

**Report of the Chief Planning Officer**

**CITY PLANS PANEL**

**Date: 30 September 2021**

**Subject: Planning Application 21/01869/FU has been submitted for alterations, including a rooftop extension, and a change of use, to provide 83 residential apartments with retention of the ground floor for office use, at 2 Great George Street, Leeds, LS2 8B.**

**Listed Building Consent Application 21/01870/LI has been submitted for alterations, including a rooftop extension, and a change of use, to provide 83 residential apartments with retention of the ground floor for office use, at 2 Great George Street, Leeds, LS2 8B.**

**APPLICANT**  
Priestley Homes Ltd

**DATE VALID**  
23 March 2021

**TARGET DATE**  
22 June 2021

**Electoral Wards Affected:**

**Little London and Woodhouse**

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

**RECOMMENDATION: Defer and Delegate application 21/01869/FU to the Chief Planning Officer for approval, subject to notification of the application to the Secretary of State for Housing, Communities and Local Government, to the conditions at Appendix 2 (and any amendment to or addition of others which the Chief Planning Officer considers appropriate) and subject to the completion of a Section 106 agreement to secure the following :**

- 1. Employment and training of local people**
- 2. Publicly accessible areas**
- 3. Affordable housing provision**
- 4. The provision and monitoring of a travel plan fee of £3,278, subject to a 3% increase annually on 1st April**
- 5. Provision of a Residential Travel Plan Fund of £19,437, some of which is to be expended on Leeds City Council Car Club free trial membership and usage package.**

**6. A contribution for loss of Pay & Display bays of a sum to be agreed**

**7. A monitoring fee**

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

**Defer and Delegate application 21/01870/LI to the Chief Planning Officer for approval, subject to notification of the application to the Secretary of State for Housing, Communities and Local Government, and the conditions at Appendix 2 (and any amendment to or addition of others which the Chief Planning Officer considers appropriate).**

Conditions

A list of draft Conditions is provided in Appendix 2 of this report.

**1.0 INTRODUCTION:**

1.1 The proposal is brought to City Plans Panel for a development that involves a significant investment in a brownfield site of important heritage assets which are located at key site within the City Centre. This report is a joint report that addresses both the Listed Building Consent and the Planning Applications.

**2.0 PROPOSAL**

2.1 The proposals involve the regeneration and extension of the Grade II Listed No.2 Great George Street. All proposed works would facilitate a change of use across the entire building from offices to office space at ground floor level, with cycle and bin storage areas also at this level and residential dwellings at levels 1 to 7. A resident's gym and plant room would be sited at basement level.

2.2 The Listed No. 2 Great George Street would be altered internally with the addition of mezzanines to add extra floor space for the creation of new residential dwellings. In addition, the existing 20<sup>th</sup> century entrance portal will be removed and a new entrance to the west face of the building will be created. A new 3 storey glazed extension would be added to the roof top of the building for further residential accommodation and a communal roof amenity area.

2.3 The proposed office space, which could be subdivided into a number of units would total 815 m<sup>2</sup> in floorspace.

2.4 There are 83 residential units proposed and these are of the following sizes and types:

34 one bedroomed units ranging from 37 to 67 m<sup>2</sup>

43 two bedroomed units ranging from 71 to 138 m<sup>2</sup>

6 three bedroomed units ranging from 118 to 212 m<sup>2</sup>

This provides a mix of units with 41% being one bedroomed, 52% being two bedroomed and 7% being three bedroomed.

2.5 The scheme is proposed to create external publicly accessible landscaped space, that would serve as a north-south connection, with seating and planters, to the western side of the building. In addition, to the east, a further landscaped area is to be created for use by the office occupiers in the lightwell fronting Woodhouse Lane.

- 2.6 It should be noted that these proposals do not include the Leonardo and Thoresby Buildings for which proposals are submitted under a separate scheme on applications 21/02844/FU and 21/02845/LI. Members considered and approved these applications at the City Plans Panel of 8 July 2021.

### **3.0 SITE AND SURROUNDINGS:**

- 3.1 The site is the stand-alone former school, but most recently in use as Council offices, No.2 Great George Street, which is set within Leeds City Centre and the boundary of the City Centre Conservation Area. To the west within the same street block is the Grade II Thoresby House and the Grade II Leonardo Building across an open area of former playgrounds, most recently in use for car parking. To the east across Woodhouse Lane is the Merrion centre dating from the 1960s and providing a mixture of shopping, leisure, office and hotel uses. To the north across Rossington Street is the Grade II\* listed City Museum and the Grade II listed 43 Woodhouse Lane in use as a bar. To the south across Great George Street is the modern K2 tower complex housing a mixture of office, residential and leisure uses with the Grade II\* St. Anne's Cathedral and the Grade II listed Cathedral Chambers (in office use) located further away to the south west.
- 3.2 No.2 Great George Street and its attached wrought-iron railings are Grade II Listed. It was designed by Birchall and Kelly (with alterations by Landless) and having been a school, was converted to offices in 1994. The building is 3 storeys, red brick with stone dressings in a Classical style. There are giant Ionic pilasters to the ground and 1st floors supporting entablature with small windows and a heavy cornice and full-height windows to the storeys above. The former main entrance has paired Ionic columns with a balustrade above and a rusticated round arch to the doorway.

### **4.0 RELEVANT PLANNING HISTORY:**

- 4.1 Approval was granted on 26 April 2019 for Listed Building Consent for a wider site comprising the Leonardo and Thoresby House buildings and 2 Great George Street (application 18/06366/LI) for the demolition of the existing extension to Leonardo Building; the erection of a six storey replacement extension (use class B1); the addition of a one storey roof extension plus plant enclosure to Leonardo Building and Thoresby House to provide additional office accommodation (use class B1); the demolition of the existing lobby to west elevation of 2 Great George Street; the erection of a three storey roof extension to 2 Great George Street and internal alterations to create an additional floor at The Leonardo Building, Thoresby House and 2 Great George Street, Leeds, LS2 8HD.
- 4.2 Approval was granted on 26 April 2019 for Planning Permission for a wider site comprising the Leonardo and Thoresby House buildings and 2 Great George Street (Planning Application 18/06365/FU) for the above works and for a new-build eight storey hotel building (use class C1) with restaurant (use class A4) to existing car park a part change of use of the ground floor from office (use class B1) to one cafe/restaurant/bar unit (use class A3/A4 within the Leonardo and Thoresby buildings; a change of use of 2 Great George Street (use class B1) to a hotel (use class C1) with restaurant (use class A4) at ground floor level and the creation of new public realm comprising resurfacing works, the provision of street furniture, trees and other planting, and alterations to the highway.
- 4.3 Planning Application 21/02844/FU and Listed Building Consent Application 21/02845/LI has been submitted for the conversion of Leonardo Building and Thoresby House to provide student accommodation comprising: part-demolition and

alterations to existing extension to Leonardo Building; demolition of existing roofs, addition of two storey roof extension to Leonardo Building and single storey to Leonardo Printworks and Thoresby and internal alterations. Erection of new-build eleven storey student accommodation building to existing car park. Associated works including creation of new public realm comprising resurfacing works, provision of street furniture, trees and other planting and alterations to the highway, at Leonardo Building & Thoresby House, 2 Rossington Street, Leeds, LS2 8HD. The proposals were agreed in principle at City Plans Panel on 8th July 2021 subject to referral of the proposals to the Secretary of State for Housing, Communities and Local Government (SoS) and completion of a Section 106 legal agreement. The SoS have since advised that they have no comments to make. The decision notices have therefore been issued.

## **5.0 HISTORY OF NEGOTIATIONS:**

5.1 The proposals have not been the subject of any formal preapplication discussions with Officers.

## **6.0 PUBLIC/LOCAL RESPONSE:**

6.1 None received to date.

6.2 No responses have been received from Ward Members.

## **7.0 CONSULTATIONS RESPONSES**

7.1 **Historic England** state that they object to the proposal on heritage grounds on the basis that;

1. There is a lack of justification and detailed information on the extent of the historic fabric and the potential for less harmful alternatives

2. The proposed rooftop extension, due to its bulk and the lower sections replicating of the architectural detailing below would be harmful to the special architectural interest of the building and will detract from the landmark qualities of its host and form an unwelcome addition to the conservation area.

3. The central staircase and stairwell are notable internal features of the building and the only ones retained and the space of the staircase is now encroached by the introduction of services at some levels.

4. The introduction of mezzanine levels on the principal floors of the building will also introduce additional instances of harm.

Response: These matters will be addressed in the appraisal below.

7.2 **Coal Authority** state that the application site falls within the defined Development High Risk Area, but that the submitted Preliminary Site Assessment and Coal Mining Risk Assessment indicates that risks to the proposed development from past coal mining activity are low. As such the Coal Authority states that they have no objections to the proposals.

7.3 **Yorkshire Water** state that development must accord with the submitted Flood Risk Assessment in that;

Foul water will discharge to public combined water sewer

Sub-soil conditions do not support the use of soakaways

Surface water will discharge to public combined sewer via storage with restricted discharge of 16.25 Litres/second.

Response: this requirement will be subject to a Planning Condition.

- 7.4 **Highways** state that due to the new proposed layby to Rossington Street, a S106 contribution for loss of Pay & Display bays of a sum to be agreed. Conditions are required to cover cycle parking details, off site highways works in the form of a new layby to Rossington Street, any alterations to existing loading bays and pedestrian ramp gradients.  
Response; the obligation will be addressed via a Section 106 legal agreement and such Planning Conditions will be applied.
- 7.5 **Influencing Travel Behaviour Team** state that contributions for a Travel Plan Review fee of £3,278, subject to a 3% increase annually on 1st April and the provision of a Residential Travel Plan Fund of £19,437, some of which is to be expended on Leeds City Council Car Club free trial membership and usage package are required, as well as Conditions to cover the provision of cycle parking, any motorcycle parking and any electric vehicle charging points  
Response: these will be addressed via a Section 106 legal agreement. The scheme only proposes cycle parking with no motorcycle or car parking. As such a relevant Planning Condition will be applied for the details of cycle parking only.
- 7.6 **Environmental Studies – Transport Strategy** state that the submitted Noise Impact Assessment suggests glazing and ventilation systems are required to ensure acceptable noise levels are met throughout the development and that they agree with these findings and recommendations. As such they request that such detail be addressed via a Planning Condition.  
Response: such a Planning Condition will be applied.
- 7.7 **Flood Risk Management** state that as it is not proposed to increase the drained area, then the majority of the building will retain the existing drainage connections with no on-site attenuation being provided. However, the Applicant is proposing to incorporate a small element of attenuation in an area to the rear. On this basis the team have no objections to the application subject to a Planning Condition to ensure compliance with the submitted drainage strategy.  
Response: Such a Planning Condition will be applied.
- 7.8 **Contaminated Land Team** state that they have no objections to the proposals but Conditions should be applied for any imported soils and any unexpected contamination.  
Response: such Planning Conditions will be applied.
- 7.9 **Nature Conservation** no comments have been received however details of how bat and bird boxes will be integrated into the scheme will be subject to a Planning Condition.
- 7.10 **The Ancient Monuments Society** in commenting on the original plans, state they object to the proposals stating that
1. This proposal has an even higher rooftop extension than the previous approved scheme (which they also objected to) increases the substantial harm which will be done to this distinctive and prominent listed building.
  2. That the mezzanine floors in the first and second floors also adversely affect the character of these floors, which have high spaces with their large windows.
  3. That the external balconies are an inappropriate addition to the listed building, altering the solidity of the existing corner.
  4. As such they consider that the proposals are not complementary in scale, design or style to this important heritage site.
  5. They also state that were the submission refers to viability and extra costs associated with developing a listed building, they do not accept that there are any

special costs involved on the basis of it being a listed building. They state that the structure is in good condition and most of its external features remain intact and as such any suggestion that there are reasons associated with its listing for either necessitating harm to the building, or for that matter reducing the amount of affordable housing that can be provided, must be challenged.

6. They also state that the mix of apartment sizes does not meet the requirements of Leeds Core Strategy.

7. They also state that the internal layout has serious accessibility defects and a better understanding of and empathy with the way residents use and experience the building is required.

Response: these matters are addressed in the appraisal below.

7.11 **Victorian Society** in commenting on the original plans, state they object to the proposals on the following grounds:

1. The proposals will cause serious harm to the significance of the listed building and the City Centre Conservation Area.

2. The proposal has been poorly justified.

3. The proposal will destroy the building's silhouette and distorts its massing and scale.

4. The proposal will not be coherent with the building in terms of materiality and textural character.

5. The proposed balconies will severely disrupt the facades.

6. The historic plan form and north and south sited staircases will be lost by the insertion of apartments.

Response: these matters are addressed in the appraisal below.

7.12 **Leeds Civic Trust** in commenting on the original plans, object to the proposals stating that they object to the proposal on the following grounds;

1. The new roof extension, additional internal divisions and balconies increase the substantial harm of the scheme on the host listed building.

2. The roof extension proposed disregards the proportions of the host building and the harm it causes cannot be outweighed by any public benefits brought by the scheme.

3. The insertion of mezzanines harms the high spaces and large windows.

4. The balconies at the corners of the buildings are inappropriate additions.

5. In respect of viability they do not accept that there are any special costs involved simply because this is a listed building.

6. The housing mix is not acceptable in respect of the number of 3 bed and lack of 4 bed units.

7. There is no clear strategy for accessibility and inclusion for the scheme.

Response: These matters will be addressed in the appraisal below.

7.13 **Local Plans** state that the site is not allocated and due to the assumed/implicit sustainability of the City Centre it is considered that Policy H2 has been satisfied in respect of the principle proposed use being housing. The housing density accords with the requirements of Policy H3, however in respect of mix, Policy H4 is not satisfied in respect of the number of 3 bedroomed units.

Response: The Applicant has stated that the level of provision of 3 bedroomed accommodation is consistent with other residential schemes within the City Centre and that whilst it is acknowledged that the policy has an aspiration for 20% provision, lower figures have been agreed by Members and Officers on these other schemes. This is discussed further in the appraisal below.

- 7.14 **Access Officer** states that all residents and visitors should be able to use the main entrance to ensure the scheme is inclusive. Details of what standard of accessibility to the residential units is required  
 Response: The west facing entrance is to be the main entrance for all, due to this having flat and level access. A Planning Condition will be applied to ensure that the accessible housing comes forward in the correct quantum and with the correct detailing.
- 7.15 **West Yorkshire Combined Authority** state that to encourage the use of sustainable transport as a realistic alternative to the car, the developer needs to fund a package of sustainable travel measures.  
 Response: A Sustainable Travel Fund contribution of 19,437 will be provided via the Section 106 legal agreement.
- 7.16 **West Yorkshire Police** has provided guidance for Secured by Design.  
 Response; the details will be incorporated into an Informative.
- 7.17 **District Valuer** states following their impartial review of the applicant's appraisal, they have concluded the scheme can support a policy compliant scheme, including an allowance for vacant building credits, and provide 3.6% affordable housing (3 Units) and the policy compliant section 106 costs of £23,750 and CIL of £31,603.

## 8.0 RELEVANT PLANNING POLICIES:

- 8.1 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.
- 8.2 For the purposes of decision making at this site The Development Plan for Leeds currently comprises the following documents:
1. Core Strategy 2014 (as amended by the Core Strategy Selective Review 2019)
  2. Saved Leeds Unitary Development Plan Policies (Reviewed 2006), included as Appendix 1 of the Core Strategy
  3. The Natural Resources & Waste Local Plan (NRWLP, Adopted January 2013) including revised policies Minerals 13 and 14 (Adopted September 2015).
  4. Site Allocations Plan ('SAP') (adopted July 2019)
- 8.3 **Core Strategy**
- 8.4 The Core Strategy sets out strategic level policies and vision to guide the delivery of development investment decisions and the overall future of the district. The site is located within the Core Strategy's City Centre boundary. Relevant Core Strategy policies will include those outlined below.
- 8.5 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 greenfield land.
  - (ii) Redevelopment of previously developed land is to be prioritized in a way that respects and enhances the local character and identity of places and neighbourhoods

- 8.6 Spatial Policy 3: Role of Leeds City Centre states that the importance of the City Centre as an economic driver for the District and City Region will be maintained and enhanced by:  
(iv) Comprehensively planning the redevelopment and re-use of vacant and under-used sites and buildings for mixed use development and new areas of public space
- 8.7 Policy CC1: City Centre Development outlines the planned growth within the City Centre. Part B states that residential development is to be encouraged providing that it does not prejudice town centre functions and provides a reasonable level of amenity for occupiers;  
(iii) 10,200 dwellings.
- 8.8 Policy CC3 states new development will need to provide and improve walking and cycling routes connecting the City Centre with adjoining neighbourhoods, and improve connections within the City Centre
- 8.9 Policy EN1: Climate Change – Carbon Dioxide Reduction states that all developments of over 1,000 square metres of floorspace, (including conversion where feasible) whether new-build or conversion, will be required to:  
(i) Reduce total predicted carbon dioxide emissions to achieve 20% less than the Building Regulations Target Emission Rate and,  
(ii) Provide a minimum of 10% of the predicted energy needs of the development from low carbon energy.
- 8.10 Policy EN2: Sustainable Design and Construction states that to require developments of 1,000 or more square metres or 10 or more dwellings (including conversion) where feasible) to meet at least the standard set by BREEAM or Code for Sustainable Homes as shown in the table below. A post construction review certificate will be required prior to occupation.
- 8.11 Policy EN4: Where technically viable, appropriate for the development, and in areas with sufficient existing or potential heat density, developments of 1,000 sqm or more or 10 dwellings or more (including conversions where feasible) should propose heating systems
- 8.12 Policy H2 New Housing Development on Non-allocated Sites states:  
New housing development will be acceptable in principle on non-allocated land, providing that:  
(i) The number of dwellings does not exceed the capacity of transport, educational and health infrastructure, as existing or provided as a condition of development,
- 8.13 Policy H4: Housing Mix states:  
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.
- 8.14 Policy H5 Affordable housing:  
On major housing developments, affordable housing provision should be provided onsite at the target levels.
- 8.15 Policy H9 – Minimum Space Standards states:  
All new dwellings must comply with the space standards.
- 8.16 Policy H10 Accessible Housing Standards states:

New build residential developments should include the following proportions of accessible dwellings:

- 30% of dwellings meet the requirements of M4(2) 'accessible and adaptable dwellings' of Part M Volume 1 of the Building Regulations.
- 2% dwellings meet the requirement of M4 (3) 'wheelchair user dwellings', of Part M Volume 1 of the Building Regulations.

8.17 Policy P10: Design states that:

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.

8.18 Policy P11: Conservation states that development proposals will be expected to demonstrate a full understanding of historic assets affected. Heritage statements assessing the significance of assets, the impact of proposals and mitigation measures will be required to be submitted by developers to accompany development proposals.

8.19 Policy P12: Landscape states that;

The character, quality and biodiversity of Leeds' townscapes and landscapes, including their historical and cultural significance, will be conserved and enhanced to protect their distinctiveness through stewardship and the planning process

8.20 Policy T1: Transport Management Policy

States that support will be given to the following management priorities:

- (i) Develop and provide tailored, interactive, readily available information and support that encourages and incentivises more sustainable travel choices on a regular basis.
  - (ii) Sustainable travel proposals including travel planning measures for employers.
- c) To support wider transport strategy objectives for sustainable travel and to minimise congestion during peak periods.

8.21 Policy T2: Accessibility Requirements and New Development states that new development should be located in accessible locations that are adequately served by existing or programmed highways, by public transport and with safe and secure access for pedestrians, cyclists and people with impaired mobility.

8.22 Policy ID2 outlines the Council's approach to planning obligations and developer contributions

8.23 **Leeds Unitary Development Plan Review Retained Policies**

Relevant policies will include those outlined below.

Policy GP5 (All planning considerations)

Policy BD2 (New buildings and complementing / enhancing of existing skylines, vistas and landmarks)

Policy BD4 (Mechanical plant and servicing for new developments)

Policy BD5 (Residential amenity)

Policy CC2 (City Centre boundary)

Policy N15 (Changes of use of listed buildings)

Policy N16 (Extensions to listed buildings)  
Policy N17 (All listed buildings)  
Policy N19 (New buildings and the conservation area)

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

8.25 The Natural Resources and Waste Local Plan was adopted by Leeds City Council on 16th January 2013. The Natural Resources and Waste Development Plan Document (Local Plan) is part of the Local Development Framework. The plan sets out where land is needed to enable the City to manage resources, like trees, 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 1: Water efficiency

Water 7: Surface water run-off and SUDS

Land 1: Contaminated land

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

8.27 The National Planning Policy Framework (NPPF) was revised and adopted in July 2021 and sets out the Government's planning policies for England and how these should be applied.

8.28 Paragraph 11 of the NPPF states that plans and decisions should apply a presumption in favour of sustainable development.

8.29 Paragraph 110 of the NPPF states that applications for development, it should be ensured that:

- a) appropriate opportunities to promote sustainable transport modes can be – or have been – taken up, given the type of development and its location;
- b) safe and suitable access to the site can be achieved for all users;
- c) the design of streets, parking areas, other transport elements and the content of associated standards reflects current national guidance, including the National Design Guide and the National Model Design Code 46; and
- d) any significant impacts from the development on the transport network (in terms of capacity and congestion), or on highway safety, can be cost effectively mitigated to an acceptable degree

8.30 Paragraph 126 of the NPPF states that the creation of high quality, beautiful and sustainable buildings and places is fundamental to what the planning and development process should achieve. Good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities. Being clear about design expectations, and how these will be tested, is essential for achieving this. So too is effective engagement between applicants, communities, local planning authorities and other interests throughout the process

8.31 Paragraph 130 states that 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.

- 8.32 Paragraph 154 states that new development should be planned for in ways that:
- a) avoid increased vulnerability to the range of impacts arising from climate change. When new development is brought forward in areas which are vulnerable, care should be taken to ensure that risks can be managed through suitable adaptation measures, including through the planning of green infrastructure; and
  - b) can help to reduce greenhouse gas emissions, such as through its location, orientation and design. Any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards
- 8.33 Paragraph 195 of the NPPF states that Local planning authorities should identify and assess the particular significance of any heritage asset that may be affected by a proposal (including by development affecting the setting of a heritage asset) taking account of the available evidence and any necessary expertise. They should take this into account when considering the impact of a proposal on a heritage asset, to avoid or minimise any conflict between the heritage asset's conservation and any aspect of the proposal.
- 8.34 Paragraph 197 of the NPPF states that In determining applications, local planning authorities should take account of: a) the desirability of sustaining and enhancing the significance of heritage assets and putting them to viable uses consistent with their conservation; b) the positive contribution that conservation of heritage assets can make to sustainable communities including their economic vitality; and c) the desirability of new development making a positive contribution to local character and distinctiveness.
- 8.35 Paragraph 202 of the NPPF states that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal including, where appropriate, securing its optimum viable use.
- 8.36 **Supplementary Planning Documents**
- 8.37 Building for Tomorrow Today: Sustainable Design and Construction Supplementary Planning Document (August 2011).
- 8.38 Travel Plans Supplementary Planning Document (February 2015)
- 8.39 Accessible Leeds Supplementary Planning Document (November 2016)
- 8.40 **The Site Allocations Plan**

8.41 The Site Allocations Plan (SAP) states that Leeds City Centre is the main retail and service centre for the city, The site is located within the designated City Centre but is not specifically identified or allocated in the SAP.

#### 8.42 **Other Legislation**

8.43 Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 requires that in considering whether to grant planning permission for development which affects a listed building or its setting, the local planning authority shall have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses.

8.44 Section 7 of the Planning (Listed Buildings and Conservation Areas) Act 1990 requires that no person shall execute or cause to be executed any works for the demolition of a listed building or for its alteration or extension in any manner which would affect its character as a building of special architectural or historical interest, unless the works are authorised under Section 8.

8.45 Section 8 of the Planning (Listed Building and Conservation Areas) Act 1990 provides that works for the alteration or extension of a listed building are authorised if:

- (a) Written consent for their execution has been granted by the local planning authority or the Secretary of State; and
- (b) They are executed in accordance with the terms of the consent and of any conditions attached to it.

### 9.0 **MAIN ISSUES**

1. Principle of the proposed demolitions and the proposed mix of uses
2. Affordable Housing
3. Residential Amenity and Housing Mix
4. The impact on the character and visual amenity of the host site and surrounding area
5. Landscape Proposals
5. Vehicle Parking, Sustainable Transport and Travel Planning
6. Climate Change and Sustainability Measures
7. Access & Inclusion
8. Safety and Security
9. Section 106 Legal Agreement

### 10.0 **APPRAISAL**

#### 10.1 Principle of the proposed demolitions and the proposed mix of uses

10.2 The proposal seeks to extend the building and change its use on floors 1 to 7 (with the inclusion of new mezzanine floors) to residential, with office use retained at ground floor level. The host Listed building is within the designated City Centre. Policy CC1 of the Core Strategy supports the creation of residential dwellings in the City Centre on the proviso that they demonstrate sufficient amenity for occupiers and do not prejudice the other functions of the City Centre.

10.3 The residential use proposed would significantly contribute towards the City Centre HMCA housing targets set out under Core Strategy Spatial Policy 5. As such, it is considered that the use of the majority of the site for residential use accords with policy requirements and is acceptable here.

- 10.4 Recent changes to the Use Class Order has introduced new the E Use Classes. The new Class E replaces Classes A1/2/3, B1, D1(a-b) and 'indoor sport' from D2(e) uses.
- 10.5 Class E covers retail sale of goods, other than hot food, the sale of food and drink for consumption (mostly) on the premises, financial services, professional services (other than health or medical services), other appropriate services in a commercial, business or service locality, indoor sport, recreation or fitness (not involving motorised vehicles or firearms), medical or health services (except the use of premises attached to the residence of the consultant or practitioner), crèches, day nurseries or day centres, offices, research and development of products or processes and Industrial processes.
- 10.6 It is proposed to retain office use at the ground floor level and this would be the types of Use Class E uses that would allow the building to retain a ground floor presence in the street scene and allowing the building to have active frontages at this level. Some uses in the E Use Class (eg research and development of products or processes and Industrial processes ) would not be considered to be appropriate below residential dwellings. As such a Planning Condition will be applied restricting such potential uses.
- 10.7 Affordable Housing
- 10.8 Core Strategy Policy H5 states that the council will seek affordable housing provision equating to 7% of the total provision on major residential developments in this part of the city. 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
- 10.9 The Ancient Monuments Society (point 5, paragraph 7.10 above) and Leeds Civic Trust (point 5, paragraph 7.12 above) have objected to the proposals on the basis of viability, stating that they do not consider there to be any special costs to redeveloping a listed building. The applicant has submitted a viability appraisal, including a request for consideration of the scheme in respect of Vacant Building Credit. This has been independently reviewed by the District Valuer (DV). The DV has provided a report (see Appendix 1) which concludes the scheme can support a policy compliant scheme, including an allowance for vacant building credits, and provide 3.6% affordable housing (3 Units) and the policy compliant section 106 costs of £23,750 and CIL of £31,603. The Applicant has accepted the finding of the DV's appraisal.
- 10.10 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.
- 10.11 Residential Amenity and Housing Mix
- 10.12 Concerns have been raised by the Ancient Monuments Society (point 6, paragraph 7.10 above) and Leeds Civic Trust (point 6, paragraph 7.12 above) regarding the mix of accommodation types, citing the fact that the provision of 3 and 4 bedroomed units is lower than the targets set out in Core Strategy Policy H4. The scheme is for 83 residential units, with these being 34 one bedroomed units (41%), 43 two bedroomed units (52%) and 6 three bedroomed units (7%). The Applicant has

stated that the provision is consistent with other approved residential developments in Leeds City Centre and that the proposed scheme reflects the aims of Core Strategy Policy H5, whilst also reflecting the content of the policy that states mix is considered by 'taking into account the nature of the development and character of the location', namely a City Centre development in a listed building, but with very large units. The Applicant also states that the scheme delivers particularly large units throughout, with many of the 2 bedroomed units exceeding the Core Strategy Policy H9 thresholds for 3 bedroomed units, with some being as large as 100 up to 138 sqm.

- 10.13 Although Core Strategy Policy H4 does set a minimum target of 20% of the total units to be 3 bedroom units and no minimum target for 4 bedrooms units, it also allows for the nature and location of the scheme to be taken in to account when assessing housing mix. Given that this scheme offers 7% three-bed flats, and the provision of three-bed dwellings in the city centre historically stands at around 1%, this proposal would help to increase the percentage of current provision in the area. Also, a change in the mix of accommodation is likely to further affect the financial viability position that has been reviewed for the proposal. On balance therefore , it is considered that the applicants' case that the proposed mix would offer a sufficient variety in unit type for a scheme of this size in this City Centre location, is considered acceptable .
- 10.14 The extended building would be at least 22 metres away from existing commercial units in the Merrion Centre across Woodhouse Lane and approximately 21 metres from a public house across Rossington Street. To the south of the site there is an existing residential block over 21 metres away across Great George Street. the proposed new student housing block (under applications 21/02844/FU and 21/02845/LI) would range from a minimum of just over 8 metres to 15 metres from the proposed residential dwellings. It is considered that the existing street gaps would be sufficient to preserve the amenity of future residential occupiers within the context of a dense city centre environment.
- 10.15 With regard to the relationship to the proposed student block, the orientation of the building and the new student block to its west would mean that shadow would not fall upon it until late evening. As such the proposals would not result in significant overshadow of the proposed residential dwellings. The Applicant has advised that where the distance is 8 metres this is at the extended bays of the building. Here the rooms have dual aspect and do not rely on windows facing the student scheme only. The lower portions of the windows facing the student scheme would be subject to a Planning Condition for obscure glazing to ensure resident privacy is maintained. In addition, the Applicant states that the student schemed has a limited number of windows on their projecting bays, with some of these being corridors and secondary side windows to end bedrooms and that the common rooms and primary windows are set further away. As such, it is considered that adequate levels of privacy can be attained.
- 10.16 The impact on the character and visual amenity of the host site and surrounding area
- 10.17 As identified above, the proposals seek to alter and regenerate No. 2 Great George Street to create a predominantly residential scheme with offices at ground floor. This requires amendments to the building, removing internal modern insertions and partitions, installing new partition and mezzanine floors and a roof extension. .

- 10.18 Internally existing 20<sup>th</sup> century partition walling will be removed, as well as the partial removal of two stair cores above the second floor to the north and south sides of the building. The Victorian Society have objected (point 6, paragraph 7.11 above) to the removal of these staircases. These two sets of secondary staircases (to the north and south) are largely not original and will only be partially removed. As such the evidence of their existence will still be evident and readable. The Victorian Society also object (point 6, paragraph 7.11 above) to the setting out of apartments, stating that this will adversely affect the historic plan form. The interior of the building has been significantly altered via past refurbishments to create offices. As a result, most areas are open plan with modern partitioning. Therefore, the historic plan form has already been significantly altered by past interventions.
- 10.19 Externally, the 20<sup>th</sup> century entrance pod to the western elevation will be removed, to be replaced with a more sympathetically designed entrance that will not extrude into the area to be landscaped to the west of the host building. At roof level the existing single storey building that houses the top of the retained central staircore will be removed, to be replaced by a new roof extension Historic England have raised concerns (point 3, paragraph 7.1 above) that although this central stairwell is retained it will be encroached upon by services. The staircase will be largely unaffected by services, as this will be the main circulation core of the entire building and as such needs to be free from any hinderances for its users. The Applicant has stated that to allow the reuse of the building, these alterations affecting historic fabric are required and are unavoidable.
- 10.20 The Victorian Society (point 5, paragraph 7.11 above), the Ancient Monuments Society (point 3, paragraph 7.10 above) and Leeds Civic Trust (point 1, paragraph 7.12 above) have objected the proposal for balconies to the corners of the building, stating that they are incongruous and do not fit well with its massing and solid character, regardless of their design . Officers agree with the concerns raised and as a result the scheme has been revised removing the previously proposed balconies.
- 10.21 The existing 20<sup>th</sup> century entrance pod to the western side of the building will be removed. This will be replaced with a more appropriate entrance, detailed to take account of its position on the listed building. As such the replacement entrance will be double doors behind a simply detailed but visually strong, historically appropriate stone detailed portico, designed to take reference from the other, existing historic building entrances.
- 10.22 Historic England (point 2, paragraph 7.1 above), the Ancient Monuments Society (points 1 and 4, paragraph 7.10 above), the Victorian Society (points 1, 3 and 4, paragraph 7.11 above) and Leeds Civic Trust (points 1 and 2, paragraph 7.12 above) object to the proposed roof extension stating that it disregards to the proportions of the host building and would be harmful to the special architectural interest of the building. They consider it would detract from the landmark qualities and silhouette of its host and would form an unwelcome addition to the conservation area, with inappropriate design, detailing and materiality.
- 10.23 The proposed roof extension would be in two parts. To its lower portion the extensions would replicate the facades of the historic building, in respect of its detailing, its materials (brick and natural stone) and its proportions. Concerns have been raised by objectors to this replication. The building has been added to historically in this manner. The aim of the current replication is to break up the roof extension, such that it not over-dominant in respect of scale and massing. Therefore, replicating the detailing and materiality of the host building in the lower

portion of the extension allows it to connect and visually balance both with the host building and the more contemporarily designed portion of the extension above. Above this more historically detailed section of the extension, a rectilinear predominantly glazed addition, with carefully positioned external fins is proposed. It's design is intended to create a calm, contemporary addition, that compliments, rather than competes with the detailed historic building below. It is common in urban settings, within the city centre, for contemporary additions to sit alongside, or on top of historic listed and non-designated heritage buildings and to be within the character areas of the City Centre Conservation Area. In this case, Officers consider that the extension, with its two parts, has been designed to be sensitive to the special character of the host and nearby listed buildings, as well as that of the City Centre Conservation, with its proposed high quality, visually orderly facades.

- 10.24 The overall scale of the main body of the extension is comparable in respect of its height, with the previously approved scheme (Planning applications 18/06365/FU and 18/06366/LI), and the floor level heights have been designed to reflect the rhythm of floors in the host building below. There is an overall increase in height from the previous scheme, with a further floor of residential accommodation, which would also have well areas within it, to conceal roof plant. However, this is set back from the main body of the extension below (which is itself stepped back from the main facades of the host building), The setting back of the extension from the elevations of the host listed building will assist it to be viewed as a secondary element, with the host listed building remaining the principle built form, ensuring the silhouette of the main building is the dominant feature.
- 10.25 The position of the extension and its inset top level, is demonstrated by the Applicant in key views of the scheme at close and from various distant views. These demonstrate that this top level is not visible within close views. It would be visible in some distanced views, but in these it would be viewed as a part of the wider city skyline and would not stand out as anomalous on top of the host building in these vistas. Officers consider the design, scale, height and positioning of the extension to be acceptable on this basis.
- 10.26 The Applicant requires new mezzanines and partitions to be inserted to create residential accommodation. Historic England (point 4, paragraph 7.1 above), the Ancient Monuments Society (point 2, paragraph 7.10 above), the Victorian Society (point 1, paragraph 7.11 above) and Leeds Civic Trust (point 3, paragraph 7.12 above) have raised an objection to the addition of mezzanines and associated partitions, in that they would harm the internal spaces, large windows and floor plan. Officers consider that, the mezzanines an acceptable intervention in this case, as they are sited at floors with very generous floor to ceiling heights and do not cover the full floorplate, allowing for the creation of double height lightwells within these levels. In addition, the mezzanines and partition walls have been detailed further to ensure that they are pulled back from the windows, such that they would not visually dissect and/or interrupt the flow of the fenestration. The mezzanines would also have dark edge treatments making the less visible through the windows.
- 10.27 Historic England (point 1, paragraph 7.1 above) and the Victorian Society (point 2, paragraph 7.11 above) have objected on the grounds of a lack of detailed information regarding the historic fabric and a lack of justification. Historic England (point 1 paragraph 7.1) have also stated that potential for less harmful alternatives should be put forward. The Applicant has stated that any proposals for this building would require alterations and an extension of the proposed mass to allow a deliverable scheme to come forward. At the current level of proposed development, the scheme has viability issues (that have been appraised by the District Valuer,

which are addressed in the viability section (paragraphs 10.7 to 10.10) above. As such the Applicant considers this to be the optimum viable scheme for the site.

10.28 As well as the appraisal of design, height scale and massing above, the Applicant provided a Heritage Statement assessing the significance of the historic details of the building and the impact of the scheme upon them and has stated that there are a number of public benefits of the scheme, as follows:

1. *Boosting the vitality and vibrancy of Leeds City Centre through increased residential accommodation and associated activity;*
2. *Wider spin-off benefits to the City Centre through increased activity and spend in local shops, bars, restaurants and other facilities and services, supporting the long-term vitality and viability of Leeds City Centre;*
3. *Support towards wider housing needs in Leeds, with the development providing a contribution of 83 units;*
4. *Creation of a high standard of living for future occupants as a result of the design and unique, high-quality living environment that is offered by the existing building and would be created by the proposed development;*
5. *Securement of the optimum viable use of a vacant Grade II listed building in the Leeds City Centre Conservation Area and ensuring its long term maintenance;*
6. *Significant contribution to Community Infrastructure Levy funding in Leeds;*
7. *Improved opportunities for active and sustainable travel through the provision of residential accommodation in a highly sustainable City Centre location close to bus and train services. The provision of secure cycle parking in the development would also support the option for cycling;*
8. *Job creation throughout the construction and operation of the development, with high-quality commercial floorspace being created within the building; and*
9. *Improvements to the public realm with the removal of the unsympathetic C20 entrance porch and the provision of an attractive soft landscaping scheme.*

10.29 Therefore, whilst it is acknowledged that there is harm in the loss of the historic existing single storey building at roof level and sections of some staircases, this is considered to be less than substantial. As such paragraph 202 of the NPPF is applicable to the proposals in that any less than substantial harm should be weighed against the public benefit of the proposals. Officers considered that the harm is outweighed by the public benefits of the proposals (detailed above) including providing high quality office and residential accommodation and bringing the currently empty historic building back in to use. In addition, the new roof extension would be high quality, vertically aligned interventions that will be designed to be respectful of the host listed building.

10.30 It is considered by Officers that the proposals are of a complementary scale, design and style for this important heritage site. The scheme would allow under used areas of important listed buildings to be brought back into active use. The design of the extension would be a high quality addition which would sit comfortably within the context of the host and neighbouring listed buildings, the street scene and this part of the City Centre Conservation Area.

#### 10.31 Landscape Proposals

10.32 The landscape scheme has been designed with the intention to create distinct and open gateways into the site, to a main space and route that responds positively to the intended uses and the historic setting. The intention is to create both permeability and places to dwell. As a result, the external publicly accessible landscaped space would serve as a north-south connection, which would be some 8.3m at the minimum point to the Rossington Street edge of the site.

- 10.33 Considered placement of seating, raised planters and concealed bin storage areas (behind patterned metal panelling) would compliment a choice of planting to enhance the space. Planting of different levels (including trees where space permits, large multi-stemmed shrubs, lower lying shrub, grasses and flowering plants) is proposed for the spaces and will be positioned to take account of active and passive frontages on the buildings. The variety and scale of the planting will be chosen to consider the urban nature of the environment, seasonality and light levels, alongside the visual, environmental and well-being benefits they will bring.
- 10.34 Landscaping is also proposed in the east facing lightwell, for use by the office occupiers. This would be set out with soft and hard landscaping and places where the office workers can take a break and relax.
- 10.35 At roof level, resident's communal and private roof terraces are to be set out, with hedging to the outer edges of the terraces, as well as raised beds housing small trees, shrubs, grasses and flowering plants.
- 10.36 Full details of all soft and hard landscape proposals will be required to come forward under Planning Conditions to ensure the appropriateness of hard surfacing materials and of species, sizes and locations for planting, and that the plants will tolerate the environment and light levels of an urban environment (including that in the lightwell).
- 10.37 Vehicle Parking, Sustainable Transport and Travel Planning
- 10.38 The site is in a sustainable location within Leeds City Centre being within walking distance of a number of nearby bus stops, the bus station and interchanges and the train station. The site is also close to a number of key cycling routes through the city centre, as well as being within walking distance of a number of existing city centre multi storey car parks. As such the proposals do not provide any on site car parking. The scheme does however propose 50 cycle spaces for residents in a secure internal cycle store.
- 10.39 Servicing and refuse collection would take place from a new lay-by on Rossington Street for which a Section 278 agreement with the Highways Department will be required, as well as a contribution for the loss of the existing Pay and Display parking bays in this location, via the Section 106 legal agreement.
- 10.40 A Travel Plan is submitted as part of the proposal, setting out the following initiatives and targets:
- Literature on the health benefits of walking, cycling and environmental benefits of sustainable modes of transport;
  - Personal travel initiatives;
  - Maps showing local walking / cycling routes and places of interest;
  - Details of public transport services, including timetables and routes;
  - Raise awareness of the health benefits of walking;
  - Clear signing of pedestrian routes within and adjacent to the site;
  - Information on the local pedestrian routes, including public footpaths and promote the [www.walkit.com](http://www.walkit.com) website for journey planning on foot;
  - Information on the local cycle network routes made available through welcome packs;
  - Promote the availability of cycling information, including route maps and useful tips and guidance, on the Sustrans website [www.sustrans.org.uk](http://www.sustrans.org.uk);

- Local cycle clubs/forums to be invited to take part in TP promotional events to raise awareness;
- Promotion of events such as “National Bike Week”;
- The setting up of a residential Bicycle User Group (BUG);
- Distribute details of the Traveline Journey Planning tool for Yorkshire. Future residents can contact Traveline by phoning 0871 200 2233. They can also utilise the Traveline website at <https://www.traveline.info/>;
- Provide up to date bus information including timetables and contact information in the welcome packs;
- Advertise any promotions/discounts offered by public transport operators;
- Liaise with bus companies and LCC on any future improvements and/or extensions to local services;
- Promotion of car sharing.

The Section 106 legal agreement will secure the Travel Plan requirements as well as a monitoring fee of £3,278.

#### 10.41 Climate Change and Sustainability Measures

10.42 Members will be aware that the Council has declared a Climate Emergency. Existing planning policies seek to address the issue of climate change by ensuring that development proposals incorporate measures to reduce the impact of non-renewable resources

10.43 The proposals aim to meet the requirements of planning policies EN1 and EN2 to reduce 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. As such the proposal incorporates a variety of sustainability measures including;

- Choice of materials aims to reduce the buildings impact on the environment.
- Openable upgraded windows, where possible, have been incorporated to allow for natural ventilation.
- The appropriate level of insulation will be incorporated
- LED lighting will be used where possible.
- Reducing carbon emissions through encouraging residents to use certain Sustainable transport modes
- Installation of secondary glazing to all sash windows.
- The use of heat pump technology that can co-ordinate with the District Heating system is being explored.
- The use of a variable refrigerant flow system in the commercial areas.

Full details of all sustainability measures will be required as part of a final Sustainability Statement under a Planning Condition.

10.44 In response to Policy EN4 the Applicant has stated that their Mechanical & Electrical consultants are actively engaged with the District Heating Network Team at the Council. The Applicant states that it is their intention (provided it is technically achievable) to integrate the District Heating Network into the proposed development.

10.45 In respect of Policy EN8, no car parking is proposed at the site and as such there would be no electric vehicle charging points.

#### 10.46 Access & Inclusion

10.47 Victorian Society (point 7, paragraph 7.10 above) and Leeds Civic Trust (point 7, paragraph 7.12 above) have raised concerns with regard to the potential manner in

which residents use and experience the building in respect of it being accessible to all. The applicant has stated that they have gone to significant lengths to improve the arrangement. There is unfortunately an unavoidable challenge with the stepped entrance from Woodhouse Lane and there being a substantial amount of internal and external staircasing. As such this cannot be the principal entrance without significant alteration, Therefore, the Applicant has proposed that the altered entrance to the western side of the building will be the primary residential entrance. This is where a concierge, postal service and the resident's gym can be accessed as well as a pair of new lifts which provide level access to all floors. The eastern stepped entrance, from Woodhouse Lane, will therefore be a secondary residential entrance.

- 10.48 The commercial (office) areas will utilise existing entrances to the north and south faces of the host building and both will access the main central spine for the offices, with direct access to amenities (reception, wc's etc.). The basement (plant area only) is the only inaccessible part of the building. Full detail of the detailed design of the access arrangements will be required under a Planning Condition.
- 10.49 The Applicant has stated that they will deliver accessible residential units in accordance with the requirements of Policy H10. As such they propose;  
15 M4 (1) accessible apartments  
61 M4(2) accessible apartments  
7 M4(3) accessible apartments.  
Post-construction Accessible Housing Certification will also be required under a Planning Condition.
- 10.50 Safety and Security
- 10.51 The Applicant has stated that the buildings will be staffed with a concierge service Officers consider this to be an acceptable arrangement in principal. Separate secure building access and egress arrangements are proposed, which will separate the residential use entrances from the office use entrances.
- 10.52 Section 106 Legal Agreement
- 10.53 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 -  
(a) Necessary to make the development acceptable in planning terms,  
(b) Directly related to the development; and  
(c) Fairly and reasonably related in scale and kind to the development.
- 10.54 There is a requirement for the following obligations;  
1. Employment and training of local people  
2. Publicly accessible areas  
3. Affordable housing provision  
4. The provision and monitoring of a travel plan fee of £3,278, subject to a 3% increase annually on 1st April  
5. Provision of a Residential Travel Plan Fund of £19,437, some of which is to be expended on Leeds City Council Car Club free trial membership and usage package.  
6. A contribution for loss of Pay & Display bays of a sum to be agreed.  
7. A monitoring fee

10.55 The proposed obligations have been considered against the legal tests and are considered necessary, directly related to the development and fairly and reasonably related in scale and kind to the development. Accordingly, this can be taken into account in any decision to grant planning permission for the proposals.

10.56 The development is Community Infrastructure Levy (CIL) liable and is estimated to be in the region of £29,769.62 CIL is generally payable on the commencement of development.

## **11.0 CONCLUSION**

11.1 In conclusion it is considered that the proposal would result in a high quality, appropriate development. The scheme would bring active use to an important historic building and would add to the vibrancy and vitality to the area and furthering its regeneration.

11.2 The proposals would allow important underused historic areas of the Listed Buildings to be brought back into use and whilst it is acknowledged that there will be some (but not substantial) harm by virtue of the extent of demolition and alterations, this is of a tolerable level when balanced against the public benefits of the regeneration of the building.

11.3 Therefore the proposal is in accordance with the Development Plan and is considered to be acceptable and is recommended for planning approval and listed building consent approval subject to the conditions set out in Appendix 1 and the planning obligations set out at the head of this report.

11.4 Due to a statutory objection from Historic England the Secretary of State will be notified in respect of the proposals and the Plans Panel decisions on the two applications, in accordance with legislative requirements.

### **Background Papers:**

21/01869/FU

21/01870/LI

21/02844/FU

21/02845/LI



Valuation Office  
Agency

**DVS** Property Specialists  
for the Public Sector

Stage 2  
Viability Report for  
2 Great George Street  
Leeds  
LS1 3DW



Report for:

[REDACTED] - Principal Planner  
City Centre Team  
Development Management  
Leeds City Council

Prepared by:

[REDACTED]  
Principal Surveyor  
RICS Registered Valuer  
DVS

Tel: [REDACTED]  
[REDACTED]

Case Number: 1772652

Client Reference: 18/06365/FU  
18/06366/LI

Date: 13<sup>th</sup> September 2021

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## 1. Executive Summary

Proposed Development Details.

This report provides an Independent Review of a Financial Viability Appraisal in connection with:

<b>Proposed Development</b>	Listed Building Application for alterations, extensions, including rooftop extension, and conversion of 2 Great George Street to provide 76 residential apartments with retention of the ground floor office use
<b>Subject of Assessment:</b>	2 Great George Street Leeds LS1 3DW
<b>Planning Ref:</b>	21/01870/LI
<b>Applicant:</b>	Priestley Homes (G. George Street) Ltd
<b>Applicant's Viability Advisor:</b>	Stannybrook Property Consultants

### Non-Technical Summary of Viability Assessment Inputs

Policy Compliant Inputs	Agent (No Affordable Housing)	DVS Viability Review Policy Compliant	Agreed (Y/N)
<b>Assessment Date</b>	30 June 2021	30 June 2021	Y
<b>Scheme, Gross Internal Area, Site Area</b>	GIA: 9,768 sq. m / 105,142 sq. ft.	GIA:9,768 sq. m / 105,142 sq. ft.	Y
<b>Development Period</b>	18 Months	18 Months	Y
<b>Gross Development Value (Residential+ Commercial)</b>	£30,897,404	£30,379,580	N
<b>Affordable Housing</b>	0%	3.6%%	N
<b>Planning Policy / S.106 Total</b>	£55,353	£55,353	Y
<b>Construction Cost inc. Prelims, External Works Total and £/sq. ft.</b>	£18,250,500	£18,250,000	Y
<b>Abnormal Cost</b>	Nil	Nil	Y
<b>Contingency</b>	5%	5%	Y
<b>Professional Fees</b>	7.5%	7.5%	Y
<b>Finance Interest and Sum</b>	6.5%	6.5%	Y
<b>Other Fees</b>			
Marketing Fees	1.5%	2%	N
Sales / Agency Fees	1.5%	1%	N

Legal Fees	0.3%	£500 per apt	N
Land Acquiring Costs	£234,500	£163,808	N
Profit Target %	12.13% profit on cost	17.28%	N
EUV	Not stated	Not Applicable	Y
EUV Premium to BLV	Not Stated	Not Applicable	Y
Benchmark Land Value	£3,500,000	£2,000,000	N
Purchase Price (if relevant)	Not Stated	Not Stated	N/A
Alternative Use Value	Not Stated	Not Stated	N/A
Viability Conclusion Planning Compliant Scheme	Not Viable 0% Affordable Housing	Fully Viable 3.6% Affordable	N

**Following my impartial review of the applicant's appraisal I have concluded the scheme can support a policy compliant scheme, including an allowance for vacant building credits, and provide 3.6% affordable housing (3 Units) and the policy compliant section 106 costs of £23,750 and CIL of £31,603.**

## 2. Introduction

- 2.1 I refer to your instructions dated 26 June and my Terms of Engagement dated 26 June.
- 2.2 The review of the proposed development scheme is based on a review of the planning agents report dated June 2021 submitted to the Local Authority.
- 2.3 I have inspected the property externally and finalised my viability assessment and I am pleased to report to you as follows.
- 2.4 A copy of my Terms of Engagement dated 26 June 2021 are attached.

### 2.5 Identification of Client

Leeds City Council.

### 2.6 Purpose of Assessment

It is understood that the Leeds City Council Planning Department require an independent opinion on the viability information provided by Stannybrook Property Consultants, 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.

## 2.7 Subject of the Assessment

The proposed scheme consists of a conversion of the existing building at 2 Great George Street, Leeds, LS1 3DW to provide 83 one, two and three bed apartments for open market sale.

In addition to the accommodation set out above the scheme will also provide 545 m<sup>2</sup> (5,869 ft<sup>2</sup>) of office space and a Gymnasium extending to 84 m<sup>2</sup> (907 ft<sup>2</sup>) for the use of residents only.

## 3. **Date of Assessment**

The date of the viability assessment is 30 June 2021.

Please note that values change over time and that a viability assessment provided on a particular date may not be valid at a later date.

## 4. **Viability Methodology / Professional Guidance**

4.1 The review of the applicant's viability assessment has been prepared in accordance with the recommended practice set out in the National Planning Policy Framework; the NPPG on Viability (July 2018, updated May 2019, September 2019) and the Royal Institution of Chartered Surveyors (RICS) Professional Statement, Financial Viability in Planning (**FVIP: Conduct and Reporting**) (effective from 1<sup>st</sup> September 2019) and the RICS (**FVIP**) Guidance Note (1<sup>st</sup> Edition) (GN 94/2012), where applicable.

4.2 The Residual appraisal methodology is established practice for viability assessments. In simple terms the residual appraisal formula is:

**Gross Development Value less Total Development Cost (inclusive of S106 obligations, abnormal development costs and finance) less Profit, equals the Residual Land Value.**

4.3 The Residual Land Value is then compared to the Benchmark Land Value as defined in the Planning Practice Guidance on Viability. Where the Residual Land Value produced from an appraisal of a policy compliant scheme is in excess of the Benchmark Land Value the scheme is financially viable, and vice versa:

**Residual Land Value > Benchmark Land Value = Viable**  
**Residual Land Value < Benchmark Land Value = Not Viable**

4.4 The appraisal can be rearranged to judge the viability of a scheme in terms of the residual profit, which is compared to the target profit:

**Residual Profit > Target Profit = Viable**  
**Residual Profit < Target Profit = Not Viable**

- 4.5 For this case the DVS appraisal produces a Residual Land Value which is then compared to the Benchmark Land Value as defined in the Planning Practice Guidance on Viability.

**Gross Development Value less Total Development Cost (exclusive of S106 obligations) less Profit, less Benchmark Land Value = Residual Pot available for policy requirements.**

## **5. RICS Financial Viability in Planning Conduct and Reporting**

In accordance with the above professional standard it is confirmed that:

- 5.1 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.
- 5.2 The professional fee for this report is not performance related and contingent fees are not applicable.
- 5.3 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.
- 5.4 The appointed valuer, [REDACTED] 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. Brian has been assisted by [REDACTED], Graduate Surveyor.
- 5.5 Neither the appointed valuer, graduate, nor DVS advised this local planning authority in connection with the area wide viability assessments which supports the existing planning policy.
- 5.6 DVS are employed to independently review the applicant's financial viability assessment and can provide assurance that the review has been carried out with due diligence and in accordance with section 4 of the professional standard. It is also confirmed that all other contributors to this report, as referred to herein, have complied with the above RICS requirements.
- 5.7 Vacant Building Credits

As set out in Paragraph: 021 of the PPG, National policy provides an incentive for brownfield development on sites containing vacant buildings. Where a vacant building is brought back into any lawful use, or is demolished to be replaced by a

new building, the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace.

Paragraph: 022 further elaborates that where there is an overall increase in floorspace in the proposed development, the local planning authority should calculate the amount of affordable housing contributions required from the development as set out in their Local Plan. A 'credit' should then be applied which is the equivalent of the gross floorspace of any relevant vacant buildings being brought back into use or demolished as part of the scheme and deducted from the overall affordable housing contribution calculation. This will apply in calculating either the number of affordable housing units to be provided within the development or where an equivalent financial contribution is being provided.

I refer you to section 18.8 which sets out the calculation of vacant building credit and resultant conclusion that a planning compliant scheme should include 3 residential units.

## **6 Restrictions on Disclosure / Publication**

- 6.1 The report has been produced for Leeds City Council only. DVS permit that this report may be shared with the applicant and their advisors as listed above, as named third parties.
- 6.2 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.
- 6.3 Planning Practice Guidance for viability promotes increased transparency and accountability, and for the publication of viability reports. However, it is has been agreed that your authority, the applicant and their advisors will neither publish nor reproduce the whole or any part of this report, nor make reference to it, in any way in any publication. It is intended that a final report will later be prepared, detailing the agreed viability position or alternatively where the stage one report is accepted a redacted version will be produced, void of personal and confidential data, and that this approved document will be available for public consumption.
- 6.4 None of the VOA employees individually has a contract with you or owes you a duty of care or personal responsibility. It is agreed that you will not bring any claim against any such individuals personally in connection with our services.

- 6.5 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.

## **7. Validity**

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

## **8. Limits or Exclusions of Liability**

Our viability assessment is provided for your benefit alone and solely for the purposes of the instruction to which it relates. Our viability assessment may not, without our specific written consent, be used or relied upon by any third party, even if that third party pays all or part of our fees, directly or indirectly, or is permitted to see a copy of our viability report. If we do provide written consent to a third party relying on our viability assessment, any such third party is deemed to have accepted the terms of our engagement.

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.

## **9. Confirmation of Standards**

- 9.1 The viability assessment review has been prepared in accordance with paragraph 57 of the National Planning Policy Framework, which states that all viability assessments should reflect the recommended approach in the National Planning Practice Guidance on Viability, (July 2018, updated May 2019 and September 2019).
- 9.2 The viability assessment review report has been prepared in accordance with the Professional Statement Financial Viability in Planning: Conduct and Reporting (effective from 1<sup>st</sup> September 2019). Regard has been made to the RICS Guidance Note "Financial Viability in Planning" 1<sup>st</sup> Edition (GN 94/2012), where applicable.
- 9.3 The valuation has been prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book. Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).
- 9.4 Whilst professional opinions may be expressed in relation to the appraisal inputs adopted, this consultancy advice is to assist you with your internal decision making

and for planning purposes and is not formal valuation advice such as for acquisition or disposal purposes. It is, however, understood that our assessment and conclusion may be used by you as part of a negotiation, therefore RICS Red Book professional standards PS1 and PS2 are applicable to our undertaking of your case instruction, compliance with the technical and performance standards at VPS1 to VPS 5 is not mandatory (PS 1 para 5.4) but remains best practice and they will be applied to the extent not precluded by your specific requirement.

- 9.5 Where relevant measurements stated will be in accordance with the RICS Professional Statement 'RICS Property Measurement' (2<sup>nd</sup> Edition) and, the RICS Code of Measuring Practice (6<sup>th</sup> Edition).
- 9.6 The viability assessment has been prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book.
- 9.7 Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).
- 9.8 As specifically requested by you, any residential property present has been reported upon using a measurement standard other than IPMS, and specifically Net Internal Area has been used. Such a measurement is an agreed departure from 'RICS Property Measurement (2<sup>nd</sup> Edition)'. I understand that you requested this variation because those are the measurements stated by the applicant.

## **10. Conflict of Interest**

- 10.1 In accordance with the requirements of RICS Professional Standards, DVS as part of the VOA has checked that no conflict of interest arises before accepting this instruction. It is confirmed that DVS are unaware of any previous conflicting material involvement and is satisfied that no conflict of interest exists.
- 10.2 It is confirmed that the valuer appointed has no personal or prejudicial conflict in undertaking this instruction. It is confirmed that all other valuers involved in the production of this report have also declared they have no conflict assisting with this instruction. Should any conflict or difficulty subsequently be identified, you will be advised at once and your agreement sought as to how this should be managed.

## **11. Engagement**

The DVS valuer has not conducted any discussions negotiations with the applicant or any of their other advisors

## 12. Status of Valuer

12.1 It is confirmed that the viability assessment has been carried out by [REDACTED] BSc (Hons) MRICS, Registered Valuer, acting in the capacity of an external valuer, who has the appropriate knowledge, skills and understanding necessary to undertake the viability assessment competently and is in a position to provide an objective and unbiased review. [REDACTED] is referred hereafter and in redacted correspondence as 'the DVS Valuer.'

12.2 As part of the DVS Quality Control procedure, this report and the appraisal has been peer reviewed by [REDACTED] MRICS, Registered Valuer, who has the appropriate knowledge, skills and understanding necessary to complete this task.

### 12.3 Other Contributors

[REDACTED] (MSc) Hons, DVS Graduate Surveyor contributing to researching comparable evidence and subsequent analysis under the full supervision of the DVS Valuer.

## 13. Assessment Details

### 13.1 Location / Situation

The application site is located on the corner of Great George Street and Woodhouse Lane within the northern section of Leeds City Centre. Both New York Road (A64(M)) and Duke Street (A61) are situated almost immediately to the east of the site, providing access to the M1, M621 and M62 motorways. Leeds Train Station is located approximately 0.4 miles the south of the site.

A location plan is provided below with the subject building highlighted in red:



Not to Scale

### 13.2 Description

The subject property comprises of 2 Great George Street, a Grade II listed former school building extending to a gross internal area of approx. 4,621 m<sup>2</sup> (49,740 ft<sup>2</sup>). The purpose-built school building, constructed using traditional red brick and stone, is four floors in height together with a basement level. The building which is vacant is bound by Rossington Street to the north, Woodhouse Lane to the east, Great George Street to the south and a parking area to the west.

### 13.3 Site Area

The site area is not included in the applicant's appraisal, however, DVS have checked the site area by using Digi mapping which calculates the site area is approximately 0.14 hectares (0.35 Acres).

### 14. **Date of Inspection**

13th July 2021.

### 15. **Planning Policy / Background**

I have made enquiries of the Planning Authority as to the planning status and history which has revealed that the property is a Grade II listed building located within the City Centre Conservation Area.

The planning application refers the conversion of 2 Great George Street to provide 76 residential apartments with retention of the ground floor office use application.

The applicant's viability report refers to a scheme of 83 apartments comprising 4 storeys, a basement and a roof extension. The scheme is to provide a mix of 1, 2 and 3 bedroomed apartments to meet a range of needs with unit numbers and sizes. Our comments are based on the viability report submitted comprising 83 apartments which the planning officer has is correct and based on an updated scheme.

In addition to the accommodation set out above the scheme will also provide 545 m<sup>2</sup> (5,869 ft<sup>2</sup>) of office space and a Gymnasium extending to 84 m<sup>2</sup> (907 ft<sup>2</sup>) for the use of residents only.

The property has previously been granted planning consent are part of a larger site including an adjoining surfaced car park and office building. The planning consent, reference 18/06366/LI, was granted 26<sup>th</sup> April 2019.

*“Listed Building application for demolition of existing extension to Leonardo Building; erection of six storey replacement extension (use class B1); addition of a one storey roof extension plus plant enclosure to Leonardo Building and Thoresby House to provide additional office accommodation (use class B1); part change of use of the ground floor from office (use class B1) to one cafe/restaurant/bar unit (use class A3/A4); new-build eight storey hotel building (use class C1) with restaurant (use class A3) to existing car park; ……………”*

The consent specifically refers to 2 George Street as follows:

*…………demolition of existing lobby to west elevation of 2 Great George Street; change of use of 2 Great George Street (use class B1) to a hotel (use class C1) with restaurant (use class A3) at ground floor level; erection of three storey roof extension to 2 Great George Street to form additional hotel accommodation and plant (Use Class C1); and internal alterations to create an additional floor; creation of new public realm comprising resurfacing works, provision of street furniture, trees and other planting, and alterations to the highway.”*

I understand there was a proposal from a developer to implement the consent for conversion to a hotel, however, the developer could not attract a hotel operator and hence the scheme did not proceed. Subsequently, the current scheme for conversion to residential apartments, with retention of the ground floor office use, was submitted and is the subject of this viability report.

## **16. Local Plan Policy Scheme Requirements / S106 Costs**

### Community Infrastructure Levy (CIL)

The Community Infrastructure Levy (CIL) was adopted by Full Council on 12 November 2014, and the charges were implemented across Leeds from 6th April 2015. The proposed development is located within CIL Residential Charging Zone 4 therefore it is expected that a CIL payment of £6.14 per m<sup>2</sup> (indexed) will be required for any new residential floorspace. The CIL liability has been calculated by the applicant as follows:

Existing GIA: 4,621 m<sup>2</sup> (49,740 ft<sup>2</sup>)  
Proposed GIA: 9,768 m<sup>2</sup> (105,142 ft<sup>2</sup>)  
Additional GIA: 5,147 m<sup>2</sup> (55,402 ft<sup>2</sup>)

CIL Payable: £31,603

Leeds City Councils CIL Officer should confirm the calculation is correct before grant of planning permission.

Affordable Housing

Policy H5: Affordable Housing of the Authority's Core Strategy sets out a requirement of 7% Affordable Housing for new major housing developments in Zone 4 with the tenure to be split 40% Intermediate (2 units) and 60% Social Rented (4 units). The tables below confirm the apartment types and values adopted:

<b>Affordable Housing - Intermediate</b>				
<b>Name</b>	<b>Number of Beds</b>	<b>Number of Units</b>	<b>Open Market Value</b>	<b>Discounted Value (70% OMV)</b>
AA	1	1	£152,500	£106,750
AD	2	1	£287,500	£201,250
<b>Total</b>		<b>2</b>		

<b>Affordable Housing - Social Rent</b>				
<b>Name</b>	<b>Number of Beds</b>	<b>Number of Units</b>	<b>Open Market Value</b>	<b>Discounted Value (45% OMV)</b>
AA	1	2	£152,500	£68,625
AD	2	2	£287,500	£129,375
<b>Total</b>		<b>4</b>		

S106 Contributions

In addition, I summarise the CIL and other S106 costs which have been included in the applicant's viability appraisal:

- CIL: 31,603
- Sustainable Travel Fund: £20,750
- Management Fee: £3,000

Affordable housing benchmark prices and rents in Leeds for 2020/21

Table 1 below sets out the prices that the City Council would normally expect developers to dispose of affordable dwellings to Registered Providers. They are derived from the mortgage payments that low earning households in Leeds would be able to afford. They translate the affordability standards set out in Policy H5 of the Core Strategy into benchmarks that can be applied in practice achieving consistency between different developments. It is expected that Registered Providers will pass on the affordability to occupiers subject to reasonable administration costs.

Table 1: Affordable Sale Prices

<b>Dwelling Type</b>	<b>Affordability</b>	<b>Benchmark £/sqm</b>
House	Lower Decile	714.88
	Lower Quartile	901.86
Apartment in Suburbs	Lower Decile	768.12
	Lower Quartile	987.76
Apartment in City Centre	Lower Decile	880.14
	Lower Quartile	1131.81

**17. Special Assumptions**

17.1 The following assumptions and special assumptions have been agreed with the Council and applied:

- 1) That your council's planning policy, or emerging policy, for affordable housing is up to date
- 2) There are no abnormal development costs in addition to those which the applicant has identified, and (for cases with no sq. review) the applicant's abnormal costs, where supported, are to be relied upon to determine the viability of the scheme, unless otherwise stated in our report.
- 3) That the development as proposed is complete on the date of assessment in the market conditions prevailing on the date.

The property has not been inspected internally. The below assumptions are subject to the statement regarding the limitations on the extent of our investigations, survey restrictions and assumptions, as expressed in the terms of engagement.

- a) Tenure - A report on Title has not been provided. The review assessment assumes that the site is held Freehold with vacant possession.
- b) Easements / Title restrictions - A report on Title has not been provided. The advice is provided on the basis the title is available on an unencumbered freehold or long leasehold basis with the benefit of vacant possession. It is assumed the title is unencumbered and will not occasion any extraordinary costs over and above those identified by the applicant and considered as part of abnormal costs.
- c) Access / highways - It is assumed the site is readily accessible by public highway and will not occasion any extraordinary costs over and above those identified by the applicant and considered as part of abnormal costs.
- d) Mains Services - It is assumed the site is or can be connected to all mains services will not occasion any extraordinary costs over and above those identified by the applicant and considered as part of abnormal costs.
- e) Mineral Stability - This assessment has been made in accordance with the terms of the agreement in which you have instructed the Agency to assume that the property is not affected by any mining subsidence, and that the site is stable and would not occasion any extraordinary costs with regard to Mining Subsidence. I refer you to the DVS Terms of Engagement at Appendix IV for additional commentary around ground stability assumptions.
- f) Environmental Factors Observed and/or Identified - It is assumed the site will not occasion any extraordinary costs relating to environmental factors over and above those identified by the applicant and considered as part of abnormal costs.
- g) Flood Risk – Not applicable
- h) Asbestos - It is assumed any asbestos where identified present will not occasion any extraordinary costs over and above those identified by the applicant and considered as part of abnormal costs.

## 17.2 Scheme Floor Areas

Measurements stated are in accordance with the RICS Professional Statement **'RICS Property Measurement' (2<sup>nd</sup> Edition)**, and where relevant, the **RICS Code of Measuring Practice (6<sup>th</sup> Edition)**.

The mixed-use development scheme assessed has been reported upon using a measurement standard other than IPMS, and specifically Net Internal Area / has been used. Such a measurement is an agreed departure from 'RICS Property Measurement (2<sup>nd</sup> Edition)'. I understand that you requested this variation because those are the measurements stated by the applicant.

Schedule of Residential Areas and Revenues in Proposed Scheme

Floor	Name	Type	Revenues			Net Sales Price	Net Sales Price (ft <sup>2</sup> )	Total Value
			Number of Beds	Number of Units	Size (ft <sup>2</sup> )			
1 and 2	A	Apartment	2	2	1,278	£450,500	£352.50	£901,000
1 and 2	B	Apartment	2	2	1,050	£392,500	£373.81	£785,000
1	C	Apartment	2	1	1,143	£427,500	£374.02	£427,500
1	D	Apartment	2	1	1,167	£435,000	£372.75	£435,000
1 and 2	E	Apartment	2	2	1,006	£375,000	£372.76	£750,000
1 and 2	F	Apartment	2	2	1,297	£455,000	£350.81	£910,000
1 and 2	G	Apartment	2	2	1,416	£457,500	£323.09	£915,000
1 and 2	H	Apartment	2	2	1,138	£425,000	£373.46	£850,000
1	I	Apartment	2	1	1,055	£395,000	£374.41	£395,000
1	J	Apartment	2	1	1,148	£430,000	£374.56	£430,000
1	K	Apartment	2	1	1,017	£385,000	£378.56	£385,000
1 and 2	L	Apartment	2	2	1,014	£382,500	£377.22	£765,000
1 and 2	M	Apartment	2	2	1,170	£440,000	£376.07	£880,000
1 and 2	N	Apartment	2	2	1,483	£462,500	£311.87	£925,000
2	O	Apartment	2	1	1,240	£447,500	£360.89	£447,500
2	P	Apartment	2	1	1,378	£450,000	£326.56	£450,000
2	Q	Apartment	2	1	1,389	£452,500	£325.77	£452,500
2	R	Apartment	2	1	1,067	£397,500	£372.54	£397,500
2	S	Apartment	2	1	1,142	£427,500	£374.34	£427,500
3, 4 and 5	T	Apartment	2	3	783	£295,000	£376.76	£885,000
3, 4 and 5	U	Apartment	1	3	577	£215,000	£372.62	£645,000
3, 4 and 5	V	Apartment	1	3	546	£202,500	£370.88	£607,500
3, 4 and 5	AA	Apartment	1	3	410	£152,500	£371.95	£457,500
3, 4 and 5	AB	Apartment	1	3	403	£150,000	£372.21	£450,000
3, 4 and 5	AC	Apartment	1	3	556	£205,000	£368.71	£615,000
3, 4 and 5	AD	Apartment	2	3	765	£287,500	£375.82	£862,500
3, 4 and 5	AE	Apartment	1	3	418	£155,000	£370.81	£465,000
3, 4 and 5	AF	Apartment	2	3	892	£332,500	£372.76	£997,500
3, 4 and 5	AG	Apartment	1	3	509	£195,000	£383.10	£585,000
3, 4 and 5	AH	Apartment	1	3	527	£197,500	£374.76	£592,500
3, 4 and 5	AI	Apartment	1	3	504	£190,000	£376.98	£570,000
3, 4 and 5	AJ	Apartment	1	3	502	£187,500	£373.51	£562,500
3, 4 and 5	AK	Apartment	2	3	875	£327,500	£374.29	£982,500
3, 4 and 5	AL	Apartment	1	3	438	£162,500	£371.00	£487,500
6	AM	Apartment	2	1	1,046	£405,000	£387.19	£405,000
6	AN	Apartment	1	1	719	£260,000	£361.61	£260,000
6	AO	Apartment	2	1	1,076	£420,000	£390.33	£420,000
6	AP	Apartment	2	1	1,023	£400,000	£391.01	£400,000
6	AQ	Apartment	3	1	1,312	£520,000	£396.34	£520,000
6	AR	Apartment	3	1	1,268	£510,000	£402.21	£510,000
7	AS	Apartment	3	1	2,284	£1,100,000	£481.61	£1,100,000
7	AT	Apartment	3	1	2,277	£1,150,000	£505.05	£1,150,000
7	AU	Apartment	3	1	2,242	£1,120,000	£499.55	£1,120,000
7	AV	Apartment	3	1	2,199	£1,100,000	£500.23	£1,100,000
<b>Total</b>			<b>83</b>					<b>£28,678,500</b>

(Source: Stannybrook Property Consultants Report Dated June 2021)

**17.3 Mineral Stability**

The applicant's viability appraisal makes no reference to Mining Subsidence or whether it is located in an underground mining area.

**17.4 Environmental Factors Observed or Identified**

The applicant's viability appraisal makes no reference to contaminants affecting the site. Asbestos may be present in the construction of the existing buildings. While this material remains intact and in good condition the asbestos fibres are likely to be safe but specialist advice should be sought in the event of alteration, maintenance or demolition.

### 17.5 Tenure

Freehold with vacant possession.

### 17.6 Easements and Restrictions

I have not been provided with a report and title and cannot comment as to whether any onerous easements or restrictions exist.

### 17.7 Services

My viability appraisal assumes that all services are either available or connected to the site unless otherwise stated by the viability consultant acting on behalf of the applicant.

### 17.8 Access and Highways

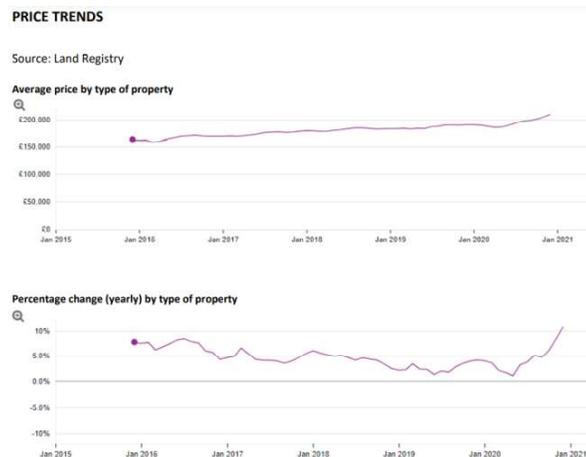
The applicant makes no comment in their viability appraisal with regards to onerous restrictions regarding access and highways. My report assumes the surrounding road network is maintained at the public expense.

## 18. **Development Scheme information**

### 18.1 Gross Development Value (GDV)

#### Applicant's Evidence & Opinion of Value

The applicant's advisor has presented new-build and resale data for apartments in Leeds City Centre. The evidence presented by the applicant is comprehensive and includes trend data published by Land Registry which I include below:



Market Characteristics	Leeds	National
Market Size Indicator: no. of transactions	58,347	4,886,506
Market Size Indicator: total no. of properties	301,614	25,000,000
Market liquidity Indicator: transactions / properties	19.34%	19.55%
Market Growth Indicator: new homes built	5,327	570,561
Market Growth Indicator: new builds / transactions	9.13%	11.68%

Growth Rate	Leeds	National
5 year house price growth	7.70%	6.90%
Last 12 months house price growth	10.90%	5.40%

Property Type	Jan-15	Jan-21	Change
Detached	£283,683	£420,293	48%
Semi	£158,182	£230,684	46%
Terraced	£113,460	£165,089	46%
Flat	£117,186	£166,359	42%
All	£148,263	£230,375	55%

### DVS Evidence

I have reviewed the evidence presented by the applicant in terms of apartment rents. In addition, The VOA holds details of all sales of residential properties in the city including referencing information such as accommodation, floor areas etc. The valuer has analysed apartment since 2019 in the surrounding post code areas.

DVS also holds evidence of numerous schemes either under construction or in planning where viability appraisals have been submitted to the planning authority creating a body of evidence. I summarise below the most comparable evidence in similar schemes in Leeds City Centre.

### Centaur House

Centaur House is a City Centre Scheme at the opposite end of Great George Street adjoining the A64 urban dual carriageway. The scheme was completed in 1999 and was one of the earliest conversion schemes developed at the end of the last century. The values quoted below are indicative of apartment values but does not reflect a "New Property Premium".

ASKING SSTC SOLD	PRICE	DATE	ADDRESS	POST CODE	No of BEDS	AGE (refurb)	PARKING	NIA sq. m. (from EPC)	DESCRIPTION / NOTES	PHOTO	COMPS SOURCE (i.e. CDB, Rightmove etc.)
SOLD	£136,000	23.10.20	FLAT, CENTAUR HOUSE, GREAT GEORGE STREET, LEEDS, LS1 3LA	LS1 3LA	1	1999	Reflected x 1	44	Mid-floor flat - assumed 1 bed LG (999 years)		CDB / Rightmove
SOLD	£216,250	31.03.20	FLAT, CENTAUR HOUSE, GREAT GEORGE STREET, LEEDS, LS1 3LA	LS1 3LA	2	1999	Reflected x 1	71	Mid-floor flat LG (999 years) Rightmove suggests refurb 1999		CDB / Rightmove
SOLD	£205,000	23.04.21	FLAT CENTAUR HOUSE AT 91, GREAT GEORGE STREET, LEEDS, LS1 3LA	LS1 3LA	1	1999	Reflected x 1	56	Mid-floor flat - assumed 1 bed FP (RM status L/H) Rightmove suggests refurb 1998 <b>Oct 2019 sale price £175,000</b>		CDB / Rightmove
SOLD	£230,000	27.03.20	FLAT, CENTAUR HOUSE, GREAT GEORGE STREET, LEEDS, LS1 3LA	LS1 3LA	2	1999	Reflected x 1	72	Mid-floor flat LG (999 years) Rightmove suggests refurb 1998		CDB / Rightmove

## City Central

City Central was constructed in 2003 from a former hotel building. The scheme included a vertical extension with two additional storeys added to the existing building.

ASKING SSTC SOLD	PRICE	DATE	ADDRESS	POST CODE	No of BEDS	AGE (refurb)	NIA sq. m. (from EPC)	DESCRIPTION / NOTES	PHOTO	COMPS SOURCE (i.e. CDB, Rightmove etc.)
SOLD	£150,000	11.12.19	Flat , City Central, 27, Wellington Street, Leeds, West Yorkshire LS1 4EA	LS1 4EA	1	2003	50	Mid floor flat - assumed 1 bed		Rightmove
SOLD	£193,000	12.03.21	Flat , City Central, 27, Wellington Street, Leeds, West Yorkshire LS1 4EA	LS1 4EA	2	2003	84	Mid floor flat - assumed 2 bed		Rightmove
SOLD	£137,500	29.01.21	Flat , City Central, 27, Wellington Street, Leeds, West Yorkshire LS1 4EA	LS1 4EA	1	2003	39	Mid floor flat - assumed 1 bed		Rightmove
SOLD	£380,000	05.12.18	Flat , City Central, 27, Wellington Street, Leeds, West Yorkshire LS1 4EA	LS1 4EA	3	2003	149	Top floor flat - assumed 3 bed		Rightmove

## 1 Dock Street

1 Dock Street is the most interest conversion of a listed building which is located to the south of Great George Street.

ASKING SSTC SOLD	PRICE	DATE	ADDRESS	POST CODE	No of BEDS	AGE (refurb)	PARKING	NIA sq. m. (from EPC)	DESCRIPTION / NOTES	PHOTO	COMPS SOURCE (i.e. CDB, Rightmove etc.)
SOLD	£129,000	29.04.19	APARTMENT AT 1, DOCK STREET, LEEDS, LS10 1NB	LS10 1NA	1	2018		42	Mid-floor flat LG (124 years)		CDB
SOLD	£171,000	03.07.20	FLAT AT 1, DOCK STREET, LEEDS, LS10 1NB	LS10 1NA	1	2018		51	Mid-floor flat - assumed 1 bed Sold in Oct 2017 for £167,000		Rightmove
SOLD	£395,000	16.09.20	APARTMENT AT 1, DOCK STREET, LEEDS, LS10 1NB	LS10 1NB	2	2018	Reflected x 1	96	Mid-floor flat LG (150 years) Rightmove states refurb 2002		CDB

The evidence above has been anonymised; however, further detailed evidence can be provided in due course on a confidential basis subject to the Commissioners for Revenue Act restrictions. My assessment of the estimated rental value has considered the evidence above and I have made suitable adjustments.

## Car Parking Revenue

The proposed scheme does not include any car parking spaces.

Commercial Units

The Proposed Development incorporates office accommodation on the ground floor and I summarise the applicant's valuation of the space below:

REVENUE	File: App 4 Full S106 Full Aff Hse		
Offices	5,869.00 sq-ft at 22.00 psf/pa	129,118	
<b>Inv.Value-A</b>	Net annual income	129,118	
	Capitalised at 5.5% Yield	2,347,600	
	Less Purchasers costs at 5.8%	128,696	2,218,904

Accounting for the location and specification of the offices, it is assumed that commercial units at the Site would be leased at a blended rent of £22.00/ft<sup>2</sup>, capitalised at an investment yield of 5.50%.

DVS Reasoning and Conclusion

Based on my comments above, I have given greater weight to refurbished grade two listed building developed in Leeds City Centre. The most recent scheme at 1 Dock Street provides informative evidence.

Based on the evidence provided by the applicant and the research undertaken by DVS I conclude the applicant's assessment of Gross Development Value is fair and reasonable.

Applicant's Development Period

The applicant's surveyor has adopted a development period of 27 months, comprising a 1 month lead-in period followed by a construction period of 18 months and a further 9 month complete the sale of scheme.

Site Costs	Month 1 (Jun 21)
Cil Payment	Month 18 (Nov 22)
S106 - Sustainable Travel Fund	Month 18 (Nov 22)
S106 - Travel Plan Monitoring	Month 18 (Nov 22)
Construct (bld.)	Month 1 to 18 (Jun 21 - Nov 22)
Marketing	Month 12 to 18 (May 22 - Nov 22)
Inv.Value-A 5.5%	Month 18 (Nov 22)
Residential Sales (sale)	Month 18 to 27 (Nov 22 - Aug 23)
Affordable Housing (sale)	Month 18 (Nov 22)

I agree with the development period adopted.

### Applicant's Distribution Curves

The applicant has not expressly stated the type of development curve that they have adopted.

### DVS Development Period and Distribution Curve

DVS has not adopted the same curve and has weighted professional fees to reflect the proposed construction procurement method, i.e. a high proportion of the professional fees will be incurred during the early stages of the scheme.

### 18.3 Development Costs

The applicant's viability advisor states that following detailed advice received from the applicant a total build cost of £18,250,500 has been adopted and DVS presumes it includes abnormal costs demolition, refurbishment, new build extension and externals. There is no breakdown for build costs in the applicant's report.

### 18.2 DVS Total Construction Cost

Para 12 of the NPPG explains that the assessment of costs should be based on evidence which is reflective of local market conditions. The RICS viability guidance indicates that site specific costs should be used to assess viability of a scheme where available.

Having regard to other build cost information, and after consulting the Building Cost Information Service (BCIS), the DVS valuer can confirm that construction costs are fair and reasonable. DVS have compared the build cost with other new build and refurbishment schemes in Leeds city centre schemes, and can be accepted as reasonable to determine the viability of this site.

From discussions with the applicants cost consultant I understand the refurbishment of the existing building the cost equates to £1,776 per sq. metre which is within a range of costs supported by BCIS data as indicated below when I have highlighted the costs for refurbishing 3-5 and 6 storey and above.

Similarly, I have had regard to the vertical extension to the building which will form a 6<sup>th</sup> & 7<sup>th</sup> storey. BCIS data is limited for the analysis of vertical extensions and I suspect the available data does not reflect the challenges associated with extending a city centre listed building.

I have had regard to the fact that the property is a listed building with additional costs associated with preserving the buildings fabric. I have accepted the build costs as being fair and reasonable and within a range of acceptable costs as reported in BCIS

Rebased to West Yorkshire ( 92; sample 242 ) Edit

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims. ?  
Last updated: 14-Aug-2021 00:32

Maximum age of results: 10 years

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Vertical extension							
816. Flats (apartments) (10)	1,661	-	-	-	-	-	1
Rehabilitation/Conversion							
816. Flats (apartments)							
Generally (10)	1,511	428	827	1,153	1,419	5,040	62
1-2 storey (10)	2,156	624	1,008	1,211	3,361	5,040	11
3-5 storey (10)	1,262	428	859	1,095	1,368	4,716	36
6 storey or above (10)	1,696	491	783	1,156	2,573	4,224	14

### 18.3 Contingency

The applicant's advisors have included an allowance of 5% which I have accepted as reasonable for the refurbishment and extension of a listed city centre building.

### 18.4 Professional Fees

The applicants have used 7.5% for professional fees, applied to build cost. On the evidence available 7.5% would normally be considered high. The DVS valuer has adopted professional fees of 7.5% which reflects the additional cost of developing a heritage asset.

### 18.5 Section 106 Hierarchy and Timing

Regarding the timing of these contributions, the valuer has sought guidance from your Authority and consequently DVS has adopted a cash-flow assumption for the CIL & Sectional 106 costs which will be paid in month 18.

### 18.6 Finance

The applicant's debit rate of 6.5% is considered reasonable.

### 18.7 Remaining Cost Inputs

The remaining development cost inputs have been adopted in the DVS review. These include:

- DVS has adopted letting legal fees 7.5% for the office accommodation.

- DVS has adopted 3% for marketing and sales fees in accordance with the applicant's assumptions. In addition, I have allowed £500 per residential units for selling the completed apartments.
- Land acquisition and legal fees including 1.0% for agents and 1.5% legal fees.
- Stamp Duty Land Tax at the prevailing (commercial) rate is also included Abd based on my benchmark land value.

#### 18.8 Vacant Building Credit

The applicant is seeking to apply vacant building credits to the calculation of the affordable housing contributions. I have consulted the planning officer who advises me the applicant has provided the planning authority with a statement in support of vacant building credits.

The Leeds City Council planning officer has confirmed a planning policy compliant scheme should provide 3 affordable units based on the following commentary in the applicants viability report:

*“The existing floorspace of a vacant building should be credited against the floorspace of the new development. For example, where a building with a gross floorspace of 8,000 square metres is demolished as part of a proposed development with a gross floorspace of 10,000 square metres, any affordable housing contribution should be a fifth of what would normally be sought.*

*The current proposed scheme consists of a residential-led development of 83 one, two bed apartments extending to a gross internal area of 9,768 m<sup>2</sup> (105,142 ft<sup>2</sup>). The existing property which is currently vacant has a gross internal area of 4,621 m<sup>2</sup> (49,740 ft<sup>2</sup>) which equates to 47% of the gross floor space of the proposed scheme.*

*The calculation set out above shows that when applying the vacant building credit of 47% the affordable housing requirement is reduced to 3 units. For the purpose of this appraisal we have assumed the following units and values:*

Affordable Housing - Social Rent (VBC)				
Name	Number of Beds	Number of Units	Open Market Value	Discounted Value (45% OMV)
AA	1	1	£260,000	£117,000
AD	2	1	£520,000	£234,000
<b>Total</b>	<b>2</b>	<b>2</b>		

Affordable Housing - Intermediate (VBC)				
Name	Number of Beds	Number of Units	Open Market Value	Discounted Value (70% OMV)
AA	1	1	£405,000	£283,500
<b>Total</b>	<b>1</b>	<b>1</b>		

### DVS Affordable Units and Values

DVS have adopted a different affordable housing mix for viability purposes by assessing 2 bedroom units for all the affordable units.

LQ Apartment AD Intermediate (2 Bed)	1	765	105.07	80,379	80,379
LD Apartment AD (2 Bed)	2	1,530	81.76	62,546	125,093

### 18.9 Applicants Target Profit

The applicant's appraisal assumes a scheme with the full affordable housing (allowing for Vacant Building Credit) and commuted sum payments with the scheme assuming no affordable housing or other commuted sum payments. The Profit on GDV produced has then been benchmarked against the benchmark return with the results summarised in the table below:

Appraisal Assumptions	Profit on GDV (%)	Benchmark Profit on GDV (%)	Surplus/Deficit
Full AH and S106 Contributions	10.82%	20.00%	-9.18%
No AH or S106 Contributions	12.35%	20.00%	-7.65%

The applicants analysis set out above illustrates that the scheme with the full affordable housing (allowing for Vacant Building Credit) and commuted sum payments produces a return of only 10.82% on GDV for the developer which is 9.18% below the benchmark market return of 20% of GDV.

In addition, the applicant states the scheme with no affordable housing or other S106 contributions produces a slightly higher return of 12.35% on GDV for the developer it is still 7.65% below the benchmark market return of 20% of GDV.

I therefore conclude that despite the applicant aspiring to a target profit of 20% of GDV the applicant proposes to proceed with the scheme at a profit margin of 12.35% of gross development value upon the presumption there will be no requirement for affordable housing.

#### 18.10 DVS Profit Conclusion

The Leeds City Council planning officer has informed the vertical extension to the existing building represents enabling development. I have therefore referred to Historic England Guidance for Enabling Development and Heritage Assets and more specifically their publication entitled "Historic Environment Good Practice Advice in Planning Note 4".

The document sets out advice on enabling development, against the background of the National Planning Policy Framework (NPPF) and the related guidance given in the Planning Practice Guide (PPG).

Enabling development is development that would not be in compliance with local and/or national planning policies, and not normally be given planning permission, except for the fact that it would secure the future conservation of a heritage asset.

An appropriate margin of profit for the prospective developer is allowed for in the calculation of the enabling development. A rigid approach to assessing profit levels is to be avoided. What is reasonable depends on various factors including the current market for properties of a similar type. As the amount of enabling development will be fixed by the permission and will need to provide for the conservation needs of the heritage asset, the developer's profit is at risk if the returns on the scheme are below expectations, but may be exceeded if they are better.

Guidance in terms of developers profit was provided by Historic England's 'Enabling development and Conservation of Significant Places' dated June 2012. Section 5.12 states "It is naturally right and proper the developer be allowed a fair and reasonable return on his investments to reflect the risk involved in the development project".

In terms of the level of the developer's profit guidance is provided in Section 5.12.2:

"There are a number of ways of calculating profit. There is simplistic "return on cost" is accepted guide used by a number of developers. A very rough guide in today's market a pure entrepreneurial residential developer would look for an overturn on cost between 15% and 20% whilst a developer build/builder may see only a 10% return on construction cost elements as a builder's profit should be included within the construction costs".

Planning policy guidance expressly states under Paragraph 019 Reference

***"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.***

I have previously assessed viability in respect heritage assets in Leeds where the profit target was agreed at 15% of gross development value. The PPG and Historic England guidance supports the target level profit at 15% of GDV and more importantly the applicant's viability report indicates they will proceed with development at a profit level of 12.35% assuming no affordable housing or section 106 costs.

I therefore conclude a target profit level for the scheme is 15% of gross development value on the grounds the scheme is subject to enabling development.

However, the DVS appraisal concludes a planning compliant scheme (3 Units) produces a profit of 17.28% or £5,250,447 which is in excess of the DVS target profit.

## **19. Applicants Approach to determine the Benchmark Land Value (BLV)**

- 19.1. The applicant's surveyor has adopted a Benchmark Land Value of £3,500,000 with limited supporting commentary to explain the manner in which they have reached their conclusion which is a mandatory requirement when assessing viability.

The applicant's report states:

***“Taking into account the marketing history, comparable market data and the specific characteristics of the subject property an extremely conservative Site Cost of £3,500,000 based on the Current Use Value has been adopted for the purposes of this appraisal. Please note that the Site Cost adopted does not allow for any Premium over and above the adopted Current Use Value.”***

I disagree with the applicant's benchmark land value as RICS and Planning Policy guidance states specifies the framework for assessing the benchmark land value. It sets out policy parameters that will themselves influence the market(s) within which development land is traded. It specifies an overall framework for FVAs and includes specific guidance on how to assess the BLV.

The BLV will usually be based upon the EUV plus a premium (EUV+) but may sometimes be based on the AUV excluding a premium where appropriate.

The BLV should not be expected to equate to the market value. The BLV is not a price to be paid in the marketplace; it is a mechanism by which the viability of the site to provide developers' contributions can be assessed. It should be set at a level that provides the minimum return at which a reasonable landowner would be willing to sell.

Two important differences between market value and BLV are the methods and the resulting evidence base. The market value is normally calculated using the methods proposed in Valuation of development property, RICS guidance note, which states that the two normal approaches are the residual approach and the direct comparison approach.

The PPG states that the BLV is primarily based on the EUV plus a premium. The evidence base for the market value is grounded in comparative values and costs of the developed property in a residual valuation, and in direct analysis of land transactions in the market comparison approach. The PPG reduces the status of comparable land transactions to that of a cross-check of the BLV.

Land values determined by a policy-compliant residual approach or by policy compliant direct comparison can be used to cross-check the BLV, but the primary approach is the EUV plus a premium.

I cannot reconcile the applicant's approach with the RICS or planning policy guidance.

### 19.3 Existing Use Value Premium (EUV)

There is no evidence or reasoning provided by the applicant as they have not adopted the EUV plus methodology.

### 19.4 Purchase Price

19.4.1 The applicant has not disclosed the purchase price for the property. The PPG and the RICS encourage the reporting of the purchase price to improve transparency and accountability.

19.4.2 RICS FVIP (1<sup>st</sup> edition) 2012 guidance states at para 3.6.1.2 "It is for the practitioner to consider the relevance or otherwise of the actual purchase price, and whether any weight should be attached to it, having regard to the date of assessment and the Site Value definition.."

19.4.3 However, the NPPG on viability very much dissuades the use of a purchase price as a barrier to viability this is reinforced at several places in the PPG: The price paid for land is not a relevant justification for failing to accord with relevant policies in the

plan. And Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.

19.4.4 The PPG does not invalidate the use and application of a purchase price, or a price secured under agreement, where the price enables the development to meet the policies in the plan.

## **20.0 DVS Approach to determine the Benchmark Land Value (BLV)**

I have concluded the appropriate process to determine the BMLV is:

- 1) Assessment of Existing Use Plus
- 2) Consider the residual value based on an “owner occupied” residential development of 83 apartments with retention of the ground floor office use and adopting 3.6% affordable housing and the required section 106 costs (“Residual Value of a planning compliant scheme”).
- 3) Consider the Alternative Use Value
- 4) Have regards to market transactions for conversion schemes for residential apartment in the city centre
- 5) Consider benchmark land values agreed with applicants for similar schemes.

### **20.1. DVS Assessment of Existing Use Plus**

The buildings previous principle use was as offices. The applicant has begun internal demolition in preparation for redevelopment as illustrated by the picture below:

Typical Internal View of 2 Great George Street Leeds



Due to the fact it is not possible to occupy the building as offices due to the internal demolition I do not consider the EUV Plus method for calculating the benchmark land value is appropriate.

In order to occupy the property for its "Existing Use" the applicant would need to refurbish the entire building.

Recently published guidance in the form of "Assessing viability in planning under National Planning Policy Framework 2019 for England", 1<sup>st</sup> Edition March 2021 specifically refers to the current situation at 2 Great George Street.

The guidance states under section 5.4.3:

*"Permitted development and a use within the same use class are only the existing use value when no alterations are necessary to implement the use. Where refurbishment or redevelopment are necessary, it will fall under the AUV provisions of the PPG (paragraph 017)"*

The guidance referred to above effectively means the approach of EUV Plus is not appropriate and an alternative option is to assess the property's Alternative use value as offices without the application of a premium to the alternative use value.

For the purposes of this stage report I have not attempted to deduce the alternative use value as I conclude combined residual valuation of a planning compliant scheme and market evidence represent a more reliable methodology to assess the benchmark land value.

## 20.2 DVS Residual Land Value based on 83 residential apartments with 3.6% affordable housing and Section 106 costs with retention of the ground floor office use

I have prepared a residual appraisal based on an owner-occupied scheme comprising 83 apartments and office accommodation based on the applicant's costs and revenues. I summarise the revenues below which can be supported with comparable evidence upon request.

The natural residual land value assuming 3 affordable units and all section 106 costs and CIL is £2,563,069.

## 20.3 Alternative use value

I have considered whether the alternative use value is the appropriate method to establish the benchmark value

As referred to earlier the property is the subject to an extant planning consent for the demolition of existing lobby to west elevation of 2 Great George Street; change of use of 2 Great George Street (use class B1) to a hotel (use class C1) with restaurant (use class A3) at ground floor level; erection of three storey roof extension to 2 Great George Street to form additional hotel accommodation and plant (Use Class C1); and internal alterations to create an additional floor; creation of new public realm comprising resurfacing works, provision of street furniture, trees and other planting, and alterations to the highway.”

I understand there was a proposal from a previous developer to implement the consent for conversion to a hotel, however, the developer could not attract a hotel operator and hence the scheme did not proceed. Subsequently, the current scheme for conversion to residential apartments, with retention of the ground floor office use, was submitted and is the subject of this viability report.

RICS guidance, in respect of viability for planning states, the adoption of an alternative use should be implementable and reasonable. I do not believe it is appropriate to consider the benchmark land value in the context of a hotel use as the previous developer could not attract an occupier. I acknowledge the use is implementable, by virtue of the previous planning consent, but I question how realistic the development of a hotel in this location.

I do not believe the adoption of an AUV as a hotel is implementable or reasonable. The location is not part of the city's central business district and there are superior sites and existing developments in the city centre and I contend an hotel development at 2 Great George Street would not prove viable on the grounds of tenant/operator demand.

#### 20.4 DVS Market Transactions

To accord with the requirements of the RICS professional statement Market Evidence must be reported, and adjusted in accordance with (Paragraph 14 of) the PPG. This explains that market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value.

There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In accord with the requirements of the RICS professional statement Market Evidence must be reported, and adjusted in accordance with (Paragraph 14 of) the PPG. The applicant has not provided any evidence of land sales. The DVS valuer is therefore unable to comment upon how the BLV relates to adjusted market evidence.

## 20.5 Market Comparables Leeds City Centre

### Centenary House, North Lane Leeds



The property is situated on North Street at the intersection with New Briggate, Vicar Lane and the A58 Inner Ring Road, close to Leeds city centre's retail and leisure core.

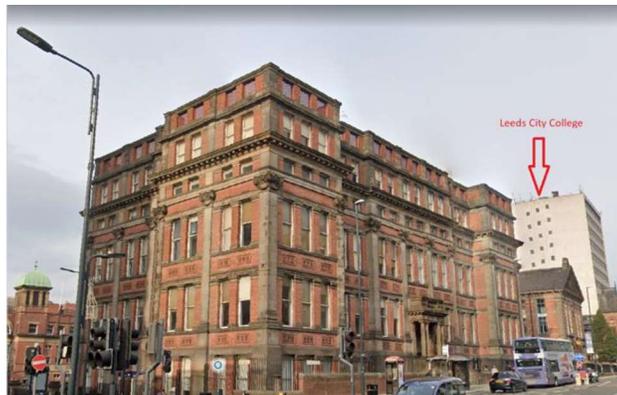
Centenary House was marketed as an imposing Grade II Listed building which was constructed in 1904 for use as the Leeds Public Dispensary. In more recent years the property has been an administrative base for a number of healthcare related organisations as well as having been used for a variety of educational and social purposes by groups including the Leeds Society for Deaf and Blind People.

The section of the building fronting North Street is arranged over five storeys providing a mix of offices, meeting rooms, and accommodation suitable for educational purposes. The building prior to redevelopment extended to 38,000 sq ft (3,538 sq m).

The property sold for £1,190,000 in November 2016 (Source Costar) with listed building planning permission for conversion, extension and alterations of D1 use to form 79 flats and commercial ground floor unit (Planning reference:15/07261/L1).

Although the transaction is historic, it is informative, as it is in Leeds City Centre and was sold with a planning policy compliant consent for a similar number of units within a listed building. The comparable is an important reference point as the sale price was equivalent to £31.25 / sq ft or £15,065 per consented unit which is significantly lower than the applicants benchmark land value of £70.36 per sq ft or £42,168 per residential plot.

Leeds City College, Technology Campus



I refer you to the annotated picture which illustrates the proximity of Leeds City college to 2 Great George Street.

The comparable was granted planning consent for the erection of a multi-level student accommodation building and flexible commercial space (A1, A2, A3, A4, A5 or D2) with a subsequent non material amendment reference 19/02841/FU Increase the student amenity space including omitting 4 student beds reducing the total number from 518 to 514 beds.

I understand the property sold in late 2019 for a sum between [REDACTED]. Assuming the price was at a mid-point the sale price equated to £[REDACTED] per sq ft or [REDACTED] per student bed space which is significantly lower than the applicants benchmark land value of £70.36 per sq ft or £42,168 per residential plot.

I am also aware of other planning compliant consents for buildings sold for residential on Marsh Lane and Shannon Street Leeds which sold for [REDACTED] per unit and [REDACTED] per unit respectively. Both schemes are in my opinion in inferior locations to Great George Street.

## 21.0 DVS Benchmark Land Value Conclusion

1) Assessment of Existing Use Plus:

For the reasons explained above is it not appropriate to assess the benchmark land value based on the EUV Plus

2) Consider the planning compliant residual value based on an “owner occupied” residential development of 83 apartments:

I have prepared a policy compliant valuation based on the gross development values and development costs detailed in this report. My residual valuation is based on 17.74% profit on gross development cost (15% gross development value).

My residual valuation calculates a value for the 2 Great George Street of £2,563,000 (rounded) which I have considered against market evidence for similar planning compliant schemes in Leeds City Centre.

3) Consider the Alternative Use Value:

I briefly reiterate my comments above where I stated the AUV method is not appropriate as there is no proven market for occupation of the building as a hotel. In addition, the valuation of the property assuming a refurbished office in this location is similarly not implementable or reasonable due to the market sentiment.

4) Have regards to market transactions for conversion schemes for residential apartment in the city centre:

I have concluded market evidence from planning compliant schemes are the most informative when arriving at the benchmark land value. The sale of Centenary House for a similar number of apartments within a listed building cannot be ignored, as it was a planning compliant scheme, but is a little historic. However, the sale of buildings at Centenary House, Leeds City College, Marsh Street and Shannon Lane indicate the sales per consented bed space/unit is between [REDACTED].

I have also considered the sales of Leeds City College and Centenary House based on the gross floor areas at which shows a range of [REDACTED] per sq ft.

I have valued 2 Great George Street assuming £40/sq x 49,740 sq = £1,989,600 or £23,971 per consent residential unit.

- 5) Consider benchmark land values agreed with applicants for similar schemes.

I have not recently reviewed any schemes in terms of being listed or of the same size in a city centre location and have been unable to rely on agreed benchmark land values.

DVS Benchmark Land Value Conclusion

Based on my residual appraisal of a planning compliant scheme of 2 Great George Street at £2,563,069 and after considering comparable policy compliant market evidence of £40 per ft (£24,971 per consent residential unit) which produces a value of £1,989,600, I have concluded the appropriate bench market land value for assessing viability is £2,000,000.

**21. Conclusions**

**Following my impartial review of the applicant's appraisal I have concluded the scheme can support a policy compliant scheme, accounting for vacant building credits, and provide 3.6% affordable housing (3 Units) and the policy compliant section 106 costs of £23,750 and CIL of £31,603.**

**22. Sensitivity Analysis and Testing**

I have varied the sales revenue of the development appraisal. I have adjusted these in upward and downward steps of 1% from the base conclusion which is shown in bold at the centre of the results table below.

The results show the revised Residual Land Value (RLV) decreases to £1,959,065 if sales revenues for apartments are 2% less than anticipated.

**SENSITIVITY ANALYSIS REPORT VALUATION OFFICE AGENCY**

**2 Great George Street**

**Table of Profit on Cost% and Land Cost**

Sales: Rate /ft <sup>2</sup>				
-2.000%	-1.000%	0.000%	+1.000%	+2.000%
17.738%	17.737%	17.736%	17.736%	17.735%
-£1,959,065	-£2,141,583	-£2,324,101	-£2,506,618	-£2,689,136

23 Market conditions explanatory note: Novel Coronavirus (COVID-19)

The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, “lockdowns” have been applied to varying degrees and to reflect further “waves” of COVID-19; although these may imply a new stage of the pandemic, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to ‘material valuation uncertainty’ as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

For the avoidance of doubt, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

I trust that the above report is satisfactory for your purposes. However, should you require clarification of any point do not hesitate to contact me further.

Yours sincerely



 MRICS  
Principal Surveyor  
RICS Registered Valuer  
DVS

Reviewed by:



RICS Registered Valuer  
Head of Local & Devolved  
Government  
DVS

**24. Appendices**

- 24.1 Terms of Engagement
- 24.2 Location Plan
- 24.3 Site Layout Plan
- 24.4 Development Appraisal

## 24.1 Terms of Engagement



**DVS** Property Specialists  
for the Public Sector

Valuation Office Agency  
7 Wellington Place  
Leeds  
LS1 4AJ

[REDACTED]  
Principal Planner  
Central Team  
Planning Services,  
City Development  
Leeds City Council

Our Reference : Great George Street  
Your Reference : 20/07131/LI

[REDACTED]

[REDACTED]

Date : 26th June 2021

Dear [REDACTED]

### **Review of Development Viability Appraisal Address: Great George Street, Leeds**

I refer to your instructions dated 26<sup>th</sup> June 2021 I am pleased to confirm my Terms of Engagement in undertaking this commission for you.

This document contains important information about the scope of the work you have commissioned and confirms the terms and conditions under which DVS proposes to undertake the instruction.

It is important that you read this document carefully and if you have any questions, please do not hesitate to ask the signatory whose details are supplied above. Please contact them immediately if you consider the terms to be incorrect in any respect.

Please note that these terms of engagement document is confidential between our client, Leeds City Council, and the VOA. As it contains commercially sensitive and data sensitive information, it should not be provided to the applicant or their advisor without the explicit consent of the VOA.

#### **1. Client**

This instruction will be undertaken for Leeds City Council and the appointing planning officer is yourself, [REDACTED]

#### **2. Subject Property and proposed development**

The land or property (properties) subject to the review is Former Council Offices Great George Street, Leeds.

It is understood that the development comprises a mix of 1, 2- and 3-bedroom apartments.

### **3. Purpose and Scope**

To complete this assessment DVS will:

- a) Assess the Financial Viability Appraisal (FVA) submitted by / on behalf of the planning applicant / developer, taking in to account the planning proposals as supplied by you or available from your authorities planning website.
- b) Advise you on those areas of the appraisal which are agreed and those which are considered unsupported or incorrect, including stating the basis for this opinion.
- c) If DVS considers that the applicant's appraisal input and viability conclusion is incorrect, we will advise on the cumulative viability impact of the changes and in particular whether any additional affordable housing and / or s106 contributions might be provided without adversely affecting the overall viability of the development. This will take the form of sensitivity tests.

3.1 My report to you will constitute my final report if my findings conclude that the planning applicant / developer cannot provide more affordable housing and s106 payments than have been proposed.

3.2 **However**, if having completed my assessment I conclude that the planning applicant / developer may be able to provide more affordable housing and s106 payments than have been proposed, I understand that my findings report may only constitute stage 1 of the process as the report will enable all parties to then consider any areas of disagreement and potential revisions to the proposal.

3.3 In such circumstances, I will where instructed by you be prepared to enter into discussions on potential revisions to the applicant's proposals, and / or consider any new supporting information. Upon concluding such discussions, I will submit a new report capturing my subsequent determination findings on the potentially revised application; for convenience and to distinguish it, this report on a second stage assessment may be referred to as my Stage 2 report.

### **4. Date of Assessment**

The date of the assessment is to be 30<sup>th</sup> June 2021

### **5. Confirmation of Standards to be applied**

The viability assessment will be prepared in accordance with paragraph 57 of the National Planning Policy Framework, which states that all viability assessments should reflect the recommended approach in the National Planning Practice Guidance on Viability, this document was revised in May 2019.

The viability assessment review report will be prepared in accordance with the

professional statement Financial Viability in Planning: Conduct and reporting (effective from 1<sup>st</sup> September 2019).

Regard will be made to the RICS Guidance Note "Financial viability in planning" 1<sup>st</sup> Edition (GN 94/2012), where applicable.

Valuation advice (where applicable) will be prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book. Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).

Measurements stated are in accordance with the RICS Professional Statement '**RICS Property Measurement' (2<sup>nd</sup> Edition)** and, where relevant, the **RICS Code of Measuring Practice (6<sup>th</sup> Edition)**.

## **6. Agreed Departures from the RICS Professional Standards**

As agreed by you, any office and/or residential property present has been reported upon using a measurement standard other than IPMS, and specifically Net Internal Area has been used. Such a measurement is an agreed departure from 'RICS Property Measurement (2<sup>nd</sup> Edition)'.

I understand that you requested this variation because this measurement standard is how the applicant has presented their data, is common and accepted practice in the construction/ residential industry, and it has been both necessary and expedient to analyse the comparable data on a like with like basis

RICS Red Book professional standards PS1 and PS2 are applicable to our undertaking of your case instruction but as our assessment may be used by you as part of a negotiation, compliance with the technical and performance standards at VPS1 to VPS 5 is not mandatory (PS 1 para 5.4) and they will only be applied to the extent not precluded by your specific requirement.

## **7. Basis of Value**

### **7.1 Benchmark Land Value.** Paragraph 014 of the NPPG (May 2019) states that Benchmark land value should:

be based upon existing use value

allow for a premium to landowners (including equity resulting from those building their own homes)

reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark

land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).

See related policy: National Planning Policy Framework [paragraph 57](#)  
Paragraph: 014 Reference ID: 10-014-20190509  
Revision date: 09 05 2019

**7.2 Existing Use Value:** the NPPG (May 2019) explains Existing Use Value at para 15 as follows:

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.

See related policy: National Planning Policy Framework [paragraph 57](#)  
Paragraph: 015 Reference ID: 10-015-20190509.  
Revision date: 09 05 2019.

**7.3 Gross Development Value (GDV)**

GDV is the cumulative total of the market values of the entire development, as detailed in the schedule of accommodation.

**Market Value (MV)** RICS VPS 4, para 4 defines MV as:

*“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”*

On occasion, it may be agreed that a basis of value requires to be modified and a Special Assumption added, for example where there is the possibility of Special Value attaching to a property from its physical, functional, legal or economic association with some other property.

Any Special Assumptions agreed with you have been captured below under the heading Special Assumptions, in accordance with VPS 4, para 9 of the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, and will be restated in my report.

## **8. Special Assumptions**

The following special assumptions have been agreed and will be applied:

- that your council's planning policy, or emerging policy, for affordable housing is up to date
- There are no abnormal development costs in addition to those which the applicant has identified, and (for cases with no QS review) the applicant's abnormal costs, where supported, are to be relied upon to determine the viability of the scheme, unless otherwise stated in our report.

## **9. Extent of Valuer’s Investigations, Restrictions and Assumptions**

An assumption in this context is a limitation on the extent of the investigations or enquiries that will be undertaken by the assessor.

The following agreed assumptions will apply to your instruction and be stated in my report, reflecting restrictions to the extent of our investigations.

- Such inspection of the property and investigations as the Valuer decides is professionally adequate and possible in the particular circumstance will be undertaken
- No detailed site survey, building survey or inspection of covered, unexposed or inaccessible parts of the property will be undertaken. The Valuer will have regard to the apparent state of repair and condition, and will assume that inspection of those parts that are not inspected would neither reveal defects nor cause material alteration to the valuation, unless the valuer becomes aware of indication to the contrary. The building services will not be tested and it will be assumed that they are in working order and free from defect. No responsibility can therefore be accepted for identification or notification of property or services’ defects that would only be apparent following such a

detailed survey, testing or inspection. If the Valuer decides further investigation to be necessary, separate instructions will be sought from you.

- It will be assumed that good title can be shown and that the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings.
- It will be assumed that the property and its value are unaffected by any statutory notice or proposal or by any matters that would be revealed by a local search and replies to the usual enquiries, and that neither the construction of the property nor its condition, use or intended use was, is or will be unlawful or in breach of any covenant.
- It will be assumed that all factual information provided by you or the applicant or their agent with regard to the purpose of this request and details of tenure, tenancies, planning consents and all other relevant information is correct. The advice will therefore be dependent on the accuracy of this information and should it prove to be incorrect or inadequate the basis or the accuracy of any assessment may be affected.
- Valuations will include that plant that is usually considered to be an integral part of the building or structure and essential for its effective use (for example building services installations), but will exclude all machinery and business assets that comprise process plant, machinery and equipment unless otherwise stated and required.
- No access audit will be undertaken to ascertain compliance with the Equality Act 2010 and it will be assumed that the premises are compliant unless otherwise stated by the applicant
- No allowances have been made for any rights obligations or liabilities arising from the Defective Premises Act 1972 unless identified as pertinent by the applicant.

## **10. Nature and Source of Information to be relied upon by Valuer**

### **10.1 From the client**

Information that will be provided to the VOA by the client comprises the following material, which will be relied upon by the viability assessor without further verification.

- a) The Planning application details.
- b) Confirmation of S106 / S278 planning obligations triggered by the scheme. In particular whether the applicant's assumptions on these matters are correct, if they are incorrect then please provide the correct details.
- c) A copy of, or a link to, the relevant planning policy applicable to the site, including current designation (and emerging designation if applicable).
- d) Details of any extant or elapsed consents relating to permitted Alternative Use.

- e) If the applicant has relied on an alternative use that is not permitted, a statement as to whether this alternative would be an acceptable development.
- f) If the applicant has applied vacant building credit, a statement as to whether this is agreed by your Council, if not the appropriate figure.
- g) A copy of the applicant's financial viability appraisal prepared by Savills dated May 2021.

## **10.2 Information from the applicant**

### Site access

It is understood that the site is accessible and no appointment to inspect is required. In particular it is understood there are no extraordinary health and safety issues to be aware of. If this is incorrect, please provide details of access arrangements and any PPE requirements.

### Viability assessment

With regards to the applicant's financial viability appraisal the applicant should provide sufficient detail to enable DVS to assess the applicant's contention that the scheme would not be viable if the requirements for affordable housing and other public realm contributions were met as stated in the Local Plan.

To support the contention, the applicant's FVA should include a report with the following details:

- a) A planning policy compliant viability assessment, if completed by a member the RICS this should be prepared in accordance with the Financial Viability in planning: conduct and reporting Professional Statement (effective from 1 September 2019). The follow details are required:
- b) Site area -and schedule of accommodation the gross developable area and net developable area should be stated together with an illustrative plan showing the respective boundaries (or reference to the appropriate planning document with this information )
- c) Development programme assumptions, to detail the anticipated period involved in development, including pre- build, build period and marketing period.
- d) Gross Development Value:
  - (i) Market evidence in support of the sales values adopted
  - (ii) Tenure assumptions and Values for affordable housing
- e) Land Value
  - (i) The Benchmark Land Value should be clearly stated with reference to:
    - i. EUV (as defined in the Viability PPG para 015)
    - ii. Premium (see PPG para 016)

- iii. Market evidence (suitably adjusted in accordance with PPG para 016)
  - (ii) Alternative use value for the site such be provided, where it exists. (see para 17 of the PPG).
  - (iii) The Purchase Price (or expected price as agreed through a conditional or optional agreement) should be reported for transparency. Where this is below the assessment of BLV a brief explanation of the reasoning should be provided.
- f) Gross Development Costs
- (i) Build Cost assessment - the evidence should include a full build cost estimate, showing how the costs have been estimated.
  - (ii) Abnormal Costs total - Supporting reports for site abnormalities should be provided, together with the calculation adopted
- g) Cash flow. Either in the form of an accessible viability toolkit (Argus developer or HCA DAT) or as a Microsoft Excel unprotected document.

### **10.3 DVS Information**

DVS will make use of VOA held records and information. The sources of any other information used that is not taken from our records will be identified in the review report.

### **10.4 Information Outstanding**

We have reviewed the viability information already supplied and can confirm that we have most of the information to complete this case with the exception of the following

From your council:

A summary of Section 106 Costs applicable to the application  
A summary of CIL charges applicable to the application

The report delivery date will be dependent upon timely receipt of this information.

## **11. Identity of Responsible Valuer and their Status**

It is confirmed that the valuation will be carried out by a RICS Registered Valuer, acting as an external valuer, who has the appropriate knowledge and skills and understanding necessary to undertake the assessment competently.

The valuer responsible will [REDACTED] and their contact details are as stated above in the letterhead.

Any graduate involvement will be detailed in the report.

**12. Disclosure of any Material Involvement or 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 DVS are 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.

It is confirmed that the valuer appointed has no personal conflict undertaking this instruction.

**13. Description of Report**

A side headed written Stage 1 report as approved by you for this purpose will be supplied and any differences of opinion will be clearly set out with supporting justification, where inputs are agreed this will be stated also.

Further to the requirements of the RICS a non-technical summary will be included in the report, together with sensitivity tests to support the viability conclusion.

**14. Report Date**

It is my intention to submit the stage 1 report of my findings by 30<sup>th</sup> August 2021

If unforeseen problems arise that may delay my report, you will be contacted before this date with an explanation and to discuss the position.

In order to meet the above reporting date it is essential that the information requested with section 10 of these terms is supplied by 25<sup>th</sup> July 2021.

**15. Validity Period**

The report will remain valid for 6 months unless circumstances alter or further material information becomes available. Reliance should not be placed on the viability conclusion beyond this period without reference back to the VOA for an updated valuation.

**16. Restrictions on Disclosure and Publication**

The client will neither make available to any third party or 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.

**17. Limits or Exclusions of Liability**

Our viability advice is provided for your benefit alone and solely for the purposes of the instruction to which it relates. Our advice may not, without our specific written consent, be used or relied upon by any third party, even if that third party pays all or part of our fees, directly or indirectly, or is permitted to see a copy of our valuation report.

If we do provide written consent to a third party relying on our valuation, any such third party is deemed to have accepted the terms of our engagement.

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.

**18. Fee Basis**

18.1 You have asked for a fixed fee quote for the viability appraisal. Having considered the initial details of this application, we have agreed a fixed fee basis of [REDACTED] plus VAT in order to complete the work set out above.

The personnel involved in this assessment will be as follows:

<b>Personnel:</b>	<b>Role</b>	<b>Task</b>
[REDACTED]	Development Consultant Residential and commercial Valuer	Report and Viability Residential and commercial research and Valuation

18.2 This fixed fee proposal is for the provision of a report stating my findings on the development viability appraisal as initially provided by the planning applicant / developer. It will include a meeting with you to deal with initial issues. It may require revision if the information supplied by you or the applicant is not quickly forthcoming at our request or if the initial task is varied by you and in both cases we would revert to you for advice on the way forward. Abortive fees would be based on work already carried out.

18.3 If there is a subsequent need following the delivery of my report to discuss issues with the planning applicant / developer or you, including the consideration of potential revised proposals, or to attend meetings, this will constitute a second stage requiring a Stage 2 report and we would need to charge on a time spent basis as an additional cost at hourly rates as shown in the table above for this Stage 2 work. I am able to reduce the amount of time I need to spend upon your work by delegating some functions to colleagues who have a lower cost and this will be reflected in the invoice for this work.

<b>Role</b>	<b>Task</b>	<b>Hourly Fee + VAT</b>
RICS Lead Development Consultant	Report and viability discussions	[REDACTED]
RICS Residential and commercial Valuers	Residential and commercial research and Valuation	[REDACTED]

18.3 If there is a subsequent need following the delivery of my report to discuss issues with the planning applicant / developer or you, including the consideration of

potential revised proposals, or to attend meetings, this will constitute a second stage requiring a Stage 2 report and we would need to charge on a time spent basis as an additional cost at hourly rates as shown in the table above for this Stage 2 work. I am able to reduce the amount of time I need to spend upon your work by delegating some functions to colleagues who have a lower cost and this will be reflected in the invoice for this work.

- 18.4 **Payer of fees:** With regard to the payment of fees, Homes and Communities Agency has issued a Good Practice Note: "Investment and Planning obligations - Responding to the downturn". In this GPN is a comment that it is common practice for developers to fund the cost of independent validation. The reasoning for this is that you have a planning policy which the applicant is seeking to vary. In order to assess the applicant appraisal you need advice which it is reasonable for the applicant to bear in these circumstances. I understand that the planning applicant / developer has agreed to reimburse your reasonable costs incurred in this review.

Please note that you will be our named Client. As such, our contractual obligation is to you and not to the applicant and your authority will be responsible for payment of our fees. Any arrangement between your authority and the Applicant relating to payment of the fees would be a matter between yourselves.

Please note that that my minimum fee is £200 unless agreed otherwise as part of a contract or SLA.

## 19. **Currency**

All prices or values are stated in pounds sterling.

## 20. **Fee Payment and Interim Billing**

Our fees are payable by our client within 30 days from the receipt of our invoice whether or not the amount is disputed or is being passed on to a third party for reimbursement.

The VOA reserves the right, subject to prior notification of details of time spent, to invoice at suitable points during the financial year for work in progress undertaken but not yet formally reported. In order to ensure timely cash flows within the public sector, such interim bills may be issued at either monthly or two monthly intervals. You will be advised beforehand that any such bill is imminent.

Where a case is cancelled before completion, our fees will be calculated on a 'work done' basis with added reasonable disbursements unless alternative arrangements have been prior agreed.

**Please note** under HM Treasury Managing Public Money we are required to review our charging on a regular basis. The VOA reserves the right to undertake an annual review of our rates going forward.

## 21. **Purchase Order Numbers**

If your organisation uses Purchase Order) Numbers, and you have not already provided one with your originating instructions, please supply this number to us as

soon as possible as I cannot proceed without this information.

## **22. Complaints**

The VOA operates a rigorous QA/QC system. This includes the inspection by Team Leaders of a sample of work carried out during the life of the instruction together with an audit process carried out by experienced Chartered Surveyors upon completion of casework. It also includes a feedback cycle to ensure continuous improvement.

The VOA has a comprehensive complaints handling procedure if you are not getting the service you expect. If you have a query or complaint it may be best to speak first to the person you have been dealing with or their manager. If you remain dissatisfied you should be offered a copy of our brochure "Our Code of Practice on Complaints". If it is not offered to you, please request a copy or access it on our website [www.voa.gov.uk](http://www.voa.gov.uk).

## **23. Freedom of Information**

We will do all that we can to keep any information gathered or produced during this assignment confidential. The Freedom of Information Act 2000 or Environmental Information Regulations 2004, and subordinate legislation, may apply to some or all of the information exchanged between yourself and the VOA under this engagement. Therefore the VOA's duty to comply with the Freedom of Information Act may necessitate, upon request, the disclosure of information provided by you unless an exemption applies.

The VOA undertakes to make reasonable endeavours to discuss the appropriateness of disclosure, or the applicability of any exemptions allowed by the Act, with you prior to responding to any third party requests. However, the VOA reserves the right to comply with its statutory obligations under the Act in such manner as it deems appropriate.

The VOA requires you to make all reasonable endeavours to discuss with us the appropriateness of disclosure, or the applicability of any exemptions allowed by the Act, prior to your responding to any third party requests for information provided to you by the VOA.

## **24. Monitoring Compliance by RICS**

It is possible that the RICS may at some stage ask to see the valuation for the purposes of their monitoring of professional standards under their conduct and disciplinary regulations.

## **25. Revisions to these Terms**

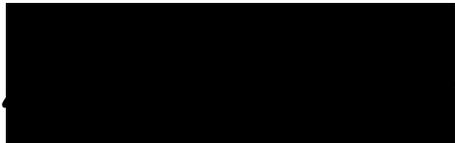
Where, after investigation, there is in my judgement a need to propose a variation in these terms of engagement, you will be contacted without delay prior to the issue of the report.

For example, should it become apparent that the involvement of specialist colleagues would be beneficial, your consent will be sought before their involvement and we shall, if not included in the original fee estimate, provide an

estimate of their costs.

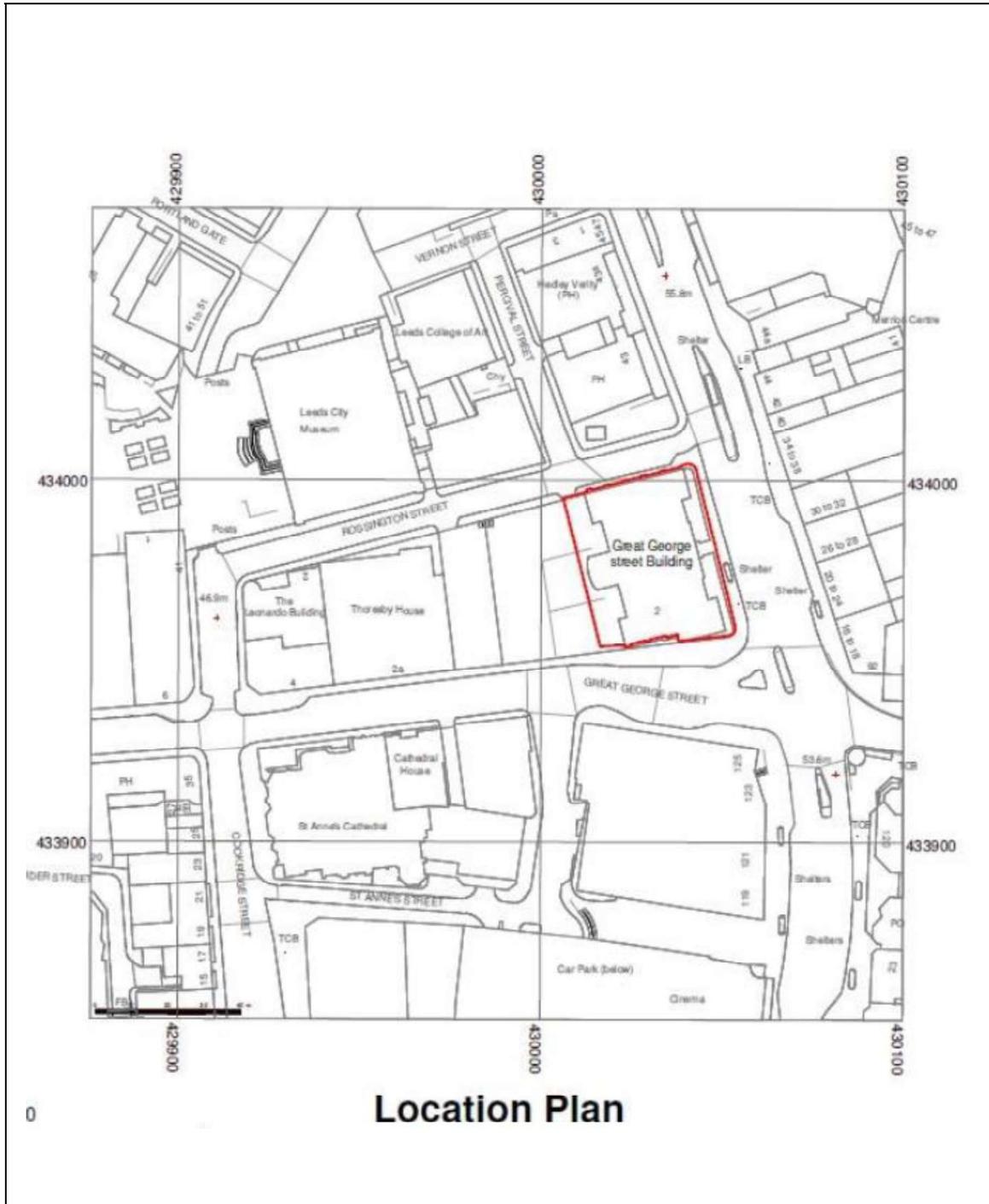
The valuer will be grateful to receive at your earliest convenience brief written confirmation by email or letter that these terms and conditions are accepted and approved by you. If you have any queries please do not hesitate to contact the valuer listed above.

Yours sincerely

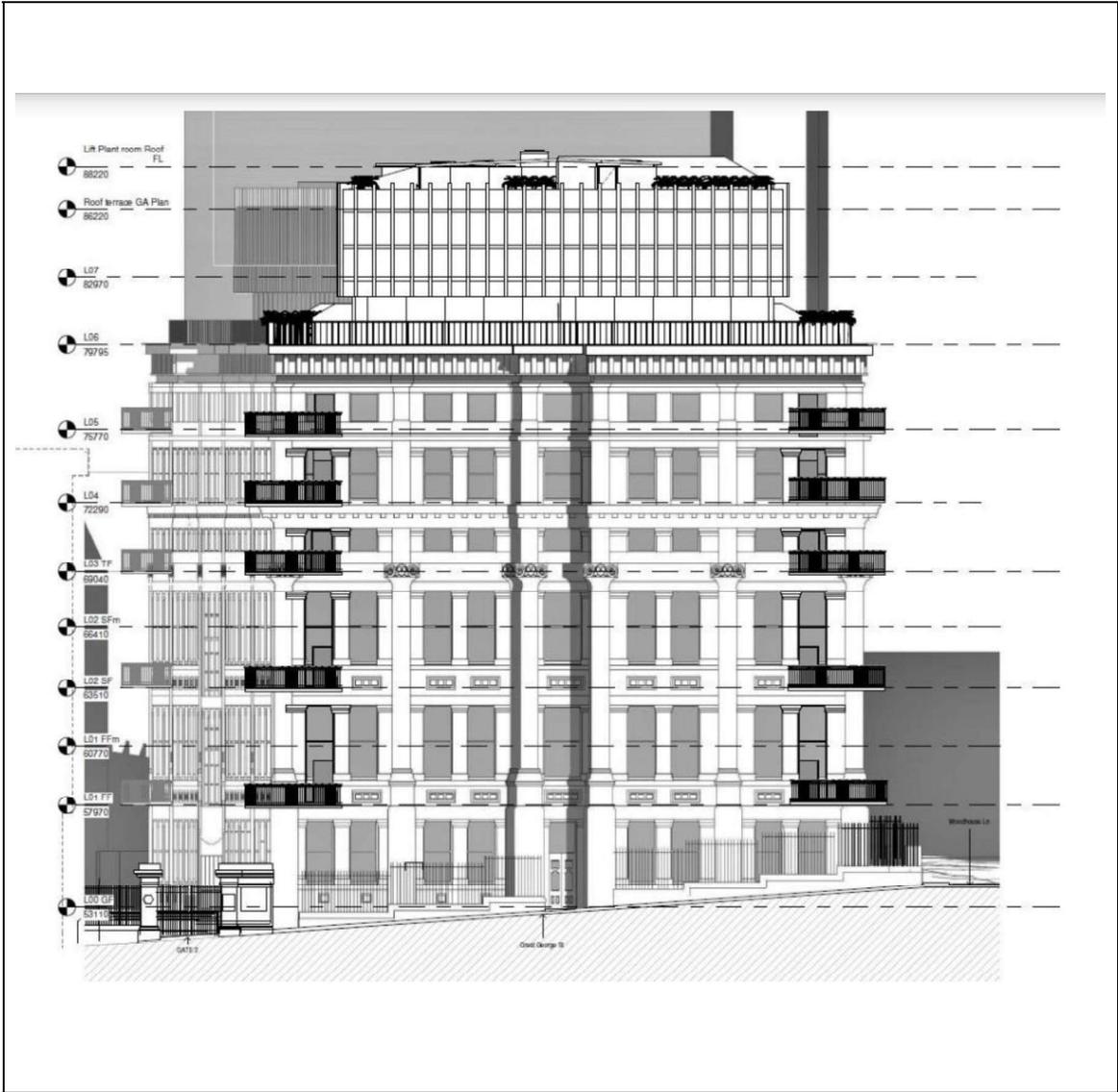
A large black rectangular redaction box covering the signature of the valuer.

Principal Surveyor  
RICS Registered Valuer  
DVS

24.2 Location Plan



24.3 Development Elevation Plan



24.4 Development Policy Compliant Appraisal

**2 Great George Street**

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2 Great George Street  
Leeds  
West Yorkshire  
LS1 3DW

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Development Appraisal  
Valuation Office Agency  
13 September 2021

**APPRAISAL SUMMARY VALUATION OFFICE AGENCY**

2 Great George Street

Summary Appraisal for Phase 1

Currency in £

**REVENUE**

Sales Valuation	Units	#'	Sales Rate #'	Unit Price	Gross Sales
Apartment A (2 Bed)	2	2,596	352.50	450,500	901,000
Apartment B (2 Bed)	2	2,100	373.81	392,500	785,000
Apartment C (2 Bed)	1	1,143	374.02	427,500	427,500
Apartment D (2 Bed)	1	1,167	372.75	435,000	435,000
Apartment E (2 Bed)	2	2,012	372.76	375,000	750,000
Apartment F (2 Bed)	2	2,594	390.81	455,000	910,000
Apartment G (2 Bed)	2	2,832	323.09	457,500	915,000
Apartment H (2 Bed)	2	2,276	373.46	425,000	850,000
Apartment I (2 Bed)	1	1,026	374.41	395,000	395,000
Apartment J (2 Bed)	1	1,146	374.56	430,000	430,000
Apartment K (2 Bed)	1	1,017	376.56	395,000	395,000
Apartment L (2 Bed)	2	2,026	377.22	392,500	785,000
Apartment M (2 Bed)	2	0	0.00	440,000	880,000
Apartment N (2 Bed)	2	2,986	311.87	462,500	925,000
Apartment O (2 Bed)	1	1,240	360.89	447,500	447,500
Apartment P (2 Bed)	1	1,376	326.96	490,000	490,000
Apartment Q (2 Bed)	1	1,369	325.77	452,500	452,500
Apartment R (2 Bed)	1	1,067	372.54	397,500	397,500
Apartment S (2 Bed)	1	1,142	374.34	427,500	427,500
Apartment T (2 Bed)	3	2,349	376.76	295,000	885,000
Apartment U (1 Bed)	3	1,731	372.62	215,000	645,000
Apartment V (1 Bed)	3	1,636	370.89	292,500	877,500
Apartment AA (1 Bed)	3	1,230	371.95	152,500	457,500
Apartment AB (1 Bed)	3	1,209	372.21	150,000	450,000
Apartment AC (1 Bed)	3	1,666	366.71	205,000	615,000
Apartment AD (1 Bed)	3	1,254	370.81	155,000	465,000
Apartment AE (2 Bed)	3	2,676	372.76	332,500	997,500
Apartment AG (1 Bed)	3	1,527	363.10	195,000	585,000
Apartment AH (1 Bed)	3	1,581	374.76	197,500	592,500
Apartment AI (1 Bed)	3	1,512	376.98	190,000	570,000
Apartment AJ (1 Bed)	3	1,506	373.51	187,500	562,500
Apartment AK (2 Bed)	3	2,625	374.29	327,500	982,500
Apartment AL (1 Bed)	3	1,314	371.00	162,500	487,500
Apartment AM (2 Bed)	1	1,046	367.19	405,000	405,000
Apartment AN (1 Bed)	1	719	361.81	260,000	260,000
Apartment AO (2 Bed)	1	1,076	360.33	420,000	420,000
Apartment AP (2 Bed)	1	1,023	361.01	400,000	400,000
Apartment AQ (3 Bed)	1	1,312	396.34	520,000	520,000
Apartment AR (3 Bed)	1	1,266	402.21	510,000	510,000
Apartment AS (3 Bed)	1	2,264	461.61	1,100,000	1,100,000
Apartment AT (3 Bed)	1	2,277	505.05	1,150,000	1,150,000
Apartment AU (3 Bed)	1	2,242	466.65	1,120,000	1,120,000
Apartment AV (3 Bed)	1	2,169	500.23	1,100,000	1,100,000
LD Apartment AD (Investable) (2 Bed)	1	765	105.07	80,379	80,379
LD Apartment AD (2 Bed)	2	1,530	81.76	62,546	125,092
<b>Totals</b>	<b>63</b>	<b>72,671</b>			<b>26,621,471</b>

**Rental Area Summary**

	Units	#'	Rent Rate #'	Initial MRR/Unit	Net Rent at Sale
Offices	1	5,969	22.10	129,696	129,696

<b>APPRAISAL SUMMARY</b>		<b>VALUATION OFFICE AGENCY</b>			
<b>2 Great George Street</b>					
Investment Valuation					
Office					
Current Rent	120,698	YIP @	5.5000%	18.1818	2,358,103
<b>GROSS DEVELOPMENT VALUE</b>					<b>31,373,583</b>
Purchaser's Costs			(120,698)		
Effective Purchaser's Costs Rate		0.00%		(120,698)	
<b>NET DEVELOPMENT VALUE</b>					<b>31,250,884</b>
<b>NET REALISATION</b>					<b>31,250,884</b>
<b>OUTLAY</b>					
<b>ACQUISITION COSTS</b>					
Reduced Price			2,963,089		2,963,089
Stamp Duty			117,853		
Agent Fee		1.00%	25,831		
Legal Fee		1.50%	38,448		
				181,730	
<b>CONSTRUCTION COSTS</b>					
Construction	#	Build Rate #	Cost		
Construction Cost	1	18,250,000.00	18,250,000		<b>18,250,000</b>
Contingency		5.00%	912,500		
OL			31,833		
Sustainable Travel Fund			20,750		
Travel Fund Monitoring			3,000		
				967,883	
<b>PROFESSIONAL FEES</b>					
Architect		2.00%	365,000		
Quantity Surveyor		1.50%	273,750		
Structural Engineer		1.00%	182,500		
Mech./Elec. Engineer		1.00%	182,500		
Project Manager		1.00%	182,500		
C.D. Manager		1.00%	182,500		
				1,368,750	
<b>MARKETING &amp; LETTING</b>					
Marketing		2.00%	547,170		
Letting Agent Fee		10.00%	12,970		
Letting Legal Fee		5.00%	6,485		
				566,624	
<b>DISPOSAL FEES</b>					
Sales Agent Fee		1.00%	302,500		
Sales Legal Fee	83 un	500.00 /un	41,500		
				344,000	
<b>FINANCE</b>					
Debt Rate 5.500%, Credit Rate 1.000% (Nominal)					
Land			295,193		
Construction			919,848		
Other			237,073		
Total Finance Cost				1,451,912	
<b>TOTAL COSTS</b>					<b>25,821,947</b>

**APPRAISAL SUMMARY** VALUATION OFFICE AGENCY

2 Great George Street

PROFIT

4,596,937

Performance Measures

Profit on Cost%	17.74%
Profit on GCV%	15.00%
Profit on NDV%	15.08%
Development Yield% (on Rent)	0.50%
Equivalent Yield% (Nominal)	5.50%
Equivalent Yield% (True)	5.62%
EBIT	23.14%
Rent Cover	35 yrs 2 mths
Profit Erosion (finance rate 6.50%)	2 yrs 6 mths



## Appendix 2 - Draft Conditions

### CITY PLANS PANEL

**Subject: Planning Application 21/01869/FU has been submitted for alterations, extensions, including a rooftop extension, and a change of use to provide 83 residential apartments with retention of the ground floor for office use, at 2 Great George Street, Leeds, LS2 8B.**

**Listed Building Consent Application 21/01870/LI has been submitted for alterations, extensions, including a rooftop extension, and a change of use to provide 83 residential apartments with retention of the ground floor for office use, at 2 Great George Street, Leeds, LS2 8B.**

#### 21/01869/FU

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.

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

3) The demolition hereby permitted shall not be undertaken before a contract for the carrying out of the works of redevelopment of the site has been made and produced for the Local Planning Authority.

To avoid the creation of derelict sites to the detriment of this part of the City.

4) No works shall begin on the relevant phase of development until a Statement of Demolition and Construction Practice for that phase has been submitted to and approved in writing by the Local Planning Authority. The Statement of Demolition and 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) location of site compound and plant equipment/storage
- d) details of access, storage, parking, loading and unloading of all contractors' plant, equipment, materials and vehicles (including workforce parking) and
- e) how this Statement of Construction Practice will be made publicly available by the developer.
- f) the hours of demolition and construction works

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 phase of the development in accordance with the approved method of publicity.

In the interests of residential amenity of occupants of nearby property in accordance with adopted Core Strategy Policy T1 and the National Planning Policy Framework.

5) Construction activities shall be restricted to 08.00 to 18.00 hours Monday to Friday and 08.00 to 13.00 hours on Saturdays with no works on Sundays and Bank Holidays.

In the interests of amenity and highway safety

6) The contractor must ensure compliance with current legislation on noise and dust control including the Environmental Protection Act 1990 and the Control of Act 1974. Relevant Codes of Practice set out procedures for dealing with the control of noise on construction and demolition sites are contained in BS5228: 2009 Noise and Vibration Control on Construction and Open Sites.

In the interests if amenity

7) 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, assessment and verification information shall be submitted to and approved in writing by the Local Planning Authority prior to these materials being imported onto the site.

In the event that no soil or soil forming materials have been brought to site, written confirmation shall be submitted to the Local Planning Authority.

It is strongly recommended that all reports are prepared and approved by a suitably qualified and competent person.

To ensure that contaminated soils are not imported to the site and that the development shall be 'suitable for use' with respect to land contamination.

8) The Local Planning Authority shall be notified in writing immediately where unexpected significant contamination is encountered during any development works and operations in the affected part of the site shall cease. The affected part of the site shall be agreed with the Local Planning Authority in writing.

Where remediation of unexpected significant contamination is considered by the Local Planning Authority to be necessary, a Remediation Strategy shall be submitted to and approved in writing by the Local Planning Authority prior to the recommencement of development on the affected part of the site. The Remediation Strategy 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 Strategy. 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 necessary verification information has been approved in writing by the Local Planning Authority.

In the event that no unexpected significant contamination is encountered, written confirmation shall be submitted to the Local Planning Authority prior to occupation of the site.

It is strongly recommended that all reports are prepared and approved by a suitably qualified and competent person.

To enable the Local Planning Authority to ensure that unexpected contamination at the site will be addressed appropriately and that the development will be 'suitable for use' with respect to land contamination.

9) No building works on each phase shall take place until details and samples of all external walling, glazing (including anti-glare specifications) and roofing materials have been submitted to and approved in writing by the Local Planning Authority. Samples shall be made available on site prior to the commencement of building works, for inspection by the Local Planning Authority which shall be notified in writing of their availability. The building works shall be constructed from the materials thereby approved.

In the interests of the character and visual amenity of the host listed building.

10) No building works to each phase shall take place until details and samples of all surfacing materials to the public realm areas have been submitted to and approved in writing by the Local Planning Authority. The surfacing works shall be constructed from the approved materials.

In the interests of the character and visual amenity of the host listed building.

11) No building operations shall be commenced on each phase of the development until full details of the following have been submitted to and approved in writing by the Local Planning Authority-

- (i) 1 to 20 scale drawings of the detail of roof lines and cappings, any eaves and soffit treatments
- (ii) 1 to 20 scale section drawings of each type of window including the setting out of the roof top extension elevational treatments.
- (iii) 1 to 20 scale section drawings of all new external doors and entrances, including their finishes and detailing.
- (iv) 1 to 20 scale section drawings of the junctions of different materials and of the new extensions with the host listed building .
- (v) 1 to 20 scale section drawings of all staircores and the details of their elevational treatment.
- (vi) 1 to 20 details of the mezzanines.
- (vii) 1 to 20 details of sections of the existing and proposed new profiles showing the existing and proposed extent of moulding to the facades.

The works shall be carried out in accordance with the details thereby approved.

In the interests of the character and visual amenity of the host listed building.

12) The development hereby permitted shall not be occupied until a scheme detailing the method of storage and disposal of litter and waste materials, including recycling facilities, has been submitted to and approved in writing by the Local Planning Authority. The details shall include a description of the facilities to be provided including, where appropriate, lockable containers, details of recyclable materials collection with timescales. The approved scheme shall be implemented before the development is brought into use and no waste or litter shall be stored or disposed other than in accordance with the approved scheme.

In the interests of residential amenity and to promote recycling.

13) No external storage of any commercial or residential refuse or recycling bins shall take place on any part of the site and internal bin store areas will be provided as part of the development.

In the interests of amenity, visual amenity and public safety, in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.

14) No development shall take place until details of a sound mitigation scheme designed to protect the future occupants of the proposed accommodation from noise emitted by the development and nearby sources, and to protect neighbouring sensitive receptors from noise emitted from the development, has been submitted to the Local Planning Authority and approved in writing prior to the commencement of the development.

Any air handling plant or kitchen extract ventilation system shall not be operated until a scheme to control noise emitted from it has been approved in writing by the Local Planning Authority and installed as approved. The scheme shall limit noise to a level at least 5dBA below the existing background noise level (L90) when measured at the nearest noise sensitive premises with the measurements and assessment made in

accordance with BS4142

For entertainment noise the scheme shall provide that the LAeq of entertainment noise does not exceed the representative background noise level LA90 (without entertainment noise), and the LAeq of entertainment noise will be at least 3dB below the background noise level LA90 (without entertainment noise) in octaves between 63 and 125Hz when measured at the nearest noise sensitive premises.

To assess patron noise the scheme shall provide details of the comparison of the LAeq of expected patron noise to the representative background noise level LA90 (without patron noise) and include the number of short term, but loud, noise events (LAmax) which would be noticeable to nearby residential receptors.

Any mitigation required shall be completed prior to first occupation of the development and shall thereafter be retained. Prior to occupation, a post completion sound test to confirm compliance with specified criterion shall be submitted for approval. In the event that sound levels exceed the specified limits, the applicant shall undertake corrective action and re-test. Once compliance can be demonstrated the results shall be resubmitted for approval.

15) Prior to the construction of each phase of the development, details of glazing and any mechanical ventilation package shall be submitted to and approved in writing by the Local Planning Authority. The package shall be designed to meet the following criteria:

Living Rooms 0700-2300 35dBLAeq

Bedrooms 2300-0700 30dB LAeq, 45dBLAmax

The package shall be installed and implemented in accordance with the approved details prior to the commencement of the use of the building and shall be maintained and retained thereafter for the lifetime of the development.

In the interests of the amenity of future occupiers of the residential dwellings.

16) No installation of externally mounted plant or equipment shall take place until details of the installation and/or erection of any air conditioning or extract ventilation system, flue pipes, window cleaning equipment or other excrescences proposed to be located on the roof or sides of the building, including details of their siting, design, noise attenuation, and external appearance have been submitted to and approved in writing by the Local Planning Authority. Works shall be carried out in accordance with the approved details and retained as such thereafter.

Plant and machinery operated from any commercial premises shall limit noise to a level at least 5dBA below the existing background noise level (L90) when measured at the nearest noise sensitive premises with the measurements and assessment made in accordance with BS4142:1997.

Hot food uses will often require an extract ventilation system to deal with odour and fumes. Guidance on suitable design is provided in DEFRA guidance at:  
<http://www.defra.gov.uk/publications/files/pb10527-kitchen-exhaust-0105.pdf>

In the interests of amenity and visual amenity, in accordance with Saved Unitary

Development Plan Policies GP5, BD2 and BD4, Leeds Core Strategy policy P10 and the NPPF.

17) The development shall be undertaken in accordance with the Eckersley O'Callaghan Flood Risk Assessment & Drainage Strategy dated 19/11/2020 unless otherwise submitted and approved in writing with the Local Planning Authority. The works shall be fully 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

18) Prior to the commencement of development a Sustainability Statement shall be submitted which will include a detailed scheme to demonstrate compliance with Core Strategy policies EN1 and EN2 and comprising:

- (i) a recycle material content plan (using the Waste and Resources Programme's (WRAP) recycled content toolkit);
- (ii) a Site Waste Management Plan (SWMP) for the demolition and construction phases.

Within 6 months of the first occupation of each phase a post-construction review statement for that phase shall be submitted and approved in writing by the Local Planning Authority;

The development and buildings comprised therein shall be maintained and any repairs shall be carried out all in accordance with the approved detailed scheme and post completion review statement or statements.

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

19) Notwithstanding the approved details, before building works are commenced full details of cycle/motorcycle parking and facilities shall be submitted to and approved in writing by the Local Planning Authority. The development shall not be occupied until the approved cycle/motorcycle parking and facilities have been provided. The facilities shall thereafter be retained for the lifetime of the development.

In the interests of highway safety.

20) Notwithstanding the details on the hereby approved plans and to avoid doubt, deliveries, collections and servicing shall not take place Monday to Friday between 7.00am and 10.00am or between 4.00pm and 7.00pm from Aire Street only with no deliveries or collections on Saturdays, Sundays and Bank Holidays.

In the interests of amenity and highway safety

21) Development shall not be occupied until a plan showing details of dedicated space for loading, unloading and parking of service/delivery vehicles has been submitted to and approved in writing by the Local Planning Authority. This space shall be retained for the lifetime of the development.

To ensure the free and safe use of the highway.

22) Prior to occupation of the development details of works comprising the creation of a new layby on Rossington Street shall be submitted to and approved in writing by the Local Planning Authority and shall have been fully implemented.

To ensure the free and safe use of the highway during all development works and throughout the lifetime of the development.

23) Notwithstanding the details on the hereby plans and for the avoidance of doubt, the gradient of all pedestrian ramps shall not exceed 1 in 12.

To ensure the free and safe use of the highway.

24) No external lighting shall be installed unless a scheme has previously been approved in writing by the Local Planning Authority. The scheme shall be installed and retained thereafter in accordance with the approved details.

In the interests of amenity and highways safety.

25) The development hereby permitted shall not be occupied 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 and/or contours,
- (b) boundary details, means of enclosure and retaining structures,
- (c) car parking layouts,
- (d) other vehicle and pedestrian access and circulation areas,
- (e) hard surfacing areas,
- (f) minor artefacts and structures (e.g. furniture, play equipment, refuse or other storage units, signs, lighting etc.),

Soft landscape works shall include

- (h) planting plans including all roof terraces
- (i) written specifications (including soil depths, cultivation and other operations associated with plant and grass establishment)
- j) schedules of plants noting species, planting sizes and proposed numbers/densities and
- k) details of all green roof areas

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.

To ensure the provision and establishment of acceptable landscaping

26) Notwithstanding the details on the hereby approved plans, the trees shall be planted in locations to be agreed, within the next planting season from the date of this planning permission. Full details including:

- a) The locations of the trees

- b) Construction details of tree pits including the depth and area of growing media;
  - c) Any tree grilles and guards
  - d) Dimension of tree pits and means of anchoring root balls, and
  - e) Species and size of the trees
- shall be submitted to and approved in writing by the Local Planning Authority prior to the commencement of the tree planting. The trees shall be planted in accordance with the approved details.

In the interest of the character and appearance of the site and surrounding area.

27) 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.

To ensure maintenance of a healthy landscape

28) 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 carried out as approved.

To ensure successful aftercare of landscaping.

29) The development shall not be occupied until provision has been made in the means of access in to, out of and within the proposed development, and within sanitary conveniences, for the needs of employees and members of the public who are disabled. All such facilities shall thereafter be retained and made available for use.

In the interests of access for all.

30) Following completion of at least 50% of the dwellings within the development as a whole and secondly at the stage of the final completion of the remaining 50% of the dwellings, a post-construction Accessible Housing Certification Table containing confirmation of the full details of the following matters shall be submitted to and approved in writing by the Local Planning Authority;

- Which and how many dwellings within the development have satisfied M4(2)\* accessible and adaptable dwellings standards
- Which and how many dwellings within the development have satisfied M4(3)\* wheelchair adaptable dwellings standards
- Which and how many dwellings within the development have satisfied M4(3)\* wheelchair accessible dwellings standard.

\*contained within Part M volume 1 of the Building Regulations.

The accessible dwellings shall be implemented and retained thereafter unless otherwise agreed in writing by the Local Planning Authority.

In the interests of disabled people and access for all

31) Notwithstanding the details on the hereby approved plans and for the avoidance of doubt, no doors shall open outwards from the buildings, such that they obstruct the public highway, except with the approval of the Local Planning Authority.

In the interests of free and safe use of the adjoining footpath.

32) Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) Order 2015 (as amended) or any provision in any statutory instrument revoking or re-enacting that Order, planning permission shall be obtained before there is any change of use to research and development of products or processes and Industrial processes within Use Class E or areas or places for indoor sport or recreation, other than a gym (not involving motorised vehicles or firearms) as detailed in the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 or any order revoking or re-enacting that order with or without modification.

To control uses which could be harmful to the vitality and viability of the city centre and to ensure any new uses accord with the requirements of the Core Strategy.

33) Notwithstanding the details on the hereby approved plans, details of the level and extent of obscure glazing to the west facing windows shall be submitted to and approved by the Local Planning Authority. The obscure glazing shall be thereafter retained as such.

In the interests of residential amenity.

#### 21/01870/LI

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 18 of the Planning (Listed Building and Conservation Areas) 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.

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

3) The demolition hereby permitted shall not be undertaken before a contract for the carrying out of the works of redevelopment of the site has been made and produced for the Local Planning Authority.

To avoid the creation of derelict sites to the detriment of this part of the City.

4) No building works on each phase shall take place until details and samples of all external walling and roofing materials have been submitted to and approved in writing by the Local Planning Authority. Samples shall be made available on site

prior to the commencement of building works, for inspection by the Local Planning Authority which shall be notified in writing of their availability. The building works shall be constructed from the materials thereby approved.

In the interests of the character and visual amenity of the host listed building.

5) No building works to each phase shall take place until details and samples of all surfacing materials to the public realm areas have been submitted to and approved in writing by the Local Planning Authority. The surfacing works shall be constructed from the approved materials.

In the interests of the character and visual amenity of the host listed building.

6) No building operations shall be commenced on each phase of the development until full details of the following have been submitted to and approved in writing by the Local Planning Authority-

- (i) 1 to 20 scale drawings of the detail of roof lines and cappings, any eaves and soffit treatments
- (ii) 1 to 20 scale section drawings of each type of window including the setting out of the roof top extension elevational treatments.
- (iii) 1 to 20 scale section drawings of all new external doors and entrances, including their finishes and detailing.
- (iv) 1 to 20 scale section drawings of the junctions of different materials and of the new extensions with the host listed building .
- (v) 1 to 20 scale section drawings of all staircores and the details of their elevational treatment.
- (vi) 1 to 20 details of the mezzanines.
- (vii) 1 to 20 details of sections of the existing and proposed new profiles showing the existing and proposed extent of moulding to the facades.

The works shall be carried out in accordance with the details thereby approved.

In the interests of the character and visual amenity of the host listed building.

7) Prior to first occupation of any unit within the development an architectural recording document shall be deposited with the West Yorkshire Archaeological Services for inclusion on the Historic Environment Record and notification of this action shall be made in writing to the Local Planning Authority.

In the interest of the character and the proper recording of historic and architectural details of the host listed building and in accordance with the National Planning Policy Framework and Core Strategy Policies P10 and P11.

8) Prior to commencement of any works to clean or repair the existing stone and/or brickwork details of the methodology and sample panels for works proposed to the said stone and/or brickwork including details of repointing, cleaning, and any stone and/or brick replacement shall be submitted to and agreed in writing by the Local Planning Authority. The works shall be carried out in accordance with the agreed details.

In the interests of the character and visual amenity of the host listed building.

9) No external lighting shall be installed unless a scheme has previously been approved in writing by the Local Planning Authority. The scheme shall be installed and retained thereafter in accordance with the approved details.

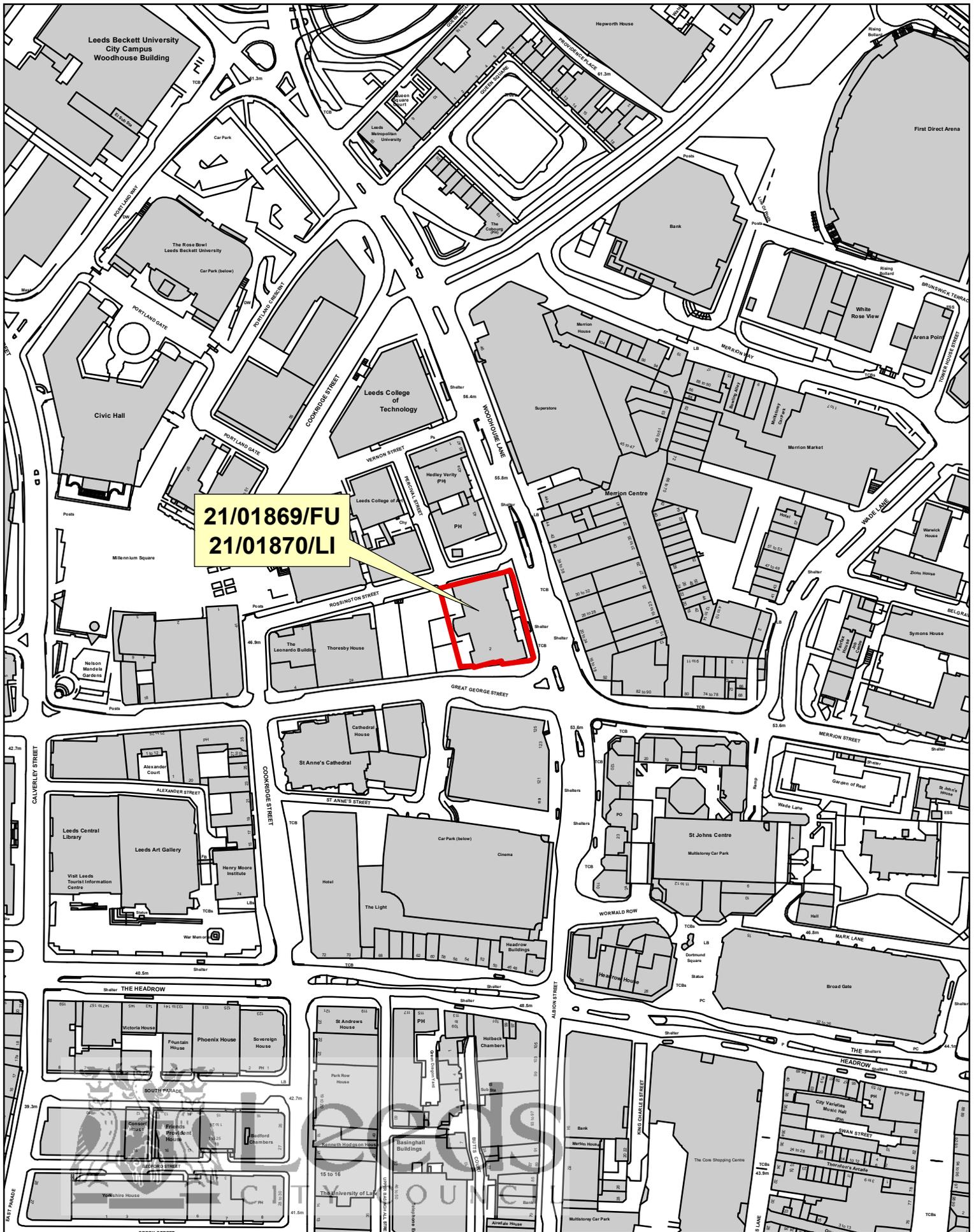
In the interests of the character and visual amenity of the host listed building.

10) Notwithstanding the details of the hereby approved plans, a drawing accurately detailing and recording the existing mouldings of the host building, with blow up sections at a 1 to 20 scale detailing both the existing and the proposed new façade profiles, shall be submitted to and be approved in writing by the Local Planning Authority. The works shall be carried out in accordance with the details thereby approved.

In the interests of the character and visual amenity of the host listed building.

11) Prior to commencement of any works to clean or repair the existing stonework and/or brickwork, details of the methodology and sample panels for works proposed to the said stonework and/or brickwork including details of repointing, cleaning, and any stone and/or brick replacement shall be submitted to and agreed in writing by the Local Planning Authority. The works shall be carried out in accordance with the agreed details.

In the interest of the amenity of the listed building.



**21/01869/FU**  
**21/01870/LI**

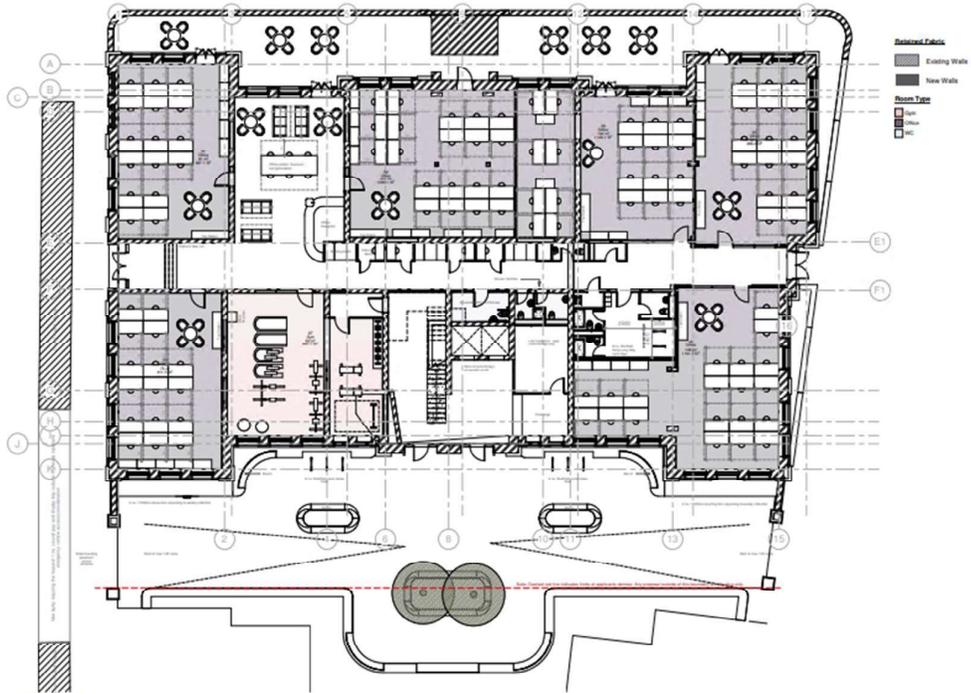
# CITY PLANS PANEL

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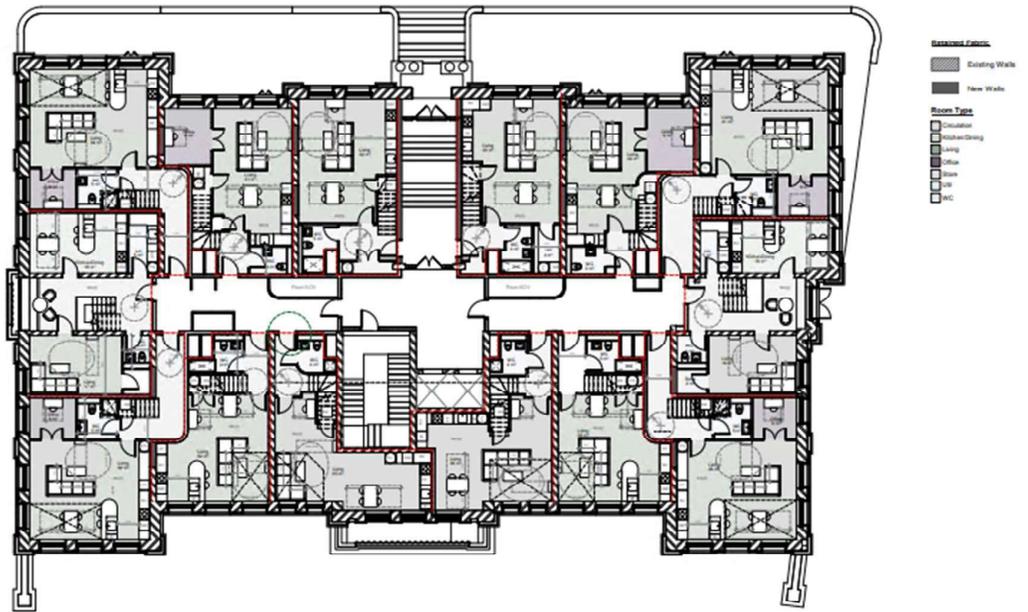
PRODUCED BY CITY DEVELOPMENT, GIS MAPPING & DATA TEAM, LEEDS CITY COUNCIL

SCALE : 1/2500





Proposed Ground Floor Plan  
1:100



Proposed First Floor Plan  
1:100

