



Report of the Chief Planning Officer

CITY PLANS PANEL

10th October 2019

Subject: 18/07433/FU – Erection of 437 dwellings with new roads, open space, landscaping, drainage and associated works at, Radial Park, Manston Lane, Leeds, LS15 8ST

APPLICANT

Strata Homes Ltd;
Redrow Homes Ltd; and
Zurich Assurance Ltd

DATE VALID

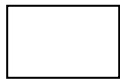
17th December 2018

TARGET DATE

TBA

Electoral Wards Affected:

Crossgates and Whinmoor



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

UPDATE REPORT: Members are requested to note this summary of the District Valuer's Viability Report.

1.0 INTRODUCTION

- 1.1 The below report provides supplementary information to the Position Statement relating to Radial Park, Crossgates published on 2nd October. This follows receipt of the District Valuer's Viability Report and Appraisal which accompany this update report.
- 1.2 As noted within the Position Statement the developer has submitted a viability case to the Local Planning Authority. This viability case has been independently reviewed for the council by the District Valuer. The report highlights the main discussions that have taken place and ultimately concludes that a full policy compliant scheme is not viable. The accompanying viability appraisal summary sets out the expected gross sales, construction costs, abnormal and S106 contributions.
- 1.3 Viability is discussed within the Position Statement at paragraphs 2.6-2.9 and 10.15, both of which provide a brief summary of the applicants' viability case. Paragraphs

10.83 – 10.86 provide a brief overview of the negotiations that have taken place and identifies those items officers have prioritised in discussions with the applicant.

2.0 VIABILITY - MAIN CONCLUSIONS

- 2.1 The tabulated executive summary at the head of the District Valuer's report (paragraph 1.3 (p2)) provides a brief comparative overview of the position of both the applicant and the District Valuer. As members will observe although there are very slight differences in some figures, overall there is now broad consensus on each key issue / input. The District Valuer concludes that the scheme is able to provide affordable housing at 7.55% (33 units), meet its CIL requirements in full and provide £280,000 toward off-site playing pitch provision.
- 2.2 The main body of the District Valuer's report provides a detailed commentary of the discussions and negotiations that have taken place to reach the noted consensus, as well as providing the evidence base that underpins the District Valuer's conclusions.
- 2.3 As noted within paras 10.83 – 10.86 of the Position Statement the main points of discussion have related to the market housing revenues and benchmark land value and these can be found at paras 3.5 and section 6 respectively. The District Valuer's report also highlights discussions that have taken place in respect of construction costs and why a lower figure than the applicant's has been used (para 4.1) and at para 4.3 provides a summary of the abnormal costs.
- 2.4 In relation to the abnormal costs members should note that all those within the first table (acoustic glazing, renewables, highway works, public open space etc) have been independently reviewed and it is accepted that the applicant's costs will be high.
- 2.5 There are two significant abnormal items (MLLR and remediation costs) associated with this development. The District Valuer has been able to review the MLLR contribution and concludes a maximum payment of £4,117,636. No independent review of the remediation costs has been possible and thus this figure is untested and unverified. This work is being undertaken by the current landowner and as noted at section 4.3, this means that neither the applicant nor the District Valuer can comment on whether this cost estimate is accurate or reasonable.
- 2.6 As also noted within the Position Statement the applicants are seeking a 20% profit (para 10,85). Section 5.0 of the District Valuer's appraisal notes that this is considered reasonable due to the complexity of the site.

3.0 VIABILITY - PRIORITIES

- 3.1 As the District Valuer has concluded that a full policy compliant scheme is not viable decisions have to be made about where the available S106 monies will be directed. As highlighted within the Position Statement these are affordable housing at 7.55% (33 units against a usual requirement of 66), football pitch contribution and a community sports / community facility contribution. The development will also provide the sustainability measures (carbon reduction measures and EVC points / sustainable transport measures), offsite highway works and public open space. The development will not provide a residential travel fund (metro cards) nor upgrade works to bus stops on Manston Lane as requested by WYCA.

Background Papers:

Application files 18/07433/FU

Certificate of ownership: Certificate B signed by the agent