

SPG3 Affordable Housing and the interim affordable housing policy

SPG Neighbourhoods for Living

7.4 **National Planning Policy Framework (NPPF)**

The NPPF and the National Planning Practice Guidance (NPPG) set out the national policies for England and how these are expected to be applied. One of the key principles running through the NPPF is a presumption in favour of Sustainable Development set out in three parts: Economic, Social and Environmental. The revised NPPF (2019) now seeks to tighten definitions on the presumption in favour of sustainable development, increases the emphasis on high-quality design and place-making.

Paragraph 59 of the revised NPPF directs Local Planning Authorities to apply a presumption in favour of sustainable development and that they should approve development proposals that accord with an up-to-date development plan without delay.

The below sections of the Revised NPPF are also considered to be relevant:

Section 9: Promoting Sustainable Transport – developments should give priority first to pedestrian and cycle movements and facilitate access to high quality public transport; address the needs of people with disabilities; create places that are safe, secure and attractive which minimise the scope for conflicts between pedestrians, cyclists and vehicles; avoid unnecessary street clutter; respond to local character and design standards; allow for the efficient delivery of goods, and access by service and emergency vehicles; be designed to enable charging of plug-in and other ultra-low emission vehicles in safe, accessible and convenient locations.

Section 11: Making effective use of land - Planning policies and decisions should promote an effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions. Strategic policies should set out a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously-developed or 'brownfield' land

Para 123 (c) local planning authorities should refuse applications which they consider fail to make efficient use of land, taking into account the policies in this Framework. In this context, when considering applications for housing, authorities should take a flexible approach in applying policies or guidance relating to daylight and sunlight, where they would otherwise inhibit making efficient use of a site (as long as the resulting scheme would provide acceptable living standards).

Section 12: Achieving Well-designed places

Para 127: Planning policies and decisions should ensure that developments:

- a) will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
- b) are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;
- c) are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);

- d) establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
- e) optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
- f) create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.

8.0 KEY ISSUES

Principle of the use
 Housing Mix
 Affordable housing
 Residential amenity considerations
 Scale and Form
 Elevational treatment
 Layout/Landscaping
 Transport and Access
 Wind Impact
 Climate Change and Sustainability
 Planning obligations

9.0 APPRAISAL

9.1 Principle of the Use

The surrounding area has had a significant change in character with a high number of conversions and new build residential schemes replacing former industrial and commercial uses. The proposals accord in principle with AVLAAP Policy EB4 which encourages redevelopment of existing buildings for housing in the East Street Opportunity Area. Policy CC1(b) (City Centre Development) of the Core Strategy encourages residential development in city centre locations. The site is sustainably located within the defined City Centre and thus accords with the locational priorities for development set out in Core Strategy Spatial Policy 1.

9.2 Therefore the residential use proposed would significantly contribute towards the Aire Valley and City Centre HMCA housing targets set out under CS Spatial Policies 5 and 6 respectively and, as such, is acceptable here in line with policy requirements.

9.3 Policy P9 (Community Facilities and Other Services) of the CS states that proposals for redevelopment which would result in the redevelopment of a community facility, i.e. in this case a church and nursery, is acceptable, if satisfactory alternative provision is made elsewhere within the community where there remains a need for the existing use. The Church originally objected to this proposal but has now withdrawn this objection. It is not known whether the Church and nursery are to relocate in the area. Given the city centre location there are other community uses

within these use classes in the area so as to satisfactorily provide for existing needs. Therefore, on balance, it is considered that the loss of the existing uses is not sufficient reason to justify a refusal in this case, given that the proposal is for 349 no. new units of residential accommodation for which there is identified need.

- 9.4 In respect of the objections raised to the uses proposed, planning does not recognize a distinction between residential accommodation that has been built to rent, or those that are built to sell. Therefore, it is not possible under planning legislation to insist that these units are placed on the open market.
- 9.5 The inclusion of mixed uses such as a retail or health care facility, is not able to be insisted upon here. The site is in the designated city centre boundary where a wide range of city centre facilities already exist and are within easy walking distance. Analysis of the ground floor plan shows that a significant proportion of the ground floor is used for cycle and refuse storage which has to be located at this level which also reduces the capacity for any publicly accessible uses. The ground floor would include the communal space for the scheme which provides an element of natural surveillance over the street. The scheme is secured for use by residents and so opening up the communal space to non-residents would compromise this security.
- 9.6 Housing mix
The proposals contain the mix of 1, 2 and 3 bedroom units set out above. As the proposal includes more than 250 no. units a Housing Needs Assessment has been submitted to justify the variance that will exist with the requirements of Policy H4.
- 9.7 CS Policy H4 on Housing Mix requires a minimum provision of 20% of flats be provided containing 3 bedrooms across the Local Authority area. However, the policy is to be applied with discretion and allowing the nature and location of the scheme to be taken into account when assessing housing mix. The applicant states that, given that this scheme offers just over 5% three-bed flats, and the provision of three-bed dwellings in the city centre currently stands at around 1%, this proposal would exceed the percentage of current provision in the area.
- 9.8 The applicant states that market demand in this location would follow the local demographic for younger households seeking one-bedroom flats and couples & single sharers requiring two-bedroom units. The proposal would therefore deliver housing to meet an acknowledged need for accommodation for smaller households, and it would offer sufficient variety in unit type for a scheme of this size in this City Centre location with 18 no. three-bed units included as set out above
- 9.9 Therefore, it is considered, on balance, that the overall benefits of this proposal, including the regeneration of this under-utilised site and making good use of urban land, would outweigh the Policy H4 aspiration for three bedroom flats, and that this is not considered to be sufficient reason to refuse this planning application.
- 9.10 Affordable housing
Policy H5 states that the council will seek affordable housing provision on site. The development lies within zone 4 and thus 7% provision is required. This policy also identifies that applicants may choose to submit individual viability appraisals to verify that the affordable housing target cannot be met. In such cases affordable housing provision may be reduced accordingly.

The applicant has submitted a viability appraisal which has been independently reviewed by the District Valuer. The DV has provided a report which concludes that although the applicant cannot afford the full policy compliant position of 7% of the

total units as affordable housing the applicant can afford to provide 4.23% (15) of the total units as affordable housing in addition to the other S106 and CIL obligations (see Appendix 2 for the full appraisal). The units would be provided at the Council's adopted affordable benchmark rents and proportionally reflect the mix of accommodation type and unit sizes proposed within the overall development.

The applicant has accepted this appraisal and agreed to provide the affordable units on site.

Whilst the full provision of affordable housing cannot be delivered it is clear from policy H5 and also government guidance that where a viability case is verified, affordable housing provision can be reduced, and accordingly the DV's conclusions should be accepted.

9.11 Residential amenity considerations

All apartments are designed to meet or be above the minimum space standards set out in the NDSS. The scheme has been designed around an open southerly aspect to maximize the amount of light received by each of the units. The two blocks are spaced well apart, (20m-35m at upper floor levels), to allow windows to be introduced for natural light and views out without detriment to the occupiers of the other building. The scheme is within the City Centre and enjoys the easy access this provides to all its facilities including open space. There is no requirement to provide private open space for flats and the scheme itself has a central plaza area which provides on-site open space. In view of the proposed distances between the buildings and their spatial relationship, along with the provision of shared internal and external space, the amenity of the occupiers of these buildings is considered to be acceptable in respect of outlook, daylight and amenity areas.

The site is located close to major transport infrastructure and the Leeds Pipes booster station on Flax Place. The applicant has submitted an Air Quality assessment which is showing a number of potential exceedances of the NO₂ (Nitrogen Dioxide) objective levels at ground floor level, with additional receptors within 10% of this (>36ug/m³) on floors 1 and 2. The assessment assumes a general reduction of NO₂ with height.

The applicant is proposing mitigation for NO₂ for those dwellings which are estimated to be above 36ug/m³. This mitigation, takes the form of NO_x filters, to be installed within a mechanical ventilation system to the effected apartments at ground, first and second floors. Environmental Health colleagues have accepted the findings of this report and advise that, should the proposal be fitted, maintained, and their use implemented effectively then this would address Environmental Health concerns and provide a degree of certainty that air quality will not be a limiting factor to the proposal. The details of the mitigation measures will therefore be controlled by planning condition.

Further to their consultation response, the Council's Environmental Studies team has also agreed to the use of a pre-commencement condition requiring the submission and agreement of an acoustic and ventilation strategy to ensure provision of an acceptable internal noise environment, noting that the technical solution will incorporate a form of mechanical ventilation with comfort cooling to obviate the need to open windows in warm weather.

9.12 Scale and Form

The existing Tall Buildings Design Guide SPD indicates that the appropriate zone for tall buildings is immediately to the north of the railway viaduct. The draft, revised

Design Guide document indicates preferred areas for tall buildings but none of them are close to this site. However, this site is in the immediate setting of a number of substantial buildings namely Gateway Court to the south and Quarry House to the north. It is also located adjacent to major transport routes, including Marsh Lane and the eastern approach to Leeds Railway Station, the width of which help to mitigate any unduly dominating impact at street level. Tall buildings also assist in meeting higher city centre residential density figures and making better use of urban land. In this context tall buildings are considered appropriate at this location..

9.13 The primary focus for the form of the proposal has been to create an interesting silhouette on the city skyline. The building has gone through several design iterations since pre-application stage as a result of being subject to the wind tunnel testing referred to above. However, the stepped outline of both buildings remains and there is articulation across the building's façade with chamfering now introduced around the corners. This has resulted in a more organic form with curved facades which address the shape of the site. This is in itself considered to produce an attractive form which is elevated in a way that breaks the building down into slender vertical sections in order to emphasise the form.

9.14 Elevational Treatment

Officers consider that the site is located within a context of buildings with a broad mix of elevational treatments from different architectural periods. As such the design is not required to be reflective of any particular style or character of the area. Instead, the focus is on ensuring the architecture and the materials used are both of high quality as per saved UDP Policy BD2, the Council's 'Building for Tomorrow Today' SPD and the requirements of the NPPF (paragraphs 124-131).

9.15 The facades are proposed to have a calm modernist architecture incorporating red brick and a contrasting masonry infill to provide emphasis. The building is proposed to be subdivided both horizontally and vertically in order to provide depth and layering. This detailing has been used to provide emphasis to the height of the central tallest section of the building to which the other elements are subservient. The positioning of the horizontal banding up the building serves to emphasise the slenderness whilst at the same time tying the elevations of Block A together. This produces a well ordered and elegant visual solution

9.16 This vertical and horizontal motif repeats across Block B but the colour of the frame is varied to reflect the irregularity of the plan form. Variety in the building elevations is attained through the modelling of the facades which provides interest. Officers consider the design to be appropriate for this site and that it would make a positive contribution to the context of the wider area from which it would be clearly visible.

9.17 Layout/Landscaping

The publicly accessible external open area at ground floor level between the two buildings would be above a basement car park and would be the focus of movement north/south through the site and east/west between the buildings. Therefore, the landscaping scheme is hard in nature, although some relief planting is proposed in the form of raised planters containing a combination of hedges, shrubs and trees. The open space would be accessed by steps and a ramp from the south and is at grade to the north on Railway Street due to the existing levels change being removed by the requirement to construct a basement car park. There would also be sculptural wind screens located to the southern side of the site and additional tree and soft landscaping around the perimeter of the site. It is therefore considered that the proposed landscape treatment would provide a high quality public realm in accordance with saved policy LD1 of the Unitary Development Plan.

- 9.18 The point made by an objector, that this route between the buildings is not well located, is fundamentally disagreed with. The scheme has been designed around this route, which is intended to align with that proposed on the site 100m to the south. This would allow the continuation of the north/south non-vehicular route to be achieved running parallel to Flax Place, delivering pedestrians to a point which is very close to the open viaduct arch. As a result the space between the buildings is oriented southwards which maximizes natural light penetration.
- 9.19 Transport and Access
The site is in a sustainable location with excellent access to the many amenities offered by the city centre which would be within easy walking distance, including the bus and coach stations. As such the proposal will aim to promote sustainable transport and therefore basement car parking spaces will be limited to 53 no. (incl. 3 disabled bays) which equates to 15% of the total number of units. This will also be restricted by the physical capacity of the basement to accommodate only a certain number of vehicles along with other facilities that will be required to service the building. The provision of a cycle parking space for each unit supports sustainable transport objectives
- 9.20 Highway Services have requested improvements to pedestrian wayfinding and provision of a contribution towards a planned pedestrian footbridge across Marsh Lane in order to enhance connectivity to city centre facilities. It is considered that the future residents of the site would benefit from the requested improvements which would encourage more sustainable transport movements and enhance connectivity between the city centre and adjoining areas in accordance with policies CC3, T1 and T2 of the Core Strategy. City Centre Management have identified the need for 8 new signs, at a cost of approximately £32,000 but have not identified the level of contribution to be made towards the planned footbridge.
- 9.21 The planned pedestrian footbridge across Marsh Lane is subject to the Council's bid to central government for a Housing Infrastructure Fund. The applicant has also demonstrated that the proposal is unviable if it was to meet the full affordable housing requirement identified in Core Strategy policy H5. Due to the uncertainty relating to the delivery of the footbridge and the viability case it is considered that the priority should be to maximize on-site affordable housing provision in recognition of the Council's housing need policies. As a result it has been agreed with the applicant that £50,000 will be put towards the cost of the footbridge if this project is successfully funded through the Housing Infrastructure Bid. The contribution would be taken from the identified residential travel plan fund since it would be helping to support more sustainable modes of travel. If the footbridge project does not proceed then the £50,000 would be available for wider sustainable travel measures as part of the residential travel fund.
- 9.22 Network Rail are not a statutory consultee in this case however the detailed points raised in their consultation regarding safeguarding the structure and operation of the railway line have been considered and conditions have been attached which officers consider appropriate to cover material planning considerations.
- 9.23 Wind Impact
The scheme has been extensively wind tunnel tested. Due to the way the testing was carried out there was a request from Atkins, who carried out the peer review for the Council, for the applicant to provide a baseline scenario for the building without mitigation. The updated testing shows that without mitigation the proposed development would result in walking conditions in and around the site that would be

windier than suitable and result in strong winds (primarily in areas along Railway Street, to the north and south of block A and within the courtyard between blocks A and B).

The applicant has therefore proposed an extensive package of mitigation measures to create a safe wind environment. This includes the following:

- A 2m high x 2m wide porous screen on the adopted highway to the south of the railway viaduct.
- Eleven 3m tall x 2m wide porous screens located along the northern, western and southern facades of block A
- 1m tall hedging placed along the boundary line west of block A
- 2m tall hedging placed on the south east corner of block B
- 35 deciduous trees (heights of 4m, 6m and 7m) placed around the perimeter of both blocks
- 1m tall solid bases placed within the central courtyard
- Four 1m tall shrubs placed on solid bases within the central courtyard
- Nine 4m tall deciduous trees within the central courtyard
- Canopies along the northern and southern façade of block

The applicant has also proposed at the request of Atkins a method for undertaking post installation testing of the mitigation measures to ensure that they have been effective.

Atkins confirmation that the updated modelling work and the proposed approach for installation testing is considered acceptable was awaited at the time of writing this report. Members will be updated on Atkins' response at the Plans Panel meeting

9.24 In respect of the proposed screen on the adopted highway the area currently is a wide area comprising concrete sets bounded by the railway viaduct and guard rails to Marsh Lane. It is set to one side of the pedestrian route along Railway Street. It is therefore considered that the proposed screen would not adversely affect highway amenity. The screen would be provided under a highway licence and maintained at the cost of the developer. Whether the costs form part of the Section 106 obligations or are tied to the Highway Licence is still to be determined. With regard to the request from network rail to provide a minimum 1m standoff from the viaduct, avoid obstruction to below ground services and manage any planting in this area it is considered that these matters can be controlled through the detailed design and arrangements for installing and maintaining the wind mitigation measure at this location.

9.25 Subject to Atkins confirmation, the updated wind testing demonstrates that extensive wind mitigation measures are required in order to make the development safe in terms of wind impact. However it is considered that the measures can be incorporated into the proposals without adversely affecting the visual amenity and quality of the proposed buildings and the landscaped spaces to be created around them. Accepting the extensive mitigation measures including the proposed screen on the highway would enable the best use of this urban site in line with national sustainability objectives.

9.26 Climate Change and Sustainability

Members will be aware that Leeds City Council has recently declared a Climate Change Emergency. Existing Development Plan policies seek to address the issue of climate change by ensuring that development proposals incorporate measures to

reduce the impact on non-renewable resources and carbon dioxide emissions. This development would provide 349 new City Centre dwellings, making better use of a sustainably-located vacant brownfield site. The key measures incorporated into this proposal to address climate change and sustainability concerns are summarised below.

- 9.27 Core Strategy EN1 requires all developments of 1000sqm or more to reduce the total predicted carbon dioxide emissions to achieve 20% less than the Building Regulations Target Emission Rate and provide a minimum of 10% of the predicted energy needs of the development from low carbon energy. In this case the applicant has confirmed that they would achieve the policy requirements, including the energy requirements, which would be met by utilising air source heat pumps. The applicant has also agreed to the low water usage target of 110 ltrs pppd. The applicant has also agreed to future proof the development to allow connection to the District Heating Network. (Policy EN4).
- 9.28 With regard to the adopted Parking SPD, Policy Air1 of the NRWLP and the CSSR Policy EN8, this proposal would provide 5 Electric Vehicle charging points (10%).
- 9.29 Other sustainable travel measures include provision of secure long and short stay cycle parking and provision of a Travel Plan with a residential travel fund for future residents, including promotion of the use of the City Car Club . All of these measures help to reduce car journeys and promote sustainable travel behaviour, which in turn would reduce pollution and congestion and the causes of climate change, as well as improving air quality, and promoting healthier lifestyles and wellbeing.
- 9.30 The provision of the landscaped courtyard in the centre of the site, and new tree planting around the base of the building, would assist in absorbing carbon dioxide, promote biodiversity, which would help reduce the effects of climate change and reduce the urban heat island effect.

10.0 Planning obligations

- 10.1 A legal test for the imposition of planning obligations was introduced by the Community Infrastructure Levy Regulations 2010. These provide that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:
- necessary to make the development acceptable in planning terms,
 - directly related to the development; and
 - fairly and reasonably related in scale and kind to the development.

According to the guidance, unacceptable development should not be permitted because of benefits or inducements offered by a developer which are not necessary to make the development acceptable in planning terms

- 10.2 Further to the above, and taking adopted policy requirements into considerations, there are likely to be following matters which will need to be addressed by way of a Section 106 agreement concluded with the applicant:
- Affordable Housing 4.23% on-site in a pro-rata mix of units split 60:40 lower decile:lower quartile
 - Contribution to changes to TRO's (£20,000)
 - Contribution for loss of on street car parking spaces (£36,000)
 - Contribution for wayfinding (£32,000)

- Residential Travel Plan Fund including a contribution towards the proposed footbridge over Marsh Lane (£87,337.25)
- Travel Plan review fee (£4,494)
- Cooperation with local jobs and skills initiatives

10.3 The proposed development could therefore bring about benefits for the local area and certain elements of concern or Development Plan policy requirements arising from the development could suitably be addressed via the imposition of planning obligations. In light of this it is considered that the Council is justified in seeking such obligations and others that may arise as a result of the development.

10.4 The proposal would be subject to the Community Infrastructure Levy (CIL) and the initial sum calculated is £148,477.76 (not allowing for social housing provision). This is for information only and is not a material planning consideration in the assessment of the overall planning application and decision-making process.

Conclusion

Paragraph 11 of the NPPF notes the presumption in favour of sustainable development which for decision taking means approving development proposals that accord with the development plan without delay; and where the development plan is absent, silent or relevant policies are out-of-date, granting planning permission unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits; or specific policies in the NPPF indicate development should be restricted.

This scheme makes efficient use of a city centre site to provide 349 new residential units. The site is at the edge of the city centre and so its redevelopment will contribute to the continuing regeneration of the area, as well as assist in making the transition between city centre development and the nearby communities at Saxton Gardens and Richmond Hill beyond. The form of the proposal is designed to respond to the constraints of the site and the elevational treatment is considered to be of high quality.

The scheme would provide a range of dwelling sizes, as well as providing jobs both during construction and following completion. The proposal is policy compliant in terms of accessibility and sustainability.

Wind mitigation has been extensively employed to make the area around the base of the building safe and post construction testing will seek to ensure this is the case. Affordable Housing will be provided in line with the position set out above and is the best that can be achieved whilst retaining the schemes viability.

The proposal is generally in accordance with the Development Plan and national planning policy as described above. For the above reasons Members are recommended to approve the recommendation set out above and approve this application subject to the draft conditions in the appendix and the obligations to be contained in the S106 agreement.

Background Papers:

Application ref. 19/01010/FU

Flax Place 300 residential units application ref. 17/06296/FU

Appendix 1 – Draft Planning Conditions

Appendix 2 – District Valuers Financial Viability Appraisal

DRAFT

Applicant Court Collaboration (Projects)
Limited

Application Number: 19/01010/FU

Agent: QUOD
J Martin-King
Capitol
Bond Court
Leeds
LS1 5SP

Proposed Development At: Saxton Lane, Leeds, LS9 8HE,

Proposal: Demolition of existing buildings, construction of two buildings up to 22 storeys with 349 apartments (Class C3 and/or C4) including communal areas for residential use, servicing, basement car parking, landscaping, public open space and highway works

- 1) The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Imposed pursuant to the provisions of Section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004.

- 2) The development hereby permitted shall be carried out in accordance with the approved plans listed in the Plans Schedule (dated 25.09.19)

For the avoidance of doubt and in the interests of proper planning.

- 3) Prior to the installation of any external facing materials, a full size sample panel of all external facing materials to be used, including walling, roofing and glazing materials, shall be constructed on-site and approved in writing by the Local Planning Authority. The external cladding and glazing materials shall be constructed in strict accordance with the sample panel which shall not be demolished prior to the completion of the development.

In the interests of visual amenity

- 4) No ground level surfacing works shall take place until details and samples of all surfacing materials have been submitted to and approved in writing by the Local Planning Authority. Such materials shall be made available on site prior to the commencement of their use, for the inspection of the Local Planning Authority who shall be notified in writing of their availability. The surfacing works shall be constructed from the materials thereby approved and completed prior to the occupation of the building.

In the interests of visual amenity

- 5) Landscaping works shall not commence until full details of both hard and soft landscape works, including an implementation programme, have been submitted to and approved in writing by the Local Planning Authority. Hard landscape works shall include:

- (a) proposed finished levels,
- (b) pedestrian access and circulation areas,
- (c) hard surfacing areas,
- (d) minor artefacts and structures (e.g. seating, directional signs, lighting, tree grilles etc.),
- (e) proposed and existing functional services above and below ground (e.g. drainage, power cables, communication cables, pipelines etc., indicating lines, manholes, supports etc.).

Soft landscape works shall include:

- (f) planting plans,
- (g) written specifications (including soil depths, tree pits, cultivation and other operations associated with plant and grass establishment);
- and
- (h) schedules of plants noting species, planting sizes and proposed numbers/densities.

All hard and soft landscaping works shall be carried out in accordance with the approved details, approved implementation programme and British Standard BS 4428:1989 Code of Practice for General Landscape Operations. The developer shall complete the approved landscaping works and confirm this in writing to the Local Planning Authority prior to the date agreed in the implementation programme.

In order that the site is developed with an appropriate quality of landscaping treatment

- 6) A landscape management plan, including long term design objectives, management responsibilities and maintenance schedules shall be submitted to and approved in writing by the Local Planning Authority prior to the occupation of the development. The landscape management plan shall be implemented in accordance with the approved details.

In order that the landscaping provided on the site is maintained to a high standard

- 7) If within a period of five years from the date of the planting of any tree/hedge/shrub that tree/hedge/shrub, or any replacement, is removed, uprooted or destroyed or dies, or becomes, in the opinion of the Local Planning Authority, seriously damaged or defective, another tree/hedge/shrub of the same species and size as that originally planted shall be planted in the same location as soon as reasonably possible and no later than the first available planting season, unless otherwise agreed in writing by the Local Planning Authority.

In order that the landscaping on site is maintained to a high standard

- 8) Prior to the construction of the following elements working drawing details at a scale of at least 1 to 20 shall be submitted to and approved in writing by the Local Planning Authority:
 - (i) Detail of roof line treatments and ground floor treatments
 - (ii) Section drawings of each type of window detail and the depths of the reveals
 - (iii) All new external doors and entrances
 - (iv) Section drawings of the junctions of different materials
 These items shall then be constructed in accordance with the details thereby approved.

In the interests of visual amenity

- 9) The proposed medium intensity CEL-MI-ACWGAM obstacle lights shown on drawing reference 2960 800 shall be fixed to the proposed building following completion of Building A and thereafter retained on site.

In the interests of aviation safety

- 10) No works shall begin on the relevant phase of development until a Statement of Construction Practice for that phase has been submitted to and approved in writing by the Local Planning Authority. The Statement of Construction Practice shall include full details of:
- a) the methods to be employed to prevent mud, grit and dirt being carried onto the public highway from the development hereby approved;
 - b) measures to control the emissions of dust and dirt during construction;
 - c) details of access, storage, parking, loading and unloading of all contractors' plant, equipment, materials and vehicles (including workforce parking);
 - d) the hours of construction and
 - e) how this Statement of Construction Practice will be made publicly available by the developer.

The approved details shall be implemented at the commencement of work on site, and shall thereafter be retained and employed until completion of works on site. The Statement of Construction Practice shall be made publicly available for the lifetime of the construction

- 11) phase of the development in accordance with the approved method of publicity. In the interests of highway safety and the amenity of local residents and occupiers Plant and machinery operated from the site shall limit noise to a level no higher than the existing background noise level (L90) when measured at noise sensitive premises, with the measurements and assessment made in accordance with BS4142:2014. The rating level shall include the addition of any character corrections as appropriate. If the character is unknown at the design stage or cannot be evidenced then a penalty of 5dB should be applied to take into account of potential corrections.

In the interests of residential amenity and in accordance with adopted Leeds UDP Review (2006) Policy GP5 and the National Planning Policy Framework

- 12) Prior to installation of the proposed vehicular access to the site, a plan showing details of the proposed vehicular access including vertical alignment, will be submitted to and approved in writing by the Local Planning Authority. The access shall be constructed as approved and retained for the lifetime of the development.

To ensure the free and safe use of the highway in accordance with adopted Leeds Core Strategy Policy T2

- 13) Notwithstanding the approved details, prior to their installation, full details of cycle and motorcycle parking shall be submitted to and approved in writing by the Local Planning Authority. The development shall not be occupied until the approved cycle and motorcycle parking have been provided. These shall thereafter be retained for the lifetime of the development.

To ensure the development is provided with facilities that support sustainable modes of transport in accordance with adopted Leeds Core Strategy Policies T1 and T2

- 14) The construction of the building/s hereby approved shall not commence until a plan showing details of all vehicle parking and turning areas has been submitted to and approved in writing by the Local Planning Authority. The approved plan shall be implemented and parking made available for use prior to occupation of the development. The parking shall be retained for the lifetime of the development.

To ensure the free and safe use of the highway.

- 15) Any gates/roller shutters across the vehicle access to the development site shall be set back 5m from the back of the footway and only open inwards into the development site.

To ensure the free and safe use of the highway

- 16) Prior to their installation, details of the Electric Vehicle Charging Points and cable enabled parking spaces to be provided, shall be submitted to and approved in writing by the Local Planning Authority. The works shall be carried out in accordance with the approved details prior to first occupation of the development and thereafter retained in accordance with the approved details.

In the interests of promoting sustainable travel opportunities

- 17) The development shall not commence until a condition survey of Marsh Lane, Saxton Lane, Flax Place and Railway Street in the vicinity of the site has been submitted to and approved in writing by the Local Planning Authority. Any highway damage to the surface course, sub bases, kerbs and/or drainage systems these roads identified as a result of construction traffic for the development must be remedied by the Applicant to the satisfaction of the Local Planning Authority prior to completion of the development.

In the interests of highway safety

- 18) Prior to the construction of buildings, the applicant will submit construction details of the off-site highway works as shown on drawing 1906502 rev E for approval by the Local Planning Authority. The works must be constructed in accordance with the approved details and be fully implemented prior to first occupation of the development.

In the interests of the free and safe use of the highway and in accordance with Core Strategy policy T2

- 19) The disabled parking shown on the approved plans shall be laid out prior to occupation of the development and retained for the life of the development.

In accordance with Core Strategy policy T2 and the Leeds Parking Policy SPD

- 20) All car parking spaces shown on the approved plans (with the exception of any disabled spaces) shall be made available for any occupant of the development and shall remain unallocated to any specific occupant or resident for the lifetime of the development.

To ensure the free and safe use of the highway.

- 21) Development shall not be occupied until details of measures to control on-street parking in the vicinity of the site comprising and timescales for implementation have been submitted to and approved in writing by the Local Planning Authority. The approved measures shall be implemented and retained in accordance with the approved timescales.

To ensure highway and pedestrian safety.

- 22) Development shall not be occupied until a Car Park and Servicing Management Plan (including timescales) has been submitted to and approved in writing by the Local Planning Authority. The plan shall be fully implemented and the development thereafter operated in accordance with the approved timescales.

- 23) To ensure the free and safe use of the highway in accordance with adopted Leeds Core Strategy Review Policies T1 and T2

The development shall be carried out in accordance with the approved Applied Geology Phase I Geo-Environmental Report, Phase II Geo-Environmental Report Coal Mining Risk Assessment Note, Remediation Statement and Addendum Letter (dated 20th May 2019).

To ensure that the presence of contamination is identified, risks assessed and proposed remediation works are agreed in order to make the site 'suitable for use'.

- 24) If remediation is unable to proceed in accordance with the approved Remediation Statement, or where significant unexpected contamination is encountered, the Local Planning Authority shall be notified in writing immediately and operations on the affected part of the site shall cease. An amended or new Remediation Statement shall be submitted to, and approved in writing by, the Local Planning Authority prior to any further remediation works which shall thereafter be carried out in accordance with the revised approved Statement.

To ensure that any necessary remediation works are identified to make the site suitable for use.

- 25) Remediation works shall be carried out in accordance with the approved Remediation Statement. On completion of those works, the Verification Report(s) shall be submitted to the Local Planning Authority in accordance with the approved programme. The site or phase of a site shall not be brought into use until such time as all verification information has been approved in writing by the Local Planning Authority.

To ensure that the remediation works are fully implemented as agreed and the site has been demonstrated to be suitable for use.

- 26) Any soil or soil forming materials brought to site for use in garden areas, soft landscaping, public open space or for filling and level raising shall be tested for contamination and suitability for use. A methodology for testing these soils shall be submitted to, and approved in writing by, the Local Planning Authority prior to these materials being imported onto site. The methodology shall include information on the source of the materials, sampling frequency, testing schedules and criteria against which the analytical results will be assessed (as determined by risk assessment). Testing shall then be carried out in accordance with the approved methodology. Relevant evidence and verification information (for example, laboratory certificates) shall be submitted to, and approved in writing by, the Local Planning Authority prior to these materials being imported onto the site.

To ensure that contaminated soils are not imported to the site and that the development shall be suitable for use.

- 27) Prior to the commencement of demolition documentation demonstrating the absence or total removal of asbestos from any building(s) to be demolished shall be submitted to and approved in writing by the Local Planning Authority. Should documentation be unavailable or insufficient, post-demolition surface soil sampling of future landscaped or garden areas shall be carried out and the results shall be submitted to and approved in writing by the Local Planning Authority prior to the commencement of any post-demolition development.

Where surface soil sampling indicates remediation to be necessary, a Remediation Statement shall be submitted to and approved in writing by the Local Planning Authority prior to the commencement of construction. The Remediation Statement shall include a programme for all remediation works and for the provision of verification information.

Remediation works shall be carried out in accordance with the approved Remediation Statement. On completion of those works, the Verification Report(s) shall be submitted to the Local Planning Authority in accordance with the approved programme. The site or that phase of the site shall not be brought into use until such time as all necessary verification information has been approved in writing by the Local Planning Authority.

To ensure that the site is safe and suitable for use

- 28) Development shall not commence until a drainage scheme (i.e. drainage drawings, summary calculations and investigations) detailing the surface water drainage works as well as arrangements for its future maintenance (e.g. adoption by the Water Company) have been submitted to and approved in writing by the Local Planning Authority. The maximum rate of discharge, off-site, shall not exceed 33 l/s as set out in the Drainage Assessment dated April 19, unless otherwise agreed with the LPA. The works shall be implemented in accordance with the approved scheme before the development is brought into use, or as set out in the approved phasing details.

To ensure sustainable drainage and flood prevention in accordance with NRWLP policy Water 7 and GP5 of the UDP

- 29) No building or other obstruction including landscape features shall be located over or within :
- i) 3 (three) metres at each side of the 305mm public combined sewer centre -line i.e. a protected strip width of 6 metres;
 - ii) 3.5 (three point five) metres is required at each side of the 610x610mm masonry egg sewer centre-line i.e. a protected strip width of 7 metres;
 - iii) 4 (four) metres is required at each side of the 610x457mm egg sewer centre -line i.e. a protected strip width of 8 metres; and
 - iv) 5 (five) metres is required at each side of the 762x610mm masonry egg sewer centre -line i.e. a protected strip width of 10 metres.
- Additionally, no trees to be planted within 5 (five) metres either side of the public sewer centre -lines. If the required stand -off distances are to be achieved via diversion or closure of the sewer , the developer shall submit evidence to the Local Planning Authority that the diversion or closure has been agreed with the relevant statutory undertaker .

In order to allow sufficient access for maintenance and repair work at all times

- 30) Within 24 months of the completion and commencement of operations of the development hereby approved (such a date as to be notified to the LPA) in the event of

any complaint to the Council from Network Rail relating to signal sighting safety or driver distraction, upon notification to the LPA, the applicant or operator of the solar farm shall as soon as possible and not later than 28 days, submit for approval to the Council details of a scheme of remedial measures to address the concerns raised with details of a timescale for implementation of the works. The works shall be carried out in accordance with the approved details and timetable.

In the interests of the safe use of the rail network in accordance with saved policy GP5 of the Leeds UDP (Review) 2006

- 31) If excavations/piling/buildings are to be located within 10m of the railway boundary a method statement should be submitted to the Local Planning Authority for approval. This should include an outline of the proposed method of construction, risk assessment in relation to the railway and construction traffic management plan. Development shall not commence until the method statement has been approved in writing by the Local Planning Authority.

In the interests of the safe use of the rail network in accordance with saved policy GP5 of the Leeds UDP (Review) 2006

- 32) Where vibro-compaction machinery is to be used, details of the use of such machinery and a method statement should be submitted for the approval of the Local Planning Authority prior to the commencement of works and the works shall only be carried out in accordance with the approved method statement.

In the interests of the safe use of the rail network in accordance with saved policy GP5 of the Leeds UDP (Review) 2006

- 33) Prior to the commencement of Building Construction Works details of the noise mitigation measures, including acoustic windows and ventilation system, shall be submitted to and approved in writing by Local Planning Authority prior to its installation. The mitigation measures should be designed to achieve internal noise levels in accordance with BS 8233:2014. The mitigation measures shall be installed and maintained in accordance with the approved details prior to the occupation of the development and retained for the lifetime of the development.

In the interests of residential amenity and in accordance with adopted Leeds UDP Review (2006) Policy GP5 and the National Planning Policy Framework

- 34) The development shall be constructed in accordance with the sustainable design and construction principles set out in the submitted Energy Strategy ref. 1859 Rev C.

To ensure the adoption of appropriate sustainable design principles in accordance with Leeds Core Strategy Policies EN1 and EN2, Leeds SPD Sustainable Design and Construction and the NPPF.

- 35) No external lighting shall be installed unless a scheme has previously been approved in writing by the Local Planning Authority. The scheme shall ensure that no lights create a distraction to drivers on both the nearby highway and railway networks and shall be installed and retained thereafter in accordance with the approved details.

In the interests of residential amenity and highway safety.

36) A programme for the implementation of the development hereby approved, including timescales for:

- (i) the completion of the building
- (ii) the completion of the items of wind mitigation identified in report from RWDI dated (list contained in RWDI Memorandum dated 23.08. 2019)
- (iii) post-completion monitoring of the wind mitigation works,

shall be submitted for the written agreement of the LPA prior to the construction of buildings. The development, the items of mitigation and the monitoring, shall be completed as thereby approved unless otherwise agreed in writing by the Local Planning Authority.

To ensure that the development and monitoring is carried out within an agreed timescale in the interests of the amenity of the local area in accordance with Saved UDPR Policy GP5

37) Prior to the construction of buildings a scheme for the monitoring of the wind environment (pre- and post-development), to be submitted and implemented in accordance with the timescales agreed pursuant to the previous condition on this notice, for the purposes of assessing the mitigation measures referred to in the previous condition on this notice, shall be submitted to and agreed in writing by the Local Planning Authority. The scheme shall be in accordance with the principles set out in the RWDI On-Site Verification of Wind Microclimate Conditions Report (dated 24 September 2019) and incorporate details of and timescales for (i) the monitoring measures to be undertaken and (ii) the implementation of any further mitigation measures, where these are found to be necessary by the monitoring exercise. The scheme shall be implemented in accordance with the details and timescales thereby approved.

To ensure that the development is carried out in the interests of the amenity of the local area in accordance with Saved UDPR Policy GP5

38) Full working drawing details and an implementation programme of the wind mitigation measures described in Report by RWDI Dated 23.08.2019 and shown on drawing reference 2960-908-A (Wind Mitigation Screen details) and the Wind Mitigation (Artificial Alternative) Statement shall be submitted to and approved in writing by the Local Planning Authority prior to the installation of the mitigation on and around the building. The approved measures shall be completed in accordance with the approved details and implementation programme and, for the avoidance of doubt, prior to the first occupation of the building. The measures shall thereafter be retained and maintained for the lifetime of the development unless otherwise agreed in writing by the Local Planning Authority.

To ensure a safe wind environment exists around the building.

Plans Schedule :-

Plan Type

Plan Reference

Received

Reason(s) for granting consent:-

For information:-

- 1) Network Rail advise that the applicant may be required to enter in to an asset protection agreement in respect of works carried out adjacent the railway.

Further information regarding rights of appeal, removing site notices etc will appear from this point forward on the final decision notice when it is produced.

Executive Summary Viability Assessment Inputs (summary)

Further to your instructions dated 20 August 2019, and my terms of engagement of 20 August 2019. I have now inspected the site and reviewed the viability assessment prepared by Affordable Homes Options LLP on behalf of the applicant, and I am pleased to supply my report.

It is understood that Leeds City Council Planning Authority require an independent opinion on the viability information provided by Affordable Homes Options LLP, in terms of the extent to which the accompanying appraisal is fair and reasonable and whether the assumptions made are acceptable and can be relied upon to determine the viability of the scheme.

The proposed development totals 349 apartments, of varying types and sizes. The total floor area of the development is 27,344m² GIA. Site area of 1.15 acres. I make no comment about the density, design, efficiency, merit or otherwise, of the suggested scheme.

Applicant's Assessment

I refer to the Applicant's surveyor's report Saxton Lane, Leeds, LS9 8HE financial viability appraisal dated 19 August 2019 an appraisal therein which contains one development appraisal assuming provision of 5% affordable housing.

In summary the applicant's advisor concludes the scheme cannot support a policy compliant provision of affordable housing. Their development appraisal assumes the scheme cannot provide 5% affordable housing which is based on the benchmark land value of £1,150,000 with a Section 106 payment of £183,831 but delivers a profit on cost of 6.024% which they state is below their target profit level of 8%.

To review the reasonableness of this conclusion I have considered each appraisal input in turn.

Outlined below is a list of appraisal inputs which are agreed and not agreed:

Appraisal Input	Applicant (proposes to deliver)	DVS (conclusion)	Inputs Agreed or Not Agreed
Gross Development Value	£63,696,089	£64,172,009	Not Agreed
Net Rental Income	£2,866,324	£2,887,740	Not Agreed
Affordable Housing	Sub Policy 4.87% (17 units)	Sub Policy 4.23% on site (15 units)	Not Agreed
CIL / S 106	£339,873	£316,781	Not Agreed
Build Costs	£47,581,022	£47,581,022	Agreed
Professional Fees	£3,901,644 (8.2%)	£3,806,480 (8.5%)	Not Agreed
Finance	£3,455,191	£3,755,264	Not agreed
Developer's return	6.02%	8.0%	Not Agreed
Benchmark Land Value (basis)	EUV Plus	EUV Plus	Agreed
Benchmark Land Value (figure)	£1,150,000	£1,150,000	Agreed

Key Differences

The key differences for a planning compliant scheme are summarised below:

	Applicant (proposes to deliver)	DVS (conclusion)	Effect on Viability + plus = More viable - minus= less viable
Gross Development Value	£63,696,089	£64,172,009	+£475,920
CIL / S 106	£339,873	£316,781	+£23,092
Professional Fees	£3,901,644 (8.2%)	£3,806,480 (8.5%)	+95,164
Developers Contingency	£2,569,374	£1,427,431	+£1,141,943
Finance	£3,455,191	£3,755,264	-£300,073

Viability Conclusion

The DVS report explains that the independent conclusion is that a scheme fully compliant with planning policy is unviable

It is their independent opinion that this scheme can viably provide the whole of the required CIL/Section 106 contributions and 4.23% (15 units) on site affordable housing.

Appraisal Input	Applicant (proposes to deliver)	DVS (conclusion)
Gross Development Value	£63,696,089	£64,172,009
Net Rental Income	£2,866,324	£2,887,740
Affordable Housing	Sub Policy 4.87% (17 units)	Sub Policy 4.23% on site (15 units)
CIL / S 106	£339,873	£316,781
Build Costs	£47,581,022	£47,581,022
Professional Fees	£3,901,644 (8.5%)	£3,806,480 (8.2%)
Finance	£3,455,191	£3,755,264
Developer's return profit on Cost	6.02%	8.0%
Benchmark Land Value (basis)	EUV Plus	EUV Plus
Benchmark Land Value (figure)	£1,150,000	£1,150,000

For full details please refer to my full report held by Leeds City Council Planning Department

Restrictions on Disclosure and Publication

The viability report has been produced for Leeds City Council only.

DVS permit that this report may be shared with the applicant and their viability advisor Affordable Homes Options LLP, listed above, as named third parties.

The report should only be used for the stated purpose and for the sole use of your organisation and your professional advisers and solely for the purposes of the instruction to which it relates. Our report may not, without our specific written consent, be used or relied upon by any third party, permitted or otherwise, even if that third party pays all or part of our fees, directly or indirectly, or is permitted to see a copy of our report. No responsibility whatsoever is accepted to any Third Party who may seek to rely on the content of the report.

It is agreed that your authority and applicant / their viability advisor will neither make available to any other third party nor reproduce the whole or any part of the report, nor make reference to it, in any publication without our prior written approval of the form and context in which such disclosure may be made.

None of our employees individually has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against any such individuals personally in connection with our services.

Paul Kendal
Principle Planner
City Centre Team
Development Management
Leeds City Council
Merrion House
LEEDS

Leeds Valuation Office
Castle House
Lisbon Street
Leeds
LS1 4DR

Our Reference : 1722443/BM/BAE
Your Reference: 19/01010/FU
Please ask for : Brian Maguire
Tel : 03000 503008
Mobile : 07919 001703
E Mail : brian.maguire@voa.gsi.gov.uk

Date : 17 September 2019

IN CONFIDENCE

Dear Paul

DVS Independent Review of a Development Viability Appraisal

Proposed Development: 349 Apartments, Saxton Lane, Leeds, LS9 8HE

Scheme:	Development of 349 Dwellings
Planning Ref:	19/01010/FU
Applicant:	Court Collaboration (Public) Limited
Applicant's Advisor	Affordable Homes Options LLP

1.0 Introduction

Further to your instructions dated 20 August 2019, and my terms of engagement of 20 August 2019. I have now inspected the site and reviewed the viability assessment prepared by Affordable Homes Options LLP on behalf of the applicant, and I am pleased to supply my report.

It is understood that Leeds City Council Planning Authority require an independent opinion on the viability information provided by Affordable Homes Options LLP, in terms of the extent to which the accompanying appraisal is fair and reasonable and whether the assumptions made are acceptable and can be relied upon to determine the viability of the scheme.

This is a report, it gives both your authority and the applicant opportunity to consider the recommendations and impact of the assumptions and to revert back if there are any discrepancies or clarifications needed.

The report gives overview of the applicant's viability appraisal, then provides advice on those areas of the appraisal which I consider to be incorrect, along with justifications where appropriate. A summary of the key differences of opinion and impact is then provided.

1.2 Viability Conclusion

This report explains that it is my independent conclusion that a scheme fully compliant with planning policy is unviable

It is my independent opinion that this scheme can viably provide the whole of the required CIL/Section 106 contributions and 4.23% (15 units) on site affordable housing.

1.3 Executive Summary Viability Assessment Inputs (summary)

Appraisal Input	Applicant (proposes to deliver)	DVS (conclusion)
Gross Development Value	£63,696,089	£64,172,009
Net Rental Income	£2,866,324	£2,887,740
Affordable Housing	Sub Policy 4.87% (17 units)	Sub Policy 4.23% on site (15 units)
CIL / S 106	£339,873	£316,781
Build Costs	£47,581,022	£47,581,022
Professional Fees	£3,901,644 (8.2%)	£3,806,480 (8.5%)
Finance	£3,455,191	£3,755,264
Developer's return	6.02%	8.0%
Benchmark Land Value (basis)	EUV Plus	EUV Plus
Benchmark Land Value (figure)	£1,150,000	£1,150,000

For full details please refer to body of the report

2.0 Assumptions and Limitations

This is a final report is for the purposes of determining viability it is not a Red Book valuation report.

2.1 Date of Viability Review

The viability review has been assessed at the current date as the applicant's appraisal and adopts values and build costs at this time.

2.2 Validity

This report remains valid for 6 (six) months from the date unless market circumstances change or further or better information comes to light, which would cause me to revise my opinion.

2.3 Conflict of Interest

In accordance with the requirements of the RICS standards, the VOA has checked that no conflict of interest arises before accepting this instruction. It is confirmed that I am unaware of any previous conflicting material involvement and am satisfied that no conflict of interest exists. Should any such difficulty subsequently be identified, you will be advised at once and your agreement sought as to how this should be managed.

In accordance with the requirements of the recent RICS professional standard 'Financial viability in planning: conduct and reporting', (effective from 1st September 2019) it is confirmed that:

- In carrying out this viability assessment review the valuer has acted with objectivity impartiality, without interference and with reference to all appropriate sources of information.
- The professional fee for this report is not performance related and contingent fees are not applicable.
- DVS are not currently engaged in advising this local planning authority in relation to area wide viability assessments in connection with the formulation of future policy.
- The appointed valuer, Brian Maguire MRICS is not currently engaged in advising this local planning authority in relation to area wide viability assessments in connection with the formulation of future policy.

2.4 Restrictions on Disclosure and Publication

The report has been produced for Leeds City Council only.

DVS permit that this report may be shared with the applicant and their viability advisor Affordable Homes Options LLP, listed above, as named third parties.

The report should only be used for the stated purpose and for the sole use of your organisation and your professional advisers and solely for the purposes of the instruction to which it relates. Our report may not, without our specific written consent, be used or relied upon by any third party, permitted or otherwise, even if that third party pays all or part of our fees, directly or indirectly, or is permitted to see a copy of our report. No responsibility whatsoever is accepted to any Third Party who may seek to rely on the content of the report.

It is agreed that your authority and applicant / their viability advisor will neither make available to any other third party nor reproduce the whole or any part of the report, nor make

reference to it, in any publication without our prior written approval of the form and context in which such disclosure may be made.

None of our employees individually has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against any such individuals personally in connection with our services.

This report is considered Exempt Information within the terms of paragraph 9 of Schedule 12A to the Local Government Act 1972 (section 1 and Part 1 of Schedule 1 to the Local Government (Access to Information Act 1985) as amended by the Local Government (access to Information) (Variation) Order 2006 and your council is expected to treat it accordingly.

2.5 Status of Valuer

It is confirmed that the viability assessment has been carried out by myself, Brian Maguire MRICS, RICS Registered Valuer, acting in the capacity of an external valuer, who has the appropriate knowledge and skills and understanding necessary to undertake the viability assessment competently and is in a position to provide an objective and unbiased viability assessment.

The assessment of the applicant's Viability Assessment has been prepared in accordance with: the recommended practice set out in the Royal Institution of Chartered Surveyors (RICS) Financial Viability in Planning Guidance Note (1st Edition) the National Planning Policy Framework and NPPG on Viability (July 2018);

As part of the DVS Quality Control procedure, this report and the appraisal has been reviewed by Cecilia Reed MRICS, Registered Valuer.

2.6 Inspection and Background - if applicable

Brian Maguire has inspected the site and is familiar with the area and property values in the locality.

The development site currently comprises industrial premises which may be demolished to make way for a scheme of 349 PRS apartments which will be made available for rental only as opposed to sale to owner occupiers.

3.0 The Development Proposed

3.1 The Scheme

The proposed development totals 349 apartments, of varying types and sizes. The total floor area of the development is 27,344m² GIA. Site area of 1.15 acres.

I make no comment about the density, design, efficiency, merit or otherwise, of the suggested scheme.

3.2 Applicant's Assessment

I refer to the Applicant's surveyor's report Saxton Lane, Leeds, LS9 8HE financial viability appraisal dated 19 August 2019 an appraisal therein which contains one development appraisal assuming provision of 5% affordable housing.

I have not conducted any negotiations with Affordable Homes Options LLP, the applicant or advisors. I have contacted the applicant's surveyor to obtain additional information regarding the scheme costs and revenues.

In summary the applicant's advisor concludes the scheme cannot support a policy compliant provision of affordable housing. Their development appraisal assumes the scheme cannot provide 5% affordable housing which is based on the benchmark land value of £1,150,000

with a Section 106 payment of £183,831 but delivers a profit on cost of 6.024% which they state is below their target profit level of 8%.

To review the reasonableness of this conclusion I have considered each appraisal input in turn.

3.3 Development Period

The applicant's surveyor has adopted a 27 month construction, comprising a 6 month period of mobilisation and site operation preparation. The entire scheme will be sold on practical completion of the construction works.

This development programme is considered reasonable.

3.4 Gross Development Value (GDV)

I have considered the applicant's Gross Development Value of £63,696,089

Comprising:

Market housing	£62,207,911
Affordable housing	£ 1,487,540

3.5 Market Housing Revenue

I have first considered the reasonableness of the value of Market Housing.

I refer you to the table below which summarises the rental value of each apartment type adopted by the applicant.

Apartment type	GIA m2	Market rent PCM
1 bedroom	43	£825.00
2 bedroom	67	£975.00
2 bedroom	70	£1,025.00
3 bedroom	88	£1,500.00

The VOA holds details of all sales of residential properties in the region including referencing information such as accommodation, floor areas etc. I have analysed rental evidence for apartments since 2018.

I have adopted the same rental values for 1 bed apartments and adopted £1,025 per month to all 2 bed apartments. However, further to the evidence available to me I have adopted a lower rent of £1,300 per month for three bedroom units.

I have approached the valuation of car parking differently to the applicant by valuing it in isolation and not attributing parking to apartment types. I estimate the total rental value of parking is £79,500 assuming 53 basement spaces at £1,500 pa.

Net Rental Income Capitalisation Yield

The manner in which the revenue is assessed for a PRS Scheme it is essential to consider the total rental value of the accommodation and then make an adjustment for the running costs for the entire development. For instance, the landlord will receive rent from tenants, however, the landlord is also required to pay for all of the operational costs in relation to heating, cleaning, maintenance and general management of communal areas.

I summarise below the applicant's surveyor's allowance for running costs within the scheme:

Property Management Item	Cost expressed as a percentage of gross revenue in applicants report
Operational Expenditure	8.5%
Ancillary Allowances	8%
Management Fees	7.5% Plus VAT (9%)

Therefore, the rental value of each apartment builds up a total gross revenue for the development after which it is important to make a deduction to the gross rent for the ongoing management of the property including cleaning, maintenance, utilities costs and voids/lettings these.

The applicant has subsequently allowed for a deduction to gross rents of 24% which covers site staff, building operations, tenancy operational expenditure and management fees.

I have adopted a lower percentage for calculating the net rental income of 23% as I consider that there is some double counting/excessive allowance summarised in the applicants report.

I accept there is likely to be a permanent void within the building of approximately 9 units, (2.50% of Gross income).

However, the allowances for Void utilities and Vacant Council Tax do not follow the same logic.

The applicants allowance for Council Tax voids is £92,852 per annum, whereas, the corresponding council tax liability for 9 units of Council Tax band D would be approximately £15,000 per annum.

Similarly, the allowance for Void Utilities is £92,852 which accounting for communal areas means each vacant unit (9 units a year) will have contributed over £10,000 per annum to void utilities. I consider this to be disproportionate.

I have therefore adjusted the gross to net rental calculation to reflect 1% for Council Tax Voids and 1.5% for utilities as summarised below:

Operation Voids	2.5%
Bad Debt	0.5%
Council Tax Voids	1%
Void Utilities	1.5%
Management Fees	9% inclusive of VAT
Operational Expenditure	8.5%
Total	23%

Capitalisation Yield

Following a deduction for operational costs a valuer is then required to capitalise the net rent to arrive at a value at which the completed scheme will be sold. The applicants has adopted an initial yield of 4.5% which I consider reasonable and supported by comparable information available to me, I have adopted the same within my appraisal.

Market Value Units

REVENUE

Rental Area Summary		m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale
All Apartments		27,344.00	131.93	3,607,410	2,777,706
Car Park		1.00	79,500.00	79,500	61,215
Totals		27,345.00			2,838,921

Investment Valuation					
All Apartments					
Current Rent	2,777,706	YP @	4.5000%	22.2222	61,726,793
Car Park					
Current Rent	61,215	YP @	4.5000%	22.2222	1,360,333
					63,087,127

3.6. Affordable Housing - Proportion

The applicant's surveyor has adopted an affordable housing proportion of 5%. It is important to note that this is not the policy compliant contribution which has been confirmed by Leeds City Council as 7% of all units.

In addition, the applicant's surveyor has adjusted market rents to account for the likely rental receivable from the affordable units. However, the calculation is incorrect.

The applicant has made an adjustment in line with regional norms, whereby there is a 60% discount to market rents for rented affordable units and a deduction of 48% for intermediate units. However I have adopted the published policy rents for affordable units, as summarised later within this report.

3.7 Affordable Housing Revenue

Summarised below are the policy compliant transfer rates for affordable units for PRS schemes.

Table 2 below sets out affordable rent benchmarks. These apply in situations where a Private Rented Scheme Provider and the City Council have agreed that affordable housing provision will be provided on-site, or in buildings off-site. Management companies responsible for administering the rental of dwellings would be expected to rent the affordable dwellings at rents that accord with the benchmarks subject to arrangements agreed with the City Council.

Table 2: Affordable Rents for PRS Schemes

Dwelling Type	Affordability	Benchmark £/sqm/week	Benchmark £/sqm/mth
Apartment	Lower Decile	1.26	5.45
	Lower Quartile	1.61	6.99

DVS Lower Decile

REVENUE

Rental Area Summary		Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale
LD 1 Bed		3	150.00	82.20	4,110	9,494
LD 2 Bed		1	67.00	82.20	5,507	4,241
LD 3 Bed		1	86.00	82.20	7,069	5,443
Totals		5	303.00			19,178

Investment Valuation					
LD 1 Bed					
Current Rent	9,494	YP @	4.5000%	22.2222	210,980
LD 2 Bed					
Current Rent	4,241	YP @	4.5000%	22.2222	94,238
LD 3 Bed					
Current Rent	5,443	YP @	4.5000%	22.2222	120,962
					426,180

DVS Lower Quartile

REVENUE					
Rental Area Summary					
	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale
LQ 1 Bed	5	235.00	63.84	3,000	11,552
LQ 2 Bed	3	210.00	63.84	4,469	10,323
LQ 3 Bed	1	85.00	63.84	5,426	4,178
LQ 2 Bed	1	73.00	63.84	4,660	3,588
Totals	10	603.00			29,642
Investment Valuation					
LQ 1 Bed					
Current Rent	11,552	YP @	4.5000%	22.2222	256,708
LQ 2 Bed					
Current Rent	10,323	YP @	4.5000%	22.2222	229,398
LQ 3 Bed					
Current Rent	4,178	YP @	4.5000%	22.2222	92,852
LQ 2 Bed					
Current Rent	3,588	YP @	4.5000%	22.2222	79,743
					658,701

3.8. Ground Rent Revenue

Further to the evidence regarding the tenure on disposal of PRS apartments in Leeds ground rent investment value is excluded. In reality an institutional investor acquires the entire building and collects the rents from individual tenants, therefore it is not appropriate to adopt an additional revenue as the business model does not conjunctionally support a grant of long ground leases.

3.9 DVS Conclusion Gross Development Value (GDV)

My opinion of GDV for a planning sub policy compliant scheme is summarised below based on the as referred to above. Firstly:

- 1) 4.23% of a total units based on transfer values published by Leeds City Council
Comprising:

Market Value Apartments	£63,087,127	
Affordable Apartments	£ 1,084,881	(15 units – 4.23%)

4.0 Gross Development Costs

4.1 Construction Cost

The applicant has used a cost estimate prepared by consultants which estimates the base build cost for the entire scheme (exclusive of developers' fees and contingency) is £47,581,000.

The build cost has been considered by Leeds City Councils cost consultant Rex Proctor and Partners (RPP). RPP have concluded the costs is acceptable subject to some allowances for potential double counting for contingencies and professional fees.

The cost estimate prepared by Torsion (applicant's consultant) includes a contingency for Design Development Contingency of 2.00% which equates to £766,113. In addition, the viability appraisal allows for a further scheme contingency of 5% which combined results on contingencies of 7% which is excessive.

Following consultation with RPP we have concluded the design development consultant should remain unchanged, however, we have reduced the scheme contingency to 3%.

Following discussions, with RPP I have also reduced professional fees from 8.5% to 8.2% to reflect the fact that the Torsion cost estimate includes some costs which will in effect be "on account" and deducted from professional fees when the scheme proceeds. The Torsion plan refers to these costs under the heading Design fees and surveys at cost validation stage £328,995. Any queries on this section should be directed to Rex Proctor.

4.2 Contingency

The applicant's advisor has also allowed a 5% contingency, applied to both base and external construction costs and in addition to Design Development Contingency.

I regard this to be high for the reasons outlined above. I have allowed 3%.

The aggregate of scheme contingency 3% and Design Development Contingency 2% is reasonable.

4.3 Planning Obligations

CIL

Leeds City Council has provided an estimate of the CIL contribution which when accounting for affordable housing is £138,444.

In addition to the requirement for affordable housing contributions, and CIL the applicant has allowed £183,831 of Section 106 costs

The contributions are not accepted as Leeds City Council have provided the following updated estimate of contributions which have been adopted in my appraisal.

Council S106 Monitoring	3,000
TRO	20,000
Resi Transport Plan	87,337
Pay & Display Loss of Parking	36,000
Wayfinding Public Realm	32,000

4.4 Section 106 Hierarchy and Timing

Regarding the timing of these contributions, I have sought guidance from your Authority and consequently I agree with the applicants' cash-flow assumption for the Section 106 costs.

4.5 Professional Fees

The applicant has used 8.2% for professional fees, applied to build cost and externals as explained above under section 4.1 Construction Cost.

4.6 Finance

The debit rate of 5% is considered below the normal level expected from a lender dealing with a typical developer therefore I have adopted 6% which has resulted in a higher finance cost than the applicant by approximately £300,000.

It is important to note the applicant's adviser has allowed for finance on 95% of costs. In addition they have used a different software package to DVS and there are likely to be differences in the manner each software package computes finance interest.

5.0 Profit

Affordable Home Options LLP are seeking a minimum profit margin equivalent to 8% of total development costs.

Paragraph 18 of the NPPG Viability & Plan Making states:

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to

support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

When assessing a scheme with affordable housing it is recognised by the NPPG, that lower profit should be applied to reflect the different risk levels associated with disposing of affordable homes compared to general market housing.

For my review I have also adopted 8% of revenue for the private rented and affordable homes. I consider profit margins at these levels to be well supported by other similar PRS developments DVS have appraised and reviewed in Leeds and that 8% profit is acceptable for determining the viability of the scheme.

6.0 Benchmark Land Value

6.2 Applicant's Benchmark Land Value

The applicant has adopted a fixed land value of £1,150,000 which equates to approximately £1,100,000 per gross acre.

I have reviewed information available to me and I agree that the Benchmark Land Value is in the region of £1,150,000 and I have adopted the same amount in my appraisal.

I have considered the existing built accommodations Existing Use Value which comprise an industrial unit and a place of worship.

I have not been provided with a detailed survey or measurement of the buildings. However, I have measured the gross external area of the buildings which I estimate is 24,300 sq. ft. in total.

I have referred to the comparable rental evidence below:

	Sign Date	Start Date	Address	City	Floor	Total SF Leased	Rent/SF/Yr	Service	Rent Type	Use
<input type="checkbox"/>	Jan 2018	Jan 2018	Torre Rd	Leeds	GRND	9,308	£4.29 FRI		Effective	Industrial
<input type="checkbox"/>	Oct 2017	Oct 2017	Cross Green Garth	Leeds	GRND	9,350	£3.56 FRI		Effective	Industrial
<input type="checkbox"/>	Apr 2017	Jul 2017	Leathley Rd	Leeds	GRND	11,276	£1.31 FRI		Effective	Industrial
<input type="checkbox"/>	Jan 2017	May 2017	169 Meanwood Rd	Leeds	GRND,M...	10,080	£5.10		Effective	Industrial
<input type="checkbox"/>	May 2016	May 2016	16 Cross Green Way	Leeds	1st	9,400	£3.07		Effective	Industrial
<input type="checkbox"/>	Feb 2016	Feb 2016	Bridgewater Rd	Leeds	GRND	10,720	£6.05		Effective	Industrial
<input type="checkbox"/>	Apr 2015	Apr 2015	Bridgewater Rd	Leeds	GRND,M...	10,751	£4.67 FRI		Effective	Industrial
<input type="checkbox"/>	Jan 2015	Jan 2015	Carlisle Rd	Leeds	GRND,1	12,740	£3.77 FRI		Effective	Industrial
<input type="checkbox"/>	Jan 2014	Feb 2014	Meanwood Rd	Leeds	GRND,M...	10,780	£2.93 FRI		Effective	Industrial
<input type="checkbox"/>	Feb 2013	Feb 2013	Cross Green Approach	Leeds	GRND	9,601	£0.99 FRI		Effective	Industrial
<input type="checkbox"/>	Mar 2005	Mar 2005	16 Cross Green Way	Leeds	GRND	11,352	£6.52		Effective	Industrial

After considering the current rental value of the properties I have concluded the likely rents are in the region of £3.50 per sq. ft. with reference to comparables at Cross Green and Torre Lane Leeds.

I have also considered a vacant possession value and applied a capitalisation yield of 8% (12.5 YP). My yield is based on evidence held confidentially which results in a EUV of £1,063,125 (£43.75 psf).

In order to check the reliability of Yield evidence I have also considered published evidence of industrial sales on the edge of the City Centre and within 3 miles of the subject site.



Sold Feb 2017 · £220K (£36/SF) ✓

Owner User

56 Roseville Rd
Leeds, LS8 5DR
6,178 SF Service · Built 1980

★★★★☆ + VIEW MORE



Sold July 2017 · £150K (£26/SF) ✓

Unit · Owner User · 132 Days on Market

Industrial Unit - Lesser Industrial Estate
Upper Westland Sq, Leeds, LS11 5SS
5,746 SF Industrial Unit · GRND FI · 15

★★★★☆ + VIEW MORE



Sold May 2017 · £127.7K (£40/SF) ✓

Owner User · Part of a 2 Property Sale

Multi-Property Sale
Crow Nest Ln, Leeds, LS11 8AT
3,230 SF Service · Built 1990

★★★★☆ + VIEW MORE

In order to determine the benchmark land value I have then made an allowance for an incentive for the landowner to sell the property for development.

In this instance, and based on similar development sites, in the area I consider a uplifts of 10% which gives a benchmark land value of £1,169,437. I have rounded the BMLV to £1,150,000 as it is at a similar level to that adopted by the applicant.

7.0 Remaining Appraisal Inputs

Outlined below is a list of appraisal inputs which are agreed and not agreed:

Appraisal Input	Applicant (proposes to deliver)	DVS (conclusion)	Inputs Agreed or Not Agreed
Gross Development Value	£63,696,089	£64,172,009	Not Agreed
Net Rental Income	£2,866,324	£2,887,740	Not Agreed
Affordable Housing	Sub Policy 4.87% (17 units)	Sub Policy 4.23% on site (15 units)	Not Agreed
CIL / S 106	£339,873	£316,781	Not Agreed

Build Costs	£47,581,022	£47,581,022	Agreed
Professional Fees	£3,901,644 (8.2%)	£3,806,480 (8.5%)	Not Agreed
Finance	£3,455,191	£3,755,264	Not agreed
Developer's return	6.02%	8.0%	Not Agreed
Benchmark Land Value (basis)	EUV Plus	EUV Plus	Agreed
Benchmark Land Value (figure)	£1,150,000	£1,150,000	Agreed

8.0 Key Differences

The key differences for a planning compliant scheme are summarised below:

	Applicant (proposes to deliver)	DVS (conclusion)	Effect on Viability
Gross Development Value	£63,696,089	£64,172,009	+£475,920
CIL / S 106	£339,873	£316,781	+£23,092
Professional Fees	£3,901,644 (8.2%)	£3,806,480 (8.5%)	+95,164
Developers Contingency	£2,569,374	£1,427,431	+£1,141,943
Finance	£3,455,191	£3,755,264	-£300,073

9.0 DVS Conclusion

For ease of reference I have presented my appraisals in the same way as applicant's surveyor by fixing the benchmark land value and the profit and reporting on the section 106 pot, where it is in excess of the requirements it is viable.

9.1 Policy Compliant Appraisal

I have considered a fully policy compliant scheme i.e a scheme with 7% AH and full CIL/ S106 as above, but the scheme makes a profit less than the target profit of 8% and is unviable.

I have prepared a policy compliant scheme which results in a profit on Gross Development Cost of 6.74%.

It is my conclusion a fully planning compliant scheme is not viable.

9.2 Viable scheme

As the scheme cannot meet full policy requirements I have therefore considered the maximum contributions that the scheme could viably provide.

Further to the hierarchy listed above I understand that CIL, S106 are required before AH, I have therefore considered the maximum AH units that the scheme could provide.

I attach my planning sub policy compliant appraisal with 4.23% affordable housing (15 units) and £348,275 CIL S106.

It is my independent opinion that this scheme can viably provide the whole of the required CIL/Section 106 contributions and 4.23% (15 units) on site affordable housing.

A copy of my appraisal is included.

9.3 Scenario Test

Further to the RICS professional statement requirements I have carried out sensitivity tests to test the robustness of my viability conclusion.

I have carried out sensitivity tests by varying inputs of revenue. I can report that in order for a full policy compliant scheme to be viable, market value gross rental values will need to increase by 1.225%. Please note the applicant has not allowed for inflation in their build costs and an increase in rental values is likely to be cancelled out by increases in build costs.

This is not considered to be a significant movement and, in my objective and impartial opinion, and the likelihood of market conditions producing such a movement is considered remote as at the date of assessment.

Having reviewed the sensitivity test it is my considered conclusion that a fully planning policy compliant scheme is not viable.

If you require any further sensitivity tests, these can be provided subject to additional fees,

10.0 Recommendations

10.1 In the Event of Incorrect Assumptions:

If any of the assumptions stated herein this report and/or in the attached appraisal are incorrect the matter should be referred back to DVS as a re-appraisal may be necessary.

I emphasise that my appraisal embraces the costs and revenues appropriate to the review date and is therefore valid only if the building construction work commences within 12 months and proceeds at a rate consistent with achieving sales in the market.

If commencement of the works were to be delayed and is then undertaken at some other time when market conditions may be different, then I believe a re-appraisal will be required adopting the costs and revenues then obtaining.

10.2 Overage Clause in Section 106 Agreement

Given that, based on my advice, your Council's policy requirements will not be met, an overage clause might be appropriate as a condition of the permission. DVS can advise on the detail of the overage mechanism if you choose to follow this route.

However, it should be noted that an overage clause can be challenging to administer with significant constraints regarding professional fees and practical issues regarding transparency of development costs.

Some of the content of this report may be regarded by DVS, Applicant's surveyor or the applicant as commercially confidential and, in this regard, I assume that you will restrict the report's circulation as appropriate.

I would be pleased to discuss any of the foregoing with your Authority if you wish. My instruction does not extend to negotiations with the applicant / applicant's surveyor however if

your authority think that this would be of benefit this can be facilitated through a separate instruction.

Should the applicant disagree with the conclusions of our assessment, we would recommend that they provide further information to justify the values and costs they have adopted. Upon receipt of further information and with your further instruction, we would be happy to review the information and reassess the schemes viability.

We will keep the file open for 6 weeks

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brian Maguire', written over a horizontal line.

Brian Maguire MRICS
Principal Surveyor
RICS Registered Valuer
DVS

Report reviewed by

A handwritten signature in black ink, appearing to read 'Cecilia Reed', written in a cursive style.

Cecilia Reed BSc Hons MRICS Registered Valuer
Principal Surveyor DVS
Sector Leader Viability (North)

349 PRS Apartments
DVS Viability Appraisal
Saxton Lane Leeds
1722443

Saxton Lane PRS
Saxton Lane
Leeds

Development Appraisal
Prepared by DVS
Licensed Copy
30 September 2019

**349 PRS Apartments
DVS Viability Appraisal
Saxton Lane Leeds**

Summary Appraisal for Merged Phases 1 2 3

Currency in £

REVENUE

Rental Area Summary

	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
All Apartments	1	27,344.00	131.93	3,607,410	2,777,706	3,607,410	2,777,706
Car Park	1	1.00	79,500.00	79,500	61,215	79,500	61,215
LD 1 Bed	3	150.00	82.20	4,110	9,494	12,330	9,494
LD 2 Bed	1	67.00	82.20	5,507	4,241	5,507	4,241
LD 3 Bed	1	86.00	82.20	7,069	5,443	7,069	5,443
LQ 1 Bed	5	235.00	63.84	3,000	11,552	15,002	11,552
LQ 2 Bed	3	210.00	63.84	4,469	10,323	13,406	10,323
LQ 3 Bed	1	85.00	63.84	5,426	4,178	5,426	4,178
LQ 2 Bed	1	73.00	63.84	4,660	3,588	4,660	3,588
Totals	17	28,251.00			2,887,740	3,750,312	2,887,740

Investment Valuation

All Apartments

Current Rent 2,777,706 YP @ 4.5000% 22.2222 61,726,793

Car Park

Current Rent 61,215 YP @ 4.5000% 22.2222 1,360,333

LD 1 Bed

Current Rent 9,494 YP @ 4.5000% 22.2222 210,980

LD 2 Bed

Current Rent 4,241 YP @ 4.5000% 22.2222 94,238

LD 3 Bed

Current Rent 5,443 YP @ 4.5000% 22.2222 120,962

LQ 1 Bed

Current Rent 11,552 YP @ 4.5000% 22.2222 256,708

LQ 2 Bed

Current Rent 10,323 YP @ 4.5000% 22.2222 229,398

LQ 3 Bed

Current Rent 4,178 YP @ 4.5000% 22.2222 92,852

LQ 2 Bed

Current Rent 3,588 YP @ 4.5000% 22.2222 79,743

64,172,007

GROSS DEVELOPMENT VALUE

64,172,007

Purchaser's Costs (1,104,025)

Effective Purchaser's Costs Rate 1.72% (1,104,025)

NET DEVELOPMENT VALUE

63,067,983

NET REALISATION

63,067,983

OUTLAY

ACQUISITION COSTS

Fixed Price (0.46 Ha 2,500,000.00 pHect) 1,150,000
1,150,000

CONSTRUCTION COSTS

Construction	m ²	Build Rate m ²	Cost
All Apartments	27,344.00	1,740.09	47,581,021
Car Park	1.00	1.00	1
Totals	28,251.00		47,581,022

Developers Contingency 3.00% 1,427,431
CIL 138,444
Council S106 Monitoring 3,000
TRO 20,000
Resi Transport Plan 87,337
Pay & Display Loss of Parking 36,000
Wayfinding Public Realm 32,000
Surplus for Commuted Affordable 30,000
1,774,212

**349 PRS Apartments
DVS Viability Appraisal
Saxton Lane Leeds**

PROFESSIONAL FEES

Architect	1.20%	570,972	
Quantity Surveyor	1.00%	475,810	
Structural Engineer	1.00%	475,810	
Mech./Elec.Engineer	1.00%	475,810	
Project Manager	1.00%	475,810	
C.D. Manager	1.00%	475,810	
Monitoring Cost Purchaser	2.00%	951,620	
			3,901,644

DISPOSAL FEES

Sales Agent Fee		78,000	
PRS Sales Legal Fee	0.25%	154,958	
			232,958

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)			
Total Finance Cost			3,755,230

TOTAL COSTS

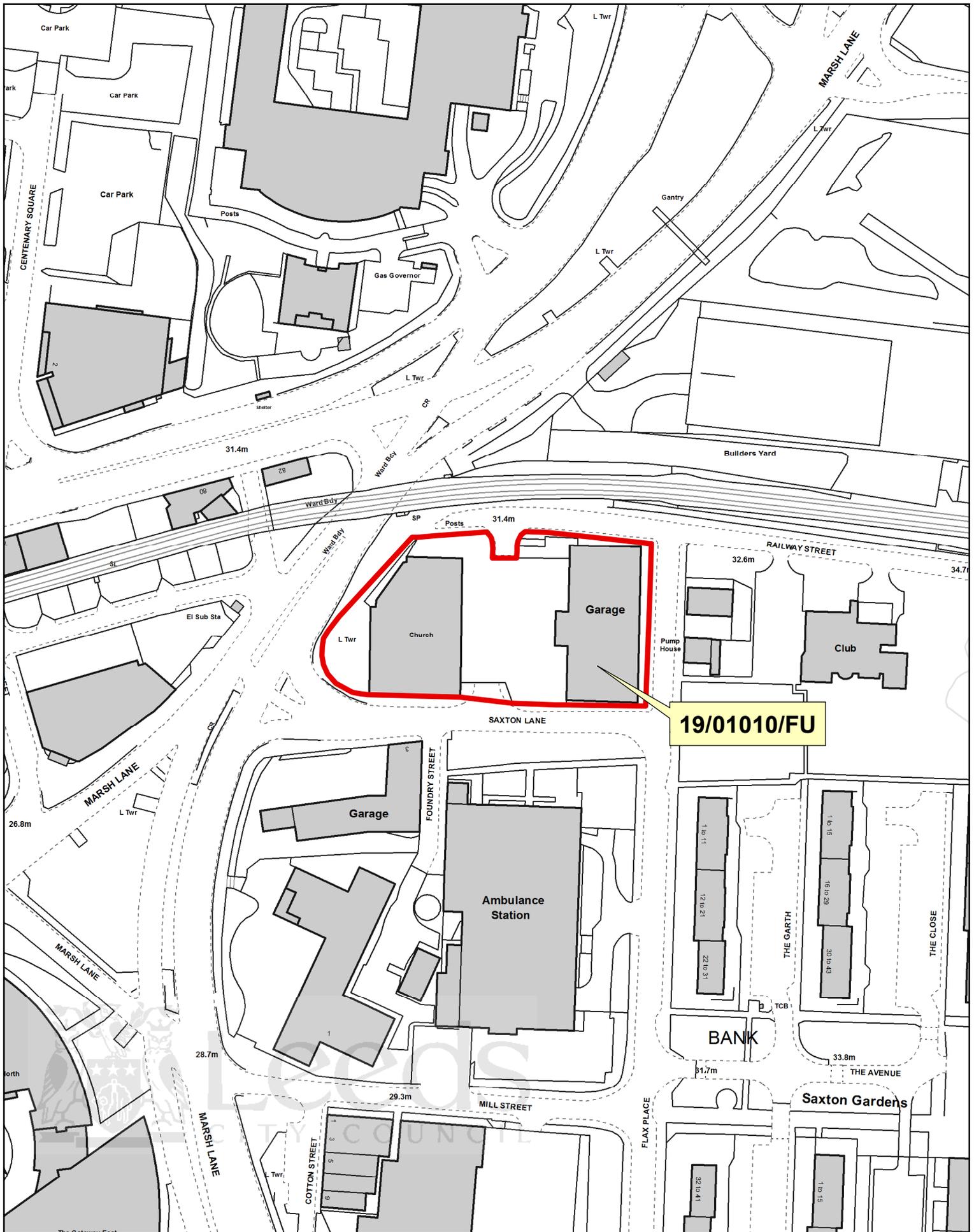
58,395,065

PROFIT

4,672,917

Performance Measures

Profit on Cost%	8.00%
Profit on GDV%	7.28%
Profit on NDV%	7.41%
Development Yield% (on Rent)	4.95%
Equivalent Yield% (Nominal)	4.50%
Equivalent Yield% (True)	4.63%
IRR	12.57%
Rent Cover	1 yr 7 mths
Profit Erosion (finance rate 6.000)	1 yr 4 mths



CITY PLANS PANEL

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PRODUCED BY CITY DEVELOPMENT, GIS MAPPING & DATA TEAM, LEEDS CITY COUNCIL

SCALE : 1/1500



