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**Update Report of the Chief Planning Officer** 

**CITY PLANS PANEL** 

Date: 23<sup>rd</sup> February 2023

SUBJECT: Application 22/02505/FU - Full application for Demolition of existing buildings and structures; construction of 618 residential dwellings (C3) and flexible commercial space (E and F1); associated refuse and plant infrastructure, landscaping, new public realm and open space at The Former Arla Foods site, 87 – 91 Kirkstall Road, Burley, Leeds, LS3 1HS

**TARGET DATE** 

Community Cohesion

Narrowing the Gap

#### **APPLICANT**

**DATE VALID** 

Glenbrook Properties

13.04.22	02.03.23
Electoral Wards Affected:	Specific Implications For:
Little London and Woodhouse	Equality and Diversity

RECOMMENDATION: For Members to consider the contents of this report which is provided by way of an update to the report to 3rd November 2022 City Plans Panel and to approve this application in principle and defer and delegate the final decision to the Chief Planning Officer subject to the conditions outlined in Appendix 1 at the end of this report (and such other conditions or amendments as he may consider appropriate) and following the completion of a Section 106 Agreement to secure the following:

- a) Public Access Rights and maintenance of public areas
- b) Employment & Skills co-operation / initiatives
- c) Sustainable Travel Fund £158.053.50
- d) Bus Shelter £20,000
- e) Off-site Highways contribution £197,000
- f) Travel Plan Monitoring Fee £6,875
- g) Legible Leeds Wayfinder contribution £10,000
- h) Affordable Housing on site provision (31 units)
- i) Education Contribution (£162,510.31)

Together with such other and ancillary clauses as the Chief Legal Officer shall consider appropriate and with due regard to viability considerations as outlined in section 8.55 of the report.

#### 1.0 INTRODUCTION:

- 1.1 The proposal relates to a major residential-led scheme (Build to Rent (BTR)) on the former Arla Foods site on the south side of Kirkstall Road. The land was purchased in December 2021 by the applicant following the approval of an outline consent, also for a major residential led development, ref. 20/03494/OT.
- 1.2 The formal application was brought to City Plans Panel on 03.11.22, following an earlier pre-application presentation of the proposals by the applicant, as presented on 24<sup>th</sup> February 2022. The application was put before panel under the scheme of delegations due to its scale and potential impact, as agreed between the panel Chair and the Head of Planning.
- 1.3 The proposals have been subject to a Viability Assessment which concludes that the Council's planning obligations (as required by policy) are not achievable in this case. Following consideration of the proposals at City Plans Panel on 3<sup>rd</sup> November 2022, Members resolved that a decision on the application was deferred subject to further consideration of the following detailed matters:
  - Affordable Housing
  - Housing Mix
  - Balconies
  - Greenspace
  - Biodiversity Net Gain
- 1.4 This update report only addresses the specific matters on which the application was deferred and the pursuant changes to the proposals following further consideration by the applicant. In all other respects Members should have regard to the Chief Planning Officer's report to City Plans Panel on 3<sup>rd</sup> November 2022 which is attached as Appendix 2

#### 2.0 APPRAISAL OF THE MATTERS DEFFERED FOR FURTHER CONSIDERATION

## 2.1 Affordable Housing

- 2.2 A Financial Viability Statement (March 2022) has been provided which has been reviewed by the District Valuer and concludes that the proposals cannot deliver the Council's full planning obligations required by planning policy. However, the applicant has previously agreed to provide all contributions requested other than off-site Greenspace, which is more than the Viability Statement allows for. The applicant would therefore be willing to pay a contribution of £544,438.81.
- 2.3 Policy H5 in the Core Strategy requires Build-to-rent developments to provide either
  - on-site, according to national policy advice, currently 20% Affordable Private Rent dwellings at 80% of local market rents administered by a management company with appropriate arrangements for identifying households in need, including city council nomination rights, which apply in perpetuity, or

- on-site, the percentage of affordable housing specified for zones 1-4 and mix of Intermediate and Social Rented types of affordable housing set out in the first paragraphs of this Policy at affordable housing benchmark rents administered by either a registered provider or a management company with appropriate arrangements for identifying households in need, including City Council nomination rights, which apply in perpetuity, or
- a commuted sum in lieu of on-site provision of affordable housing of option ii).

The policy goes on to say that any departures from this position should be justified by evidence of viability considerations.

- 2.4 Notwithstanding the Viability Assessment which demonstrates that the scheme is capable of supporting only 1no affordable home, the applicant has considered comments from members and, in addition to the S106 contributions will commit to provide 31no (5%) affordable homes on site. These would be provided at the prorata mix outlined below and would be provided as discount market rent (DMR) units at 80% market value.
  - 1B x 15 units
  - 2B x 12 units
  - 3B x 4 units
- 2.5 The provision of additional affordable housing has been facilitated by the applicant through a review of overall developer returns and a reduction in risk and contingency allowances. The returns and allowances are below what would ordinarily be considered acceptable to institutional funders. However, the applicant will commit to deliver the scheme on the basis that a funding partner has been identified and works will progress forthwith.

## 2.6 Housing Mix

- 2.7 Reference was made at Plans Panel to the Table within the supporting text of Policy H4, which sets out a Preferred Housing Mix, stating that the proposed scheme doesn't accord with the policy in regard to the provision of three bed units.
- In response, the applicant argues that this table sets out a generic preferred housing mix across Leeds, having regard to the evidence base of the SHMA (2011) and as such is not reflective of the specific needs of individual locations but more the citywide needs. It should be noted that the Policy itself only requires that development deliver an "appropriate mix of dwelling types and sizes" to address the "needs of the locality". This position is evidenced in paragraph 5.2.11 of the Core Strategy which states that the policy offers some flexibility and "for larger developments it will be appropriate to take account of local housing need in accordance with the principles agreed as part of the housing growth debate."
- 2.9 Secondly, it is noted with specific reference to developments of over 250 units, Policy H4 requires developers to submit a Housing Needs Assessment to ensure that the needs of the locality can be taken into account at the time of development. In accordance with Policy H4, the application is supported by a Housing Needs Assessment, which has been prepared by CBRE, and confirms that the proposed mix for this development is appropriate for this location. Evidence on supply highlights a shortfall of 1-bed and 2-bed apartments within the Inner Area, but a

modest surplus in the supply of 3-bed apartments versus market expectations. This suggests that the current profile of 3 bed supply is well balanced against existing realistic market demand and does not necessitate a proportionate increase in comparison to 1-bed and 2 bed apartments. On this basis it is considered by Officers that the housing mix as previously presented accords with the relevant policies of the Development Plan in this regard.

- 2.10 The proposals would provide 62no (10%) 3 bed apartments ranging in size from 83m² to 93m² which represents a significant contribution towards the overall provision of 3 bed apartments in the city centre and edge of centre areas. This is supplemented by 242no (39%) 2 bed apartments designed to provide 4 bedspaces ranging in size from 61m² to 73m². In total 304 no (49%) of units are designed to provide 4 or more bedspaces which are appropriate for a range of tenures including single person, sharer, couple and family occupants.
- 2.11 It is also noted that the three-bed provision is significantly increased from the outline consent granted in June 2021, which only showed 7%. It remains the applicant's position that as set out in the supporting Housing Needs Assessment, the proposed mix for this development is appropriate for this location, taking into account the character of the area. The mix of uses will result in a deliverable "market facing" scheme which will facilitate the regeneration of the site. The proposed mix also ensures the scheme is viable, considering the sites long standing derelict nature, this is a key consideration in the delivery of new development at the site.

# 2.12 <u>Balconies and Residential Amenity</u>

- 2.13 As previously outlined, the internal layouts of the proposed apartments are considered to be policy compliant in terms of space and daylighting. With regard to balcony provision, although there is no policy requirement within the Development Plan specific to the provision of balconies it is accepted that, as part of a mix of amenity provision, they can contribute to the overall value of a high-density scheme with regard to usable external space. Bearing this in mind, the applicant has revisited the provision of balconies, taking into account site considerations including orientation and wind, which has resulted in the provision of a total of 126 projecting balconies and four roof terraces: an increase of 31 external spaces from the previously presented scheme, amounting to 20% of the total.
- 2.14 In addition, to the balcony provision, it should also be noted that there are a number of other outdoor amenity spaces within the scheme including the large public square fronting the River Area and a number of rooftop terraces and attractive pedestrian routes, which makes up approximately half of the site. The total provision of public open space and terraces provided equates to 8.75m2 per unit. It is considered, therefore, that the scheme does provide adequate public and private amenity space for residents that do not have access to a balcony.
- 2.15 With regard to the potential for developing the adjacent sites, proposed Block D would be closest to the adjacent boundary. Block D, at this boundary would present 11 stories with predominantly secondary aspect bedroom windows facing the western boundary although on each floor there would be 2 primary aspect windows. The distance between the western frontage of the proposed and the eastern boundary of the adjacent site, which is located across Washington Street would be

15m with a 4m set back from the application site boundary. If this were mirrored, it would give an overall relationship of 19m. This is likely to be considered acceptable within the context of an existing dense fringe of city centre urban grain. Also, given that Block D would occupy less than a third of the overall Washington Street frontage it is considered that a workable scheme could be developed on the adjacent site. Furthermore, it is noted that, although the general movement is towards residential schemes along this part of the riverside, the site remains unallocated within the SAP which would give greater weight to the proposed scheme in terms of the overall planning balance. The additional balconies would not change those relationships as they would be facing away from the site boundaries.

2.16 A similar situation occurs on the eastern boundary. In the eastern elevation of Block A, secondary aspect windows are located 3.5m from the boundary which directly abuts the adjacent site. However, this is a narrow frontage and it is considered that a suitable scheme could be developed on the adjacent site. Block F presents a longer frontage of 50m to the eastern boundary, with a 7m off-set to the boundary. There would be a roughly even split along this frontage between primary and secondary aspect windows and if the block were to be mirrored it would create a relationship of 14m potentially between primary aspect windows. This is unlikely to be considered acceptable in this location. However, it is likely that the affected area, which is to the south of the site adjacent to the river, would have to be given over to greenspace in order for it to remain consistent with the approved developments to either side. Again, it is considered that a workable scheme could be delivered with a clear frontage being available of around 55m, allowing for an interconnecting roadway. Additional balconies to these frontages, however, would not be recommended because of potential overlooking issues. The overall provision of balconies is therefore considered appropriate for the development.

## 2.17 Greenspace

- 2.18 Issues have been raised regarding the quality and quantity of Greenspace provision on site. Paragraph 5.5.18 of the adopted Leeds Core Strategy notes that high density developments (65pdh) may generate requirements for green space that cannot be delivered on site and in these circumstances, an expected level of 20% of green space should be provided onsite with the residual normally being provided off site or in the form of a commuted sum. The greenspace contribution calculated in accordance with Policy G4 equates to in excess of 70% site area which would not be practicable to provide within the red line boundary and still deliver a viable and contextual form of development. The policy acknowledges this and allows flexibility. Notwithstanding this, due to the large size of the site there is significant green space provision provided on site.
- 2.19 The area dedicated to high quality public open space, play space and wider amenity space equates to approximately 55% of the overall site area. The new park comprises 5,295m2 (25.5%) of the overall site area, which is in excess of the 20% onsite requirement outlined in Policy G4, and is broken down as follows:
  - Central Park = 1,740m2 (lawn 845m2)
  - Courtyard A = 690m2
  - Courtyard B = 885m2
  - Riverside Walk = 1,260m2
  - Riverside Space = 720m2

- 2.20 Subsequent to the previous panel meeting, further work has been done on improving the riverside walk and space in terms of planting to soften the area visually and provide additional riperian biodiversity net gain as discussed below. It has therefore been demonstrated that there are significant public realm improvements and green space proposed as part of the proposals which will cover approximately half of the site. The design of the public realm and landscaping is fundamental to the delivery of a high-quality development and this has intentionally formed the centre piece of this scheme. The proposed public and private spaces outlined above, together with the proposed pedestrian and cycling infrastructure will promote activity and engagement across the whole community as well as creating active frontages and natural surveillance around the development.
- 2.21 Notwithstanding the above, a contribution has been requested of £624,458.09 for off-site provision in accordance with Policy G4. As has been previously discussed, the applicant has provided financial evidence to demonstrate that such a contribution would significantly impact on the overall viability of the scheme. Although they have committed to an additional contribution of £544,438.81 to cover Highways and Education requirements they remain of the position that the additional greenspace contribution would not be affordable. The applicant asks members to bear in mind that the cost of delivering the significant on-site provision would amount to approximately £1,300,000 and request that this is taken into account when determining the overall contributions provided by the development.
- 2.22 Given that the financial viability case has previously been demonstrated and that the proposals would deliver high quality significant new greenspace infrastructure on site aswell as regenerate a long vacant site and help to meet local housing need, it is considered by officers that, on balance, the lack of an off-site greenspace contribution is not a sufficient reason to refuse the application in this case.

# 2.23 <u>Biodiversity Net Gain</u> (BNG)

- 2.24 The proposed development provides 78% biodiversity net gain and is policy compliant in this regard. The Environment Agency (EA) have raised an issue of riperian BNG being a separate matter also to be addressed. While this would be beneficial to the scheme overall it would not be necessary in terms of the policy context as it currently stands. However, the applicant has agreed to revisit this matter in order to come to an agreement with the EA with regard to finding a planning condition relating to enhancements to the river which is reasonable. A meeting was held with the EA to investigate ways in which this could be done and the following proposals have subsequently been put forward by the applicant:
- 2.25 Where practical, it may be feasible to add additional ecological enhancements, to be finalised at the detailed design stage. Opportunities to further enhance the riparian corridor include the provision of additional tree and shrub planting and provision of faunal features within the river wall itself. The larger area of "wildflower meadow" to the south west of the site has scope to include additional tree planting beyond the three specimens already shown in this area. This would continue the improved structural diversity offered by trees, aiding the function of the corridor. Trees should be native and fruit bearing, species such as cherry and crab apple would be appropriate. Where possible additional shrub planting should be included within the

riparian corridor, this is however restricted by Leeds City Council Highways and Transport policies requiring the cycle and footway to be a minimum of 5m wide. Additional planting beds including species such as ivy, honeysuckle, alder, dogwood and hazel could be incorporated to the far east of the site where a wider area of cycle / footway is available, with capacity to include planting and maintain the required 5m width. The developers have secured an EA permit (EPR/QB3298YJ) to undertake restoration work to the retaining river wall in a localised area. It is proposed that any faunal features be incorporated into this area preventing the need of additional disturbance to the river, above that already required. The repaired section of wall should include 5 sand martin boxes and 1 kingfisher tunnel. These should be built into the fabric of the wall. Additionally, two fish shelters should be constructed at the water line, these can be bespoke built, comprising concrete beams and a paving slab ledge. The Biodiversity Metric score for River Units at the site is calculated as being 1.74. Assuming a 10% net gain in River Units was to be achieved through a financial contribution to the LCC fund, a payment of c.£4350 would be required. With this in mind, it is proposed that the cost of additional biodiversity enhancements to the riparian zone, beyond those already specified, is capped at this figure. This should be agreed with LCC.

2.26 The above is considered by officers to be acceptable and the wording of the relevant condition can be amended to reflect this, subject to finalising the detail in liaison with the EA and the Council's Nature Team.

#### 3.0 CONCLUSION:

- 3.1 Notwithstanding the financial viability position, this scheme represents an opportunity to regenerate a mostly cleared brownfield site on the southern side of Kirkstall Rd. The proposals provide 618 residential units contributing to housing supply as well as associated employment uses, large areas of open space and connectivity to the waterfront with a new section of riverside walkway in a highly sustainable gateway location.
- 3.2 It is considered that the scale, form and detailing of the proposal would enhance the character of this part of Kirkstall Road and help to deliver an identified housing need in the development plan. On balance the proposals are supported by national and local planning policy and a recommendation for approval is made.

#### **BACKGROUND PAPERS:**

Application file: 22/02505/FU

#### Appendix 1 – Proposed Conditions

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 and Specifications above.

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

3. A plan showing the anticipated phases of the development shall be submitted to and approved in writing by the Local Planning Authority prior to any development commencing. Phases of the development shall thereafter be carried out in accordance with the submitted plan, unless otherwise approved in writing by the Local Planning Authority, and any reference to `phase` or `phases` in the conditions below shall refer to the phases detailed in the plan thereby approved.

In order to accord with the provisions of the Leeds Core Strategy, Saved Policies of the Leeds Unitary Development Plan Review and the Leeds Natural Resources and Waste DPD, in the interests of amenity, visual amenity, the provision of (any) affordable housing, pedestrian connectivity, highways safety, sustainable development, and in order that the Local Planning Authority is informed of the phasing in order that the relevant sections of the conditions may be discharged.

4. The commercial uses hereby permitted shall be limited to the maximum Gross Internal Area of 356 sqm, of which any (former use class) A1 retail floorspace shall be for convenience retail use only.

In order to ensure that the developed scheme does not exceed the floor spaces which have been used to assess the impact which this proposal will have on surrounding centres, including the neighbouring buildings and the local highway network and to ensure a mix of uses is provided. In the interests of proper planning in accordance with policy P8 of the adopted Leeds Core Strategy 2019.

In the interests of the vitality and viability of existing retail centres, in accordance with Leeds UDPR Policy GP5, Leeds Core Strategy policies SP2, SP3, P8 and CC1 and the NPPF.

5. Prior to the use on site of the external materials to be used for each phase of development, details and samples of all external walling and roofing materials for that phase shall be 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 visual amenity in order to accord with Leeds UDP Review Policies GP5 and BD2, Leeds Core Strategy Policy P10 and the NPPF.

6. Prior to the commencement of building works in each phase details of the position, design, materials and type of all walls and/or fences or permanent boundary/screening treatment for that phase shall be submitted to and approved in writing by the Local Planning Authority. Such walls and fences shall be erected in accordance with the approved details, before the land/buildings to which they relate are occupied and shall thereafter be retained.

In the interests of visual amenity, in accordance with Leeds UDPR Policies GP5 and LD1, Leeds Core Strategy Policy P10 and the NPPF.

- 7. Prior to the commencement of landscaping works in each phase of development full details of both hard and soft landscape works, including an implementation and maintenance programme, shall be submitted to and approved in writing by the Local Planning Authority for that phase. Hard landscape works shall include:
  - (a) proposed finished levels and/or contours
  - (b) vehicle and pedestrian access and circulation areas,
  - (c) hard surfacing areas,
  - (d) minor artefacts and structures (e.g. furniture, play equipment, refuse or other storage units, signs, lighting etc.),
  - (e) proposed and existing functional services above and below ground (e.g. drainage, power cables, communication cables, pipelines etc., indicating lines, manholes, supports etc.).

Soft landscape works shall include:

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

All hard and soft landscaping works shall be carried out in accordance with the approved details, approved implementation programme, British Standard BS 4428:1989 Code of Practice for General Landscape Operations and maintained in accordance with the maintenance programme.

The developer shall complete the approved landscaping works for each phase 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 landscape in accordance with adopted Leeds Core Strategy Policy P12, Saved Leeds UDP Review (2006) policies GP5 and LD1, Leeds Natural Resources and Waste DPD, and the NPPF.

8. 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 scheme.

Remediation measures are shown to be necessary following the approved Site
 Investigation Reporting and soil or soil forming material is being imported to site.
 Development (excluding demolition) shall not commence until a Remediation Strategy

demonstrating how the site will be made suitable for the intended use has been submitted to, and approved in writing by, the Local Planning Authority. The Remediation Strategy shall include a programme for all works and for the provision of Verification Reports. It is strongly recommended that all reports are prepared and approved by a suitably qualified and competent person.

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

10. If remediation is unable to proceed in accordance with the approved Remediation Strategy, or where significant unexpected contamination is encountered, or where soil or soil forming material is being imported to site, the Local Planning Authority shall be notified in writing immediately and operations on the affected part of the site shall cease. The affected part of the site shall be agreed with the Local Planning Authority in writing. An amended or new Remediation Strategy and/or Soil Importation Strategy shall be submitted to and approved in writing by the Local Planning Authority prior to any further remediation works which shall thereafter be carried out in accordance with the revised approved Strategy. Prior to the site being brought into use, where significant unexpected contamination is not encountered, the Local Planning Authority shall be notified in writing of such.

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

To ensure that any necessary remediation works are identified to make the site 'suitable for use' with respect to land contamination.

11. 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 verification information has been approved in writing by 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 the remediation works are fully implemented as agreed and the site has been demonstrated to be 'suitable for use' with respect to land contamination.

12. There shall be no discharges of foul water from the development until a foul drainage scheme (to be phased as necessary) including details of provision for its future maintenance (e.g. adoption by the Water Company) has been implemented in accordance with details to be submitted to and approved in writing by the Local Planning Authority for that phase. In addition, written confirmation shall be provided from Yorkshire Water or any other third party involved to allow the laying of any sewer across third party land and discharge of the design foul flows to the sewer.

To ensure satisfactory drainage and pollution prevention in accordance with adopted Leeds UDP Review (2006) policy GP5.

13. Before development of any phase commences, a detailed SuDS based Drainage Scheme based on the principles of The SUDS Manual (C753) and the design criteria

as set out within the Councils Minimum Development Control Standards for Flood Risk, shall be submitted and approved in writing by the Local Planning Authority for that phase.

The maximum rate of discharge, off-site, shall not exceed 90.68 l/s and be in line with the drainage strategy as set out within the Curtins Flood Risk Assessment Addendum (Ref. 079805-CUR-00-XX-RP-C-001-FRAA Rev 01) or shall be consistent with the Councils Minimum Development Control Standards for Flood Risk and the LLFAs requirements for Major Development unless otherwise agreed with the Local Planning Authority. The works shall be implemented in accordance with the approved scheme before the development is brought into use, or as set out in the approved phasing details.

The detailed design drawings, calculations and supporting information shall include the following:

- a) Model Information (Micro Drainage or similar approved) to include a plan showing pipework model numbering and network details.
- b) Survey and details of any existing surface water outfalls from the site into the River Aire, identifying which outfalls are to be retained and which can be abandoned.
- c) Results: Summary of Results showing all the modelling criteria and summary network results for critical 1 in 2 year, 1 in 30 year and 1 in 100 year plus 40% CC storm events showing maximum water level, flow and velocity and details of any surface flooding anticipated.
- d) A drawing showing the proposed impermeable areas, suitably annotated.
- e) Calculations and any supporting survey and investigations to justify and demonstrate the existing and proposed discharge rate.
- f) Drainage Plan showing drainage layout, manholes including cover and invert levels, proposed levels, pipe sizes and gradients, all on -line controls, on and off line storage structures and outfall details.
- g) Plan showing overland exceedance routes in the event of a failure of the drainage system or storm event in excess of the 1 in 100 + 40% CC storm event.
- h) Summary Drainage Report setting out the Drainage Strategy and results of the calculations demonstrating compliance with the above.
- i) Where third party agreements to construct sewers and to discharge flows are required, then written evidence of these two agreements shall be provided.
- j) A timetable for implementation of the drainage works including an assessment of any phasing of the development.
- k) Demonstrating that adequate water quality of the off- site surface water flows in accordance with the Simplified Index Approach as set out within Section 26 of the SUDS Manual (C753) can be achieved during all phases of the development.
- I) Where SUDs are only proposed in part or not at all, then a full justification statement shall be provided to demonstrate why it is not considered appropriate or reasonable.

No piped discharge of surface water from the application site shall take place until works to provide a satisfactory outfall, other than the existing local public sewerage, for surface water have been completed in accordance with details submitted to and approved by the Local Planning Authority.

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

14. Development of each phase shall not commence until details and a method statement for interim and temporary drainage measures during the construction phases have been submitted to and approved in writing by the Local Planning Authority for that phase. This information shall provide full details of who will be responsible for maintaining such temporary systems and demonstrate how the site will be drained to ensure there is no increase in the off-site flows, nor any pollution, debris and sediment to any receiving watercourse or sewer system. Where temporary discharges to a sewer are proposed, written confirmation from the sewer owner that these have been accepted shall be provided. The site works and construction phase shall thereafter be carried out in accordance with approved method statement, unless alternative measures have been subsequently approved by the Local Planning Authority.

To prevent flooding offsite in accordance with the NPPF.

15. Prior to the occupation of the first unit, details shall be provided in respect to the management, inspection and maintenance of any non-adopted drainage features for that phase. The details shall identify the responsible parties and set out how these will be funded and managed and provide a schedule of the proposed inspections and annual maintenance for the lifetime of the development. The plan shall be submitted to and approved in writing with the Local Planning Authority prior to first occupation for that phase and the development shall thereafter be maintained at all times in accordance with the approved details.

To ensure the development is adequately maintained for the lifetime of the development.

- 16. The development shall not be brought into use until a suitable Flood Evacuation Plan (FEP) has been submitted and approved by the Local Planning Authority. The Flood Evacuation Plan shall be based on the latest Environment Agency and West Yorkshire Fire & Rescue Service (WYF&RS) guidance and the ADEPT/EA document titled Flood Risk Emergency Plans for New Development dated Sept 2019 and include the following:
  - a) Details of advanced flood warning measures;
  - b) Advanced site preparation measures to be undertaken in the event of a flood warning
  - c) Site evacuation measures whilst being also aligned with the WYF&RS 'stay put' advice where applicable within the development / specific floor levels;
  - d) Details of how the FEP will be monitored during all operational hours of the development, the responsibility for flood safety measures in accordance with emergency flood management plan.
  - e) Confirmation that details of the FEP will be relayed to all site users and shall be implemented for the life of the development and to any future owners.

In the interests of flood risk.

- 17. The development shall be carried out in accordance with the Curtins Flood Risk Assessment Addendum (Ref. 079805-CUR-00-XX-RP-C-001-FRAA Rev 01) and the following mitigation measures it details:
  - There is to be no residential development on the ground floor.
  - Finished floor levels shall be set no lower than 31.600 metres above Ordnance Datum (AOD).
  - Any under croft car parks are to remain at grade so as to not displace floodwaters.
  - There shall be a minimum of a 2m undeveloped easement strip from the Leeds Flood Alleviation Scheme Phase 2 Walls to any proposed buildings within the site
  - There is to be no land raising as a result of the proposed development

These mitigation measures shall be fully implemented prior to occupation and subsequently in accordance with the scheme's timing/phasing arrangements. The measures detailed above shall be retained and maintained thereafter throughout the lifetime of the development.

The reason for this condition is as follows:

- To reduce the risk of flooding to the proposed development and future occupants.
- To not displace or transfer any flood waters to others as a result of the proposed development.
- To ensure the structural integrity of the Leeds Flood Alleviation Scheme Phase
   2 flood defences thereby reducing the risk of flooding.
- To ensure safe and timely access egress arrangements in the event of a flood.
- 18. No development in any phase shall take place until a landscape and ecological management plan, including long-term design objectives, management responsibilities and maintenance schedules for all landscaped areas (except privately owned domestic gardens), has been submitted to, and approved in writing by, the local planning authority. The landscape and ecological management plan shall be carried out as approved and any subsequent variations shall be agreed in writing by the Local Planning Authority for that phase. The scheme shall include the following elements:
  - o details of maintenance regimes
  - o details of any new habitat created on-site
  - o details of treatment of site boundaries and/or buffers around water bodies
  - o details of management responsibilities
  - o details of a suitable lighting plan which minimises light spill onto the river

To ensure the protection of wildlife and supporting habitat and to preserve the functionality of the Leeds Habitat Network. Also, to secure opportunities for enhancing the site's nature conservation value in line with national planning policy and adopted policy G9 of the Leeds Core Strategy.

19. No development shall take place for each phase until a Construction Environmental Management Plan (CEMP), including an Invasive Non-Native Species (INNS) management plan, has been submitted to, and approved in writing by, the local planning authority. The construction environmental management plan shall be carried out as approved and any subsequent variations shall be agreed in writing by the Local Planning Authority for that phase. The scheme shall include, but not be limited to, the following elements:

- o details of how the site will be remediated and built without affecting surrounding habitats
- o details of invasive non-native species management

To ensure the protection of wildlife and supporting habitat and to prevent the spread of invasive non-native species.

20. 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 unless otherwise agreed in writing by the Local Planning Authority.

In the interests of residential amenity, in accordance with Leeds Core Strategy, Leeds UDPR Saved Policy GP5 and the NPPF

- 21. No construction works shall begin on any phase of development until a Statement of Construction Practice for that phase has been submitted to and approved in writing by the Local Planning Authority for that phase. The Statement of Construction Practice shall include full details of:
  - a) the methods to be employed to prevent mud, grit and dirt being carried onto the public highway from the development hereby approved;
  - b) measures to control the emissions of dust, dirt and noise during construction;
  - c) location of site compound and plant equipment/storage;
  - d) how this Statement of Construction Practice will be made publicly available by the developer.
  - e) location of access and egress from the site and management of vehicle movements entering and exiting the site
  - f) car parking for contractors staff and operatives

The approved details for that phase shall be implemented at the commencement of construction 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 Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.

22. For each phase of development, details of a sound insulation scheme (based upon the submitted Noise Impact Assessment by Hann Tucker Associates ref. 27385/NIA1, dated 24<sup>th</sup> March 2022) designed to protect the future occupants of the proposed accommodation from noise emitted by nearby sources and to protect sensitive receptors from noise emitted from the development shall be submitted to the Local Planning Authority and approved in writing prior to the commencement of the development in that phase.

The approved works shall be completed prior to first occupation of that phase and shall thereafter be retained. The scheme shall also include a ventilation strategy, which provides for the adequate control of room comfort, where windows will need to remain closed to meet the internal noise level targets.

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 re-submitted for approval.

In the interests of residential amenity, in accordance with Leeds Core Strategy, Leeds Saved UDPR Policy GP5 and the NPPF.

23. Prior to occupation of each phase, details for the provision of bin stores (including siting, materials and means of enclosure) and (where applicable) storage of wastes and access for their collection for that phase shall be submitted to and approved in writing by the Local Planning Authority. The approved measures shall be implemented in full before the use commences and shall be retained thereafter for the lifetime of the development.

To ensure that adequate provision for bin storage is made and in the interests of visual and residential amenity, in accordance with Leeds UDPR Policy GP5, Leeds Core Strategy Policies T2 and P10 and the NPPF.

24. No phase of development shall be occupied until a Car Park and Servicing Management Plan (including timescales) has been submitted to and approved in writing by the Local Planning Authority for that phase. The plan shall be fully implemented, and the development thereafter operated in accordance with the approved timescales.

To ensure the free and safe use of the highway.

25. Prior to commencement of development in any phase a Lighting Design Strategy for both consideration of protection of residential amenity, highway safety and consideration of bat activity shall be produced and approved in writing by the Local Planning Authority for that phase. This shall include commentary by an appropriately qualified ecological consultant. The Strategy shall show how and where external lighting will be installed (through the provision of appropriate lighting contour plans and technical specifications) so that it can be clearly demonstrated that areas to be lit will not disturb commuting and foraging bats adjacent to the River Aire. All external lighting shall be installed in accordance with the specifications and locations set out in the Strategy and shall be maintained thereafter in accordance with it. Under no circumstances should any additional external lighting be installed without prior consent from the LPA in the areas identified in the Strategy as "particularly sensitive for commuting and foraging bats".

In the interests of residential amenity and highway safety and in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework and to safeguard a protected species (bats) in accordance with protection and enhancement of biodiversity in accordance with Core Strategy Policy G8 and G9, NPPF and BS 42020:2013.

26. No phase of the development hereby approved shall be occupied until a plan, setting out the location of electric vehicle charging points to be provided in that phase, has been submitted to and approved in writing by the Local Planning Authority. The charging points for that phase shall be provided in accordance with the approved details prior to first use of the car park for each phase and retained as such thereafter.

In the interests of encouraging more sustainable forms of travel, in accordance with the NPPF, Leeds Natural Resources and Waste DPD, Leeds Travel Plans SPD, Leeds UDPR Policies GP5 and Leeds Core Strategy Policy T2. 27. There must be no gates or barriers on any part of the access roads. The location of any barriers at the entrance to car parking areas must be submitted to and approved in writing by the Local Planning Authority.

To ensure the free and safe use of the highway and to ensure future connections to neighbouring developments in accordance with adopted Leeds Core Strategy policy T2.

28. Prior to the commencement of building works in each phase, details of cycle and motorcycle parking, and associated facilities to include showers and lockers where required, for that phase shall be submitted to and approved in writing by the Local Planning Authority. The approved cycle/motorcycle parking and associated facilities shall be provided prior to occupation of that phase of development and retained as such thereafter.

In the interests of promoting walking, running and cycling as more sustainable means of travel to work, in accordance with the NPPF, Leeds UDPR Policy GP5, Leeds Core Strategy Policy T1 and the Travel Plans SPD.

29. No part of any phase of development shall be occupied until all areas shown on the approved plans to be used by vehicles in that phase have been fully laid out, surfaced and drained such that loose materials and surface water does not discharge or transfer onto the highway. These areas shall not be used for any other purpose thereafter.

To ensure the free and safe use of the highway in accordance with adopted Leeds Core Strategy Policy T2 and Street Design Guide SPD (2009).

30. Development shall not commence until details of the proposed method of closing off and making good all existing redundant accesses as necessary to the development site have been submitted to and approved in writing by the Local Planning Authority. The approved works shall be completed before the development is occupied.

To ensure the free and safe use of the highway in accordance with the adopted Leeds UDP Review (2006) policy T2.

- 31. Prior to occupation of the development details of works comprising of the following elements shall be submitted to and approved in writing by the Local Planning Authority and shall have been fully implemented:
  - 1. Upgrade the pedestrian crossing across Kirkstall Road on the site frontage to a Toucan crossing to provide a cycle link.
  - 2. Widen the existing footway to 4.0m wide footway along the whole of the site frontage, dedicating land within the site as highway.
  - 3. Provide a cycle link on the east side of Kirkstall Road through the existing car park north to Studio Road.
  - 4. 3.5m wide footway along the site frontage of Washington Street dedicated as public highway.
  - 5. Vehicle access points on Kirkstall Road and Washington Street.
  - 6. Removal of all redundant access points on Kirkstall Road and Washington Street, and reinstate full-height footway.
  - 7. Traffic Regulation Orders (TRO) to restriction loading/unloading on Kirkstall Road and on-street parking on Washington Street.
  - 8. Disabled parking in accordance with BS8300.

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

32. Further to and notwithstanding the Sustainability and Energy Statement Design Note ref. 2021.235 Version 1.2 (March 2022), the submission of each phase of development shall include a statement, for that phase which demonstrates the feasibility of achieving sustainable design and construction standards and investigation into any feasibility of connecting to the District Heating Network as set out in policies EN1, EN2 and EN4 of the City Council's adopted Leeds Core Strategy 2019. The development shall be implemented in accordance with the agreed statement.

To ensure the adoption of appropriate sustainable design principles in accordance with Leeds Core Strategy Policies EN1, EN2 and EN4, Leeds SPD Sustainable Design and Construction and the NPPF.

33. Prior to the commencement of any above ground works, full details (including any related phasing information in conjunction with condition 3) of the mitigation measures at section 17 of the Wind Microclimate Assessment Report, ref. 1739 (22<sup>nd</sup> March 2022) shall be submitted to and approved in writing by the Local Planning Authority. The works (together with any phasing) shall be implemented as approved prior to first occupation of the buildings.

In the interest of pedestrian and highway safety.

34. No development shall take place until the applicant, or their agents or successors in title, has secured the implementation of a programme of archaeological and architectural recording. This recording must be carried out by an appropriately qualified and experienced archaeological consultant or organisation, in accordance with a written scheme of investigation which has been submitted by the applicant and approved in writing by the Local Planning Authority.

In order to ensure that any items of archaeological importance are recorded.

35. For all phases of development details of any external extract ventilation system shall be submitted to and approved in writing by the Local Planning Authority prior to its installation and the system shall be installed and maintained in accordance with the approved details.

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

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

36. Notwithstanding the provisions of the Town & Country Planning (General Permitted Development) Order 2015 (or any order revoking or re-enacting that order with or without modification) planning permission shall be obtained before any change of use of (former) A3, A4 and D1 uses referred to in this consent, to any use within use Class A1 as defined in the Town & Country Planning Use Classes (Amendment) Order 2005 (or any order revoking or re-enacting that order with or without modification).

In order that the Local Planning Authority can retain control over uses which it considers could be harmful to the character of the area and the viability of the City Centre in accordance with policy CC1 of the adopted Leeds Core Strategy 2019.

- 37. Prior to any above ground level building works commencing for each phase, detailed 1:20 scale working drawings of the following features shall be submitted to and approved in writing by the Local Planning Authority for that phase:
  - (a) Sections of windows, doors and balconies;
  - (b) Junctions of materials and recesses, rooflines and eaves;
  - (c) Commercial frontage design guide to ground floor uses.

Works shall be carried out in accordance with the approved drawings and maintained as such thereafter.

In the interests of visual amenity in accordance with saved policy BD5 of the Leeds UDP Review (2006)

- 38. Prior to occupation of any phase of development details of a strategy for a CCTV system and other crime prevention measures to be provided within that phase shall be submitted to the Local Planning Authority. This strategy shall then be implemented prior to occupation of each phase of development.
  - In the interests of safety of the users of the site in accordance with saved policy GP5 of the Leeds UDP Review (2006).
- 39. Plant and machinery operated from the site 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.
  - In the interests of residential amenity and in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.
- 40. The proposed mix of residential accommodation across all phases of development should be designed in accordance with the accessible housing guidance of Core Strategy policy H10. Full details of this including the apartments selected should be submitted to and approved in writing by the Local Planning Authority. The approved mix / accessibility measures shall be carried out within the completed development and retained thereafter.
  - In the interests of providing a sustainable accessible development in accordance with policy H10 of the Core Strategy.
- 41. Prior to the commencement of development, a report shall be submitted for approval which assesses the potential or otherwise for extraction of sand and gravel and surface coal recovery within the site in accordance with Natural Waste & Resources DPD policies Minerals 2 and 3. Any removal of sand and gravel and surface coal shall be undertaken in accordance with the report as submitted and approved.

In the interests of sustainable site development and re-use of mineral aggregates where feasible in accordance with policies Minerals 2 and 3 of the Natural Waste and Resources Development Plan Document.

42. Prior to commencement of a phase of development on site, full details of the internal road and parking construction to serve that phase of development shall be submitted to and agreed in writing by the Local Planning Authority. The internal road and parking shall be constructed and provided for use as thereby agreed prior to first occupation of the related phase of development.

In the interests of highway safety and amenity.

43. There must be no gates or barriers as part of the access roads, where this would prevent connections with future neighbouring developments. The location of any barriers at the entrance to car parking areas must be submitted to and approved in writing by the Local Planning Authority.

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

44. Prior to the commencement of a phase of development on site, full details of a fire strategy, including the means of escape and fire service areas of that phase, shall be submitted to and approved in writing by the Local Planning Authority. The details provided, which shall be consulted on with the Health & Safety Executive, shall be implemented as approved and retained / maintained thereafter for the lifetime of the development.

In the interests of fire safety and prevention.

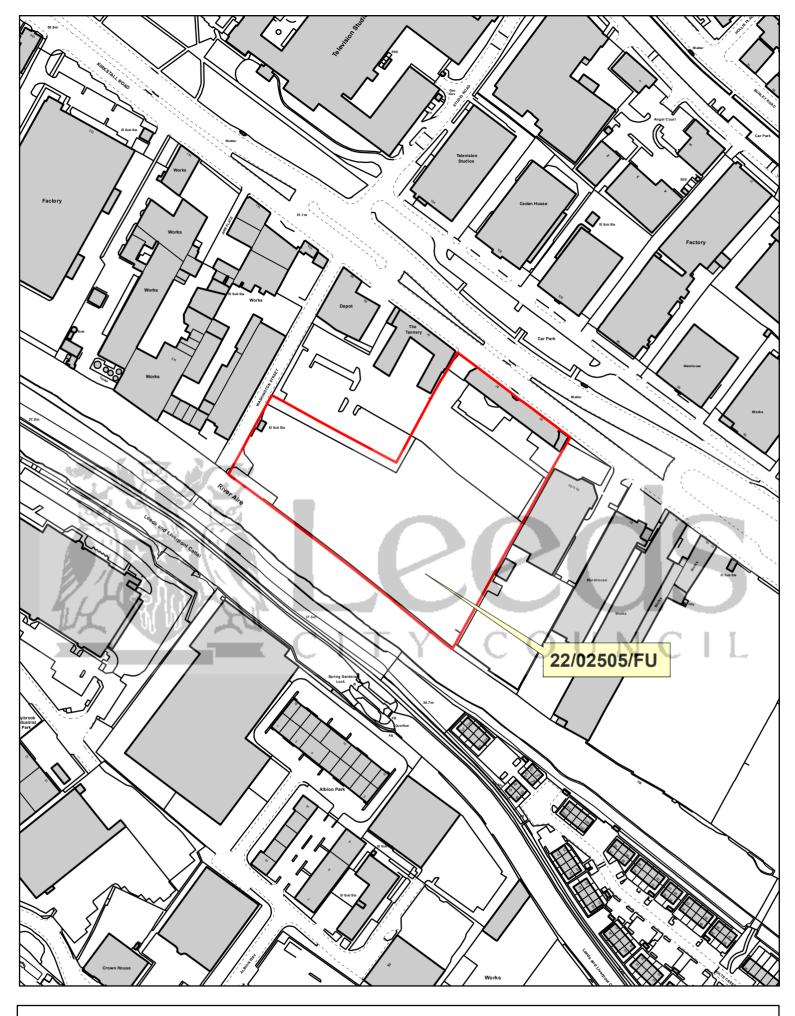
45. The development shall not be occupied until a wayfinding scheme has been submitted to and approved in writing by the Local Planning Authority. The scheme shall include details and location of pedestrian and cycling signage between Kirkstall Road, the site and the river/canal path. The works shall be carried out in accordance with the approved details within a timescale that shall have first been agreed in writing by the Local Planning Authority.

To ensure pedestrian and cycling safety and legibility.

46. Development shall not commence until a survey of the condition of Kirkstall Road along the site frontage and Washington Street has been submitted to and approved in writing by the Local Planning Authority. Upon completion of the development (completion of the final approved building on the site) a further condition survey shall be carried out and submitted to the Local Planning Authority together with a schedule of remedial works to rectify damage to the highway identified between the two surveys.

The approved mitigation works shall be fully implemented within 3 months of the remedial works being agreed with the Local Planning Authority. In the event that a defect is identified during other routine inspections of the highway that is considered to be a danger to the public it must be immediately made safe and repaired within 24hours from the applicant being notified by the Local Planning Authority.

Traffic associated with the carrying out of the development may have a deleterious effect on the condition of the highway that could compromise the free and safe use of the highway.



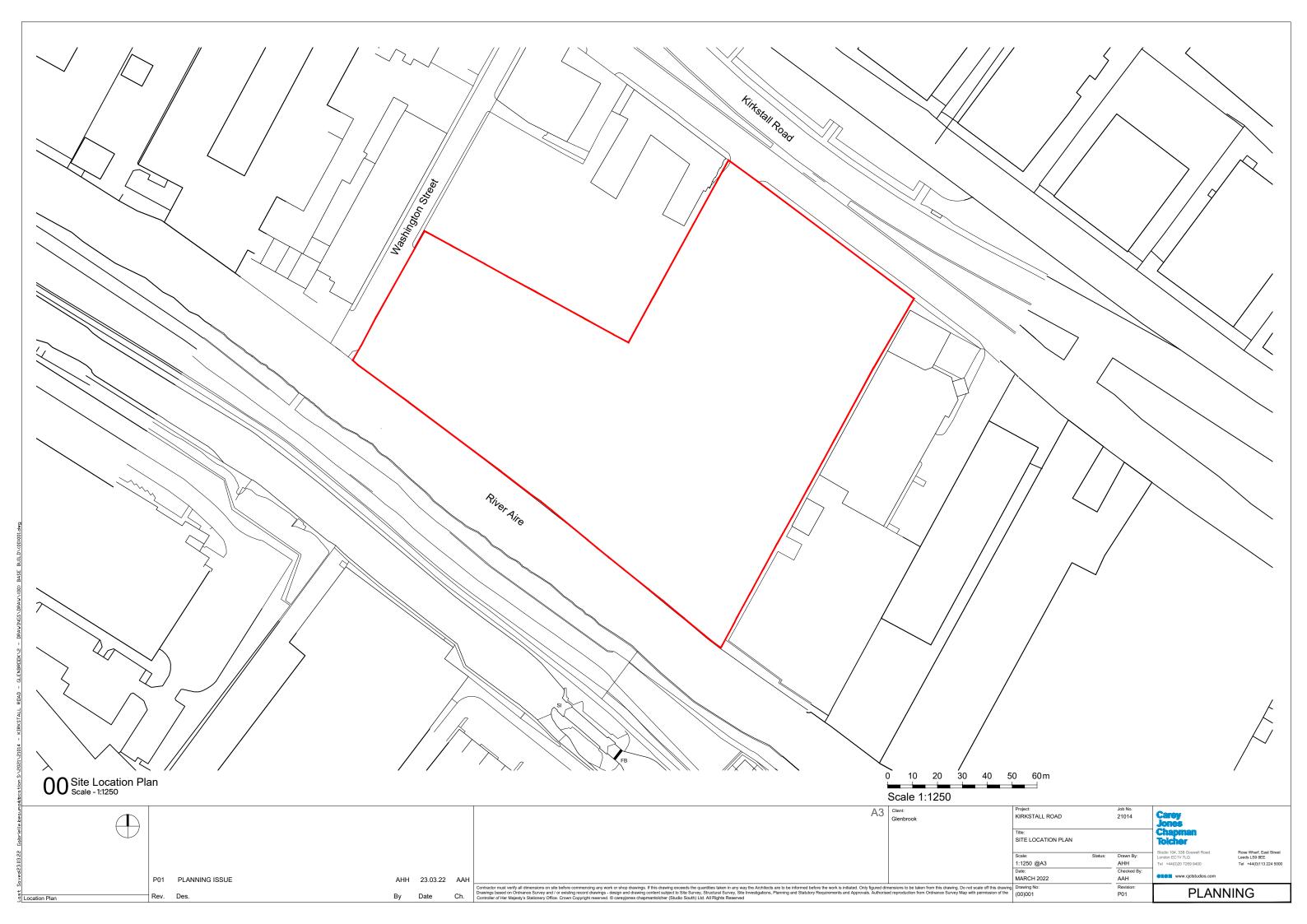
# CITY PLANS PANEL

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

**SCALE: 1/2500** 







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# Report of the Chief Planning Officer

#### **CITY PLANS PANEL**

Date: 3rd November 2022

SUBJECT: Application 22/02505/FU - Full application for Demolition of existing buildings and structures; construction of 618 residential dwellings (C3) and flexible commercial space (E and F1); associated refuse and plant infrastructure, landscaping, new public realm and open space at The Former Arla Foods site, 87 – 91 Kirkstall Road, Burley, Leeds, LS3 1HS

Applicant – Glenbrook Properties (Application valid 13.04.22 Target Date 31.08.22)

Electoral Wards Affected:	Specific Implications For:
Little London and Woodhouse	Equality and Diversity
	Community Cohesion
	Narrowing the Gap

#### 1.0 INTRODUCTION:

- 1.1 The proposal relates to a major residential-led scheme (Build to Rent (BTR)) on the former Arla Foods site on the south side of Kirkstall Road. The land was purchased in December 2021 by the applicant following the approval of an outline consent, also for a major residential led development, ref. 20/03494/OT.
- 1.2 The scheme is brought to City Plans Panel, following an earlier pre-application presentation of the proposals by the applicant, as presented on 24<sup>th</sup> February 2022.
- 1.3 The proposals have been subject to a Viability Assessment which concludes that the Council's planning obligations (as required by policy) are not achievable in this case.

#### 2.0 SITE AND SURROUNDINGS:

- 2.1 The 'L' shaped site is 2.07 hectares of land located to the south of Kirkstall Road (A65) with a frontage onto the River Aire. There is one building on the site which were the offices of the former occupiers, Arla Foods. This is a 3-storey tiled building, dating from the 1960's, which is set immediately fronting Kirkstall Road. Adjacent to this is the main site vehicular access point.
- 2.2 To the south of the site is the River Aire and towpath of the Leeds-Liverpool Canal. To the west is Washington Street from which the site contains a second vehicular

access. To the south-east is a Nissan car showroom / garage and its associated car park and to the north west fronting Kirkstall Road is the existing office building known as 'The Tannery' and the adjacent Kwik Fit depot.

- 2.3 On the northern side of Kirkstall Road are a number of commercial units including a brewery and a church as well as buildings associated with ITV television studios. Kirkstall Road itself was upgraded as part of a Quality Bus Initiative and now carries a dedicated bus lane on both outbound and inbound carriageways.
- 2.4 The site is referenced in the Leeds Site Allocations Plan as forming part of the wider MX2-9 allocation, being identified for mixed-use development of primarily residential and office accommodation, but with other uses acceptable subject to adopted planning policy.

#### 3.0 PROPOSAL

- 3.1 The scheme is for the redevelopment of the former Arla Foods site which is now a vacant and cleared brownfield site. The application relates to the demolition of the existing building and structures and the redevelopment of the site for residential dwellings (use class C3), flexible commercial space (use classes E and F1) and associated refuse and plant infrastructure, landscaping, new public realm and open space.
- The proposals would be a mainly residential-led development of five blocks totalling 618 units. The (flexible) commercial space set at ground floor level, totals around 356m². Three blocks (D, E and F) would be located more towards the river frontage, one block (B) to the middle of the site and a further block (A) adjacent to Kirkstall Road. The blocks are shown at a mix of heights ranging in parts / wings between 7 13 storeys to create visual interest.
- 3.3 The new buildings are summarised as follows:
  - Building 'A' fronting Kirkstall Road (stepped from 7 11 stories) would be set slightly back from that of the existing building line and there would be an open aspect to a spine road immediately behind it to the south;
  - Building 'B' is set perpendicular to Building 'A' at its western end and is set at 13 stories;
- 3.4 The three buildings fronting the river (D, E and F) are all L-shaped in plan and would be set to create new open space areas fronting the river joined by a riverside walkway as follows:
  - Building 'D' is set adjacent to Washington Street (to the west) and the Tannery building car park (to the north) and ranges from 8 11 stories
  - Building 'E' also fronts the river and ranges from 9 11 stories
  - Building 'F' is set adjacent to the Nissan garage site (rear of) and also ranges from 10-12 stories
- The new open spaces would be proportionally of a significant size, the larger one approximately 70m x 70m with the smaller of the two being approximately 45m x 15m. There would be landscaping along its northern side also additionally screening an area of car parking set between blocks A, B and F.

- 3.6 A centrally positioned new east/west spine road would run through the site. The buildings would be spaced apart to allow views through from south to north as well as to create pedestrian permeability. This includes use of colonnade style walkways underneath some of the blocks to create safe, covered and segregated pedestrian routes transecting the site.
- 3.7 The buildings would be principally constructed in brick with horizontal stone banding and a lighter brick base with additional detailing to the ground floor level. A regular pattern of windows would feature across each building with good depths of reveals and a slender sash glazing design notable throughout the blocks.
- 3.8 618 residential units are proposed in total and these would be of a 'Build to Rent' (BTR) model. A Housing Needs Assessment Update has been provided further to Core Strategy policy H4, where the proposed mix / provision is:

- 1-bedroom units: 308 (50%)

- 2-bedroom units: 248 (40%)

- 3-bedroom units: 62 (10%)

- 3.9 The site would be served by 226 surface level car parking spaces which is a ratio to the number of units proposed of 36.6%, with all spaces intended to be provided with ducting to enable electric vehicle charging points, with 30% of the spaces available for immediate use initially and a strategy to be provided / agreed (i.e. under condition) for the roll out of the remainder. The spaces would be provided within two courtyard areas: between blocks A, B and F and then also between blocks D and E. The spaces are in part screened from view using landscaping at the boundaries.
- 3.10 Supporting (class E and F1) commercial uses totalling 356m<sup>2</sup> are proposed on the ground floor to generate activity and interest and provide facilities for both the on-site and surrounding residential and commercial population.
- 3.11 The single point of vehicular access/egress would be provided on Kirkstall Road with an 'exit only' on Washington Street.
- 3.12 A wind study has been carried out and peer reviewed.
- 3.13 Further to the above, a suite of other documents has been provided as part of this Full application including:
  - Design and Access Statement (including consideration of Tall Building matters)
  - Supporting Planning Statement (including Statement of Community Involvement)
  - Flood Risk Assessment and Drainage Strategy
  - Daylight and Sunlight Statement
  - Overshadowing Statement
  - Arboricultural Survey and Impact Assessment
  - Sustainability and Energy Statement
  - Transport Assessment
  - Geo-environmental Assessment
  - Archaeological Assessment
  - Noise Impact Assessment
  - Fire Assessment
  - Preliminary Ecological Appraisal

In addition, a Financial Viability Statement (March 2022) has been provided which has been reviewed by the District Valuer and concludes that the proposals cannot deliver the Council's the full planning obligations required by planning policy. However, the applicant has agreed to provide all contributions requested other than off-site Greenspace along with 1 unit of Affordable Housing, which is more than the Viability Statement allows for. This is because the applicant would be willing to take on this element of financial risk rather than having a review mechanism incorporated into the S106 in the event that the economy improves prior to the development being built out. Such a mechanism would create unknown future expenses for the developer and would affect their ability to draw down funding so, rather than putting the whole scheme at risk, the applicant would be willing to risk an agreed contribution of £544,438.81 in the hope that the economy does indeed improve and, in so doing, ensuring clarity for the funders.

#### 4.0 RELEVANT PLANNING HISTORY

4.1 A hybrid application for this site was approved following presentation of the scheme at City Plans Panel on 7<sup>th</sup> January 2021 as follows:

20/03494/OT Full planning permission for demolition of existing buildings and structures and Outline planning permission with all matters reserved, except for access, for the redevelopment of the site for residential dwellings (use class C3), flexible commercial space (use classes A1, A2, A3, A4, D1 and D2) and associated refuse and plant infrastructure, landscaping, new public realm and open space Approved – 29.06.2021

- 4.2 Following the above application approval and subsequent purchase of the site in late 2021 by the applicant, a pre-application (ref. PREAPP/21/00379) enquiry presentation was made to City Plans Panel on 24<sup>th</sup> February 2022, to consider the emerging designs, highway arrangements and landscaping in particular. Those plans are still largely reflective of the proposed scheme.
- 4.3 In response to the pre-application, Members were overall supportive of the emerging scheme although raised the following points:
  - The area of Kirkstall should be seen as a residential area, this location is not the City Centre, more family accommodation should be provided
  - The majority of Members expressed concern about the lack of family accommodation and requested if further consideration could be given to the housing mix in respect of the preferred minimum suggested threshold targets of policy H4
  - Could arrangements be made to review Core Strategy Policy H4 Housing Mix
  - Could the applicant give further consideration to the provision of more electric vehicle charging points, the demand will be far higher within a short period of time (Also consider the use of universal plugs)
  - Could more balconies be provided
  - The proposed brickwork appears over several stories could become too bland, more character is required.
  - Members were supportive of the emerging layout and scale of the proposed development. The proposed housing mix was not supported. It was asked if one of the apartments blocks be considered for family accommodation only.

- Members generally welcomed the emerging elevational design and proposed material palette
- In addition, it is noted that Flood Alleviation works have been approved for the site frontage to the River Aire pursuant to the Leeds Flood Alleviation Scheme 2 under application 18/07367/FU and its subsequent variation application 19/06812/FU and the relevant discharge of condition applications. These works relate to flood defence walls designed in accordance with the emerging proposals for the application site and includes a walkway beyond the low level defence wall (broadly 0.3m high here adjacent to the site) which itself is generally set at 8m back from the river edge. A further separate complimentary application for improvements to accessibility has been proposed under 19/00741/FU and is subject to separate funding arrangements to the main (defence) works scheme. However, this has not yet reached a decision to date with the focus set in the main currently on the defence works.
- Other Major applications are noted with reference to nearby large brownfield sites. Application ref. 21/08190/FU at the Clarion Homes site to the east of the Nissan Garage site has been recently approved (1st September 2022), as a hybrid planning application for a phased development including demolition of all existing buildings and full consent for an initial phase of proposed residential development (blocks of flats and townhouses), student accommodation (sui generis) with ground floor commercial / leisure / community uses. The application also included details for the construction of a new river wall and bridge crossing; and further Outline proposals are submitted for a later phase of mixed-use development comprising residential use (use class C3) and other commercial / leisure / community uses including further associated infrastructure, engineering works and public realm / landscaping. This followed presentation to City Plans Panel in April 2022.
- 4.6 Prior to the above, the Clarion Homes site has also been subject to previous proposals and planning permissions for residential development. Part of the site was granted Reserved Matters consent (application 18/00604/RM, approved 02.08.2018) pursuant to an original Outline permission (application 15/06844/OT) approved on 14.07.2016.
- 4.7 The Clarion Homes site forms the other half of the Site Allocation Plan MX2-9 site referenced above and in the policy section below.

#### 5.0 HISTORY OF NEGOTIATIONS:

5.1 The application proposals were received in April 2022 and in continuation from the pre-application the scheme has been the subject of meetings with officers focusing on detailed design / technical matters. The proposals still generally align with the principles established by the pre-application presentation to Panel and seek to address the design matters raised by City Plans Panel as detailed below, although a number of meetings have been held including with the District Valuer to consider the issue of viability of the scheme, which has now been put forward by the applicants for consideration.

## 6.0 CONSULTATIONS RESPONSES

# 6.1 **Statutory**

Canal & River Trust (03/05) – No objection.

<u>Coal Authority</u> (20/04) – No objection. Standing Advice applies.

Environment Agency (12/08, 30/09) – Holding Objection.

#### Incomplete Biodiversity Net Gain Assessment –

"Currently the proposed development provides no evidence of biodiversity net gain and highlights the likelihood of an overall net loss in Habitat Units (area-based / terrestrial habitat). There is no consideration of river habitat (river units)"

The applicant has submitted further information which concludes a 78% net gain and the EA have been reconsulted. Panel will be verbally updated on any response.

#### Flood Risk –

The submitted FRA is considered acceptable subject to a condition requiring compliance with this document.

<u>Highways</u> (23/09) – No objection subject to conditions and legal agreements of s106 under 20/03494/OT being agreed again. The S106 requirements for this approval included:

- Provision of a bus shelter
- Requirement for public access to and maintenance of all routes through the scheme
- Off-site Highways contribution
- Travel Plan monitoring fee
- Sustainable Travel Fund
- Internal Access Road Scheme and Transfer
- 2EV charging spaces for car club operator

Review of Road Safety Audit documentation also as recently submitted ongoing.

<u>Health & Safety Executive</u> (18/08) – Objection. Concerns not addressed around means of escape, including single staircases made vulnerable due to connection with ancillary accommodation. Further amendments to the scheme have been made and the HSE reconsulted. Panel will be updated verbally with the response.

National Highways (27/05) – No objection (subject to conditions).

Yorkshire Water (25/08) - No objection (subject to conditions).

## 6.2 **Non-Statutory**

Contaminated Land Team (03/05) - No objection (subject to conditions).

<u>Cycling Officer</u> (04/05) - Pedestrian crossing should be upgraded to provide cycle link and additional linked access facilitated onto Studio Road. Existing footway should be widened. Clear, signed, step free walking and cycling route through development to river and canal when access is available.

<u>District Heating</u> (04/05) – Development not close enough to offer viable connection currently, however should be enabled to allow for future connection from circa 2025.

Education Services (05/08) - Education contribution calculated at £162,510.31

<u>Environmental Studies Transport Strategy Team</u> (Traffic Noise) (21/04) – No objection (subject to condition, namely implementation of Noise Impact Assessment).

<u>Environmental Studies Transport Strategy Team</u> (Air Quality) (17/05) – No objection (subject to condition).

<u>Flood Risk Management</u> (19/05 and 22/08) – Confirmation of acceptance (in principal) of a new outfall to River Aire at a discharge rate of 90.68l/s (subject to separate agreement with the Environment Agency). Updated Drainage Assessment requested to be consistent with Flood Risk Assessment.

<u>Travelwise</u> (12/08) – Minor update of Travel Plan requested reference to marketing information, otherwise Plan should be secured, with monitoring post (full) occupation for 5 years.

<u>West Yorkshire Archaeology Advisory Team</u> (13/09) – Written Scheme of Investigation prepared considered acceptable; conditions recommended.

<u>West Yorkshire Police (Archaeological Liaison Officer)</u> (08/06) – Layout and surveillance of site supported. Detailed design should include for good lockable cycle storage, external glazed areas protected from uncontrolled vehicles or terrorist attack, parking courts covered by CCTV and well illuminated, minimal lower ground planting.

<u>Wind Consultant Peer Review</u> (29/07) - No objection to proposed wind methodology and mitigation measures.

#### 7.0 RELEVANT PLANNING POLICIES

# 7.1 Development Plan

Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that applications should be determined in accordance with the development plan unless material considerations indicate otherwise.

The Development Plan for Leeds currently comprises the following documents:

- 1. The Leeds Core Strategy (as amended by the Core Strategy Selective Review 2019)
- 2. Saved Unitary Development Plan (UDPR) Policies (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. Any Neighbourhood Plan, once Adopted
- 5. Aire Valley Leeds Area Action Plan (adopted 2017)
- 6. Site Allocations Plan (adopted 2019).

# 7.2 <u>Leeds Core Strategy (amended by the Core Strategy Selective Review 2019)</u>

The adopted Core Strategy (as amended) sets out strategic level policies and vision to guide the delivery of development investment decisions and the overall future of the district. The most relevant policies are set out in the paragraphs below:

Spatial Policy 1: Location of Development: prioritises the redevelopment of previously developed land within the Main Urban Area, taking advantage of existing services and high levels of accessibility.

Spatial Policy 4: Regeneration priority programme areas:

The following Regeneration Priority Programme Areas identified on the Key Diagram will be given priority for regeneration funding and resources:

- East Leeds
- Aire Valley Leeds
- Leeds Bradford Corridor (incorporating West Leeds Gateway SPD)
- · South Leeds.

Additional Council led regeneration initiatives <u>outside</u> of the Regeneration Priority Programme Areas that can demonstrate a positive impact on their neighbourhoods will be supported.

Priority will be given to developments that improve housing quality, affordability and choice, improve access to employment and skills development, enhance green infrastructure and green space, upgrade the local business environment, and improve local facilities and services.

Spatial Policy 6: The Housing Requirement and Allocation of Housing Land The provision of 70,000 (net) new dwellings will be accommodated between 2012 and 2028 with a target that at least 3,660 per year should be delivered from 2012/13 to the end of 2016/17.

Guided by the Settlement Hierarchy, the Council will identify dwellings to achieve the distribution in tables H2 and H3 in Spatial Policy 7 using the following considerations:

- (i) Sustainable locations (which meet standards of public transport accessibility see the Well Connected City chapter), supported by existing or access to new local facilities and services, (including Educational and Health Infrastructure),
- (ii) Preference for brownfield and regeneration sites,
- (iii) The least impact on Green Belt purposes,
- (iv) Opportunities to reinforce or enhance the distinctiveness of existing neighbourhoods and quality of life of local communities through the design and standard of new homes.
- (v) The need for realistic lead-in-times and build-out-rates for housing construction,
- (vi) The least negative and most positive impacts on green infrastructure, green corridors, green space and nature conservation,
- (vi) Generally avoiding or mitigating areas of flood risk.

Spatial Policy 11: Transport Strategy Investment Priorities: sets out a series of spatial priorities for the delivery of an integrated transport strategy for Leeds and improved facilities for pedestrians particularly connectivity between the edges of the City Centre and the City Centre.

Policy CC3: Improving Connectivity between the City Centre and Neighbouring Communities: within new development, seeks to provide and improve routes connecting the City Centre with adjoining neighbourhoods and improve connections within the City Centre in order to improve access to jobs and services, to encourage greater usage and make walking and cycling easier, safer and more attractive.

Policy H3: Density of Residential Development: Housing development in Leeds should meet or exceed the following net densities unless there are overriding reasons concerning townscape, character, design or highway capacity:

(i) City Centre and fringe - 65 dwellings per hectare

Policy H4: Housing Mix: residential developments to provide an appropriate mix of dwelling types and sizes to address long term needs.

Policy H5: Affordable Housing: the Council will seek affordable housing either on-site, off-site or financial contributions from all developments of new dwellings. Housing developments above a certain threshold should include a proportion of affordable housing to be normally provided on the development site.

The policy refers to a more flexible approach to supporting Affordable Housing within Build to Rent (BtR) schemes. This offers the following options:

- o 20% of the units to be let at 20% below market rent;
- o 7% of the units to be let on a 60/40 split lower decile/lower quartile rent;
- o financial contribution for provision off site.

Policy H8: Housing for independent living: developments of 50 or more dwellings are expected to make a contribution to supporting needs for Independent Living.

Policy H9: Minimum Space Standards: to be adhered to for residential accommodation.

Policy H10: Accessible Housing Standards: accessible and adaptable housing to be provided. 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% of dwellings meet the requirement of M4(3) 'wheelchair user dwellings' of Part M volume 1 of the Building Regulations. Wheelchair user dwellings should meet the M4(3) wheelchair adaptable dwelling standard unless Leeds City Council is responsible for nominating a person to live in the dwelling.

Policy EC3: Safeguarding Existing Employment Land and Industrial Areas:

<u>Part A:</u> For all sites across the District (outside of areas of shortfall):

Proposals for a change of use on sites which were last used or allocated for employment to other economic development uses including town centre uses or to non-employment uses will only be permitted where:

The proposal would not result in the loss of a deliverable employment site necessary to meet the employment needs during the plan period, or

Existing buildings and land are considered to be non-viable in terms of market attractiveness, business operations, age, condition and/or compatibility with adjacent uses, or

The proposal will deliver a mixed use development which continues to provide for a range of local employment opportunities and would not undermine the viability of the remaining employment site

<u>Part B:</u> Where a proposal located (also) in an area of shortfall as identified in the most recent Employment Land Review would result in the loss of a general employment allocation or an existing use within the Use Classes B1b, B1c, B2 and B8, non-employment uses will only be permitted where:

The loss of the general employment site or premises can be offset sufficiently by The availability of existing general employment land and premises in the

surrounding area (including outside the areas of shortfall) which are suitable to meeting the employment needs of the area.

Policy P8: Sequential and Impact Assessments for Main Town Centre Uses: Leeds City Council has adopted a centres first approach to main town centre uses as set out in Policy SP2. The policy sets sequential and impact assessment requirements. Impact assessments should be proportionate to the level of development proposed.

Policy P10: Design: New development for buildings and spaces to be based on a thorough contextual analysis, deliver high quality innovative design that contributes positively towards place making and is accessible to all. Car parking, cycle, waste and recycling storage should be designed in a positive manner and be integral to the development.

Policy P11: Conservation: outlines that the historic environment, consisting of archaeological remains, historic buildings, townscapes and landscapes, including locally significant undesignated assets and their settings, will be conserved and their settings will be conserved, particularly those elements which help to give Leeds its distinct identity. Development proposals will be expected to demonstrate a full understanding of historic assets affected

Policy P12: Landscape: 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.

Policies T1: Transport Management and T2: Accessibility Requirements and New Development: identify measures to ensure new development is adequately served by highways and public transport, and provides safe and secure access for pedestrians, cyclists and people with impaired mobility.

Policy G4: New Greenspace Provision: requires on-site green space on a 'per residential unit' basis. Where this quantity of green space is unachievable on-site a financial contribution, or a combination thereof, should be sought.

Policy G8: Protection of important species and habitats: Development will not be permitted which would seriously harm, either directly or indirectly, any sites designated of national, regional or local importance for biodiversity or geological importance or which would cause any harm to internationally designated sites, or would cause harm to the population or conservation status of UK or West Yorkshire Biodiversity Action Plan (UK BAP and WY BAP) Priority species and habitats.

Policy G9: requires an overall net gain for biodiversity commensurate with the scale of new development including new areas and opportunities for wildlife in the Leeds Habitat Network. There should be no significant adverse impact on the integrity and connectivity of the Network.

Policy EN1: Climate Change – Carbon Dioxide Reduction: sets out the sustainable construction and on-going sustainability measures for new development. It establishes targets for CO<sub>2</sub> reduction and requires at least 10% low or zero carbon energy production on site.

Policy EN2: Sustainable Design and Construction: requires developments of 1,000 sqm of non-residential development to be BREEAM 'excellent' and of more than 10 dwellings to meet a water use standard of 110 litres per person per day.

Policy EN4: District Heating: Hierarchical approach to connection to a district heating system.

Policy EN5: Managing Flood Risk: identifies requirements to manage flood risk. Policy EN8: Electric Vehicle Charging Infrastructure: outlines the ratio of Electric Vehicle Charge Points (EVCP) required across different development uses / proposals.

Policy ID2: Planning Obligations and Developer Contributions: Section 106 planning obligations will be required as part of a planning permission where this is necessary, directly related to the development, and reasonably related in scale and kind in order to make a specific development acceptable.

# 7.3 <u>Most Relevant Saved Unitary Development Plan Policies</u>

- GP5 Requirement of Development Proposals
- N25 Development and Site Boundaries
- N39B Watercourses and new Development
- BD2 Design and Siting of New Buildings
- BD3 Disabled Access New Buildings
- BD4 Mechanical Plant and Service Areas
- BD5 Amenity and New Buildings
- LD1 Landscaping schemes
- ARC6 Preservation by Record

## 7.4 Leeds Natural Resources and Waste DPD 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:

- Minerals 2 and 3 requires that within development sites, removal of sand and gravel (sites over 1 Ha) and coal extraction (all non-householder) respectively are considered in proposals
- Air 1 All major applications required to incorporate low emission measures
- Water 1 requires water efficiency, including incorporation of sustainable drainage
- Water 2 requires development to demonstrate surface water runoff controls for the lifetime of development including construction
- Water 4 Development in Flood Risk areas
- · Water 6 Flood Risk Assessments
- Water 7 Surface Water Run-off
- Land 1 Contaminated Land

### Land 2 Development and Trees

# 7.5 <u>Site Allocations Plan (SAP):</u>

Following a statutory challenge, Policy HG2, so far as it relates to sites which immediately before the adoption of the SAP were within the green belt, has been remitted to the Secretary of State and is to be treated as not adopted. All other policies within the SAP remain adopted and should be afforded full weight.

The site for consideration by Members as part of this proposal is not a site so affected by the statutory challenge, such that it remains adopted within the SAP and its allocation for mixed use carries full weight.

Both this site and the site to the east of the Nissan Garage have been identified as site MX2-9 which is allocated for mixed-use development. This allocation sets out the following:

- This site is suitable for a mixed-use development, 41,000sqm of offices and 520 residential units, but other uses would be acceptable subject to adopted planning policy.
- Highway Access to the Site: Suitable primary access should be provided onto the A65 that minimizes delay to public transport.
- Local Highway Network: The development will have a direct impact on the
  congested Willow Road junction and A65/A58/Wellington Street gyratory. A
  contribution towards mitigation measures at these locations will be required. There
  will also be a cumulative impact at Armley Gyratory and at M621 junction 2. A
  contribution towards the Leeds City Centre Package scheme and the Highways
  England Road Investment Strategy will also be required. There is also likely to be
  a cumulative impact at the junction of Willow Road/Burley Road, and a contribution
  will be required towards mitigation works.
- Flood Risk: The site, or part of the site, is located within Flood Zone 3. Flood risk mitigation measures set out in the SAP Flood Risk Exception Test and site-specific flood risk assessment should be applied.
- Ecology: An ecological assessment of the site is required. Biodiversity Buffer (not private garden space) needed alongside the River Aire.
- Education Provision: Part of the site should be retained for the provision of a school (see commentary below at paragraphs 8.10 and 8.11).

It is noted that the existing Tannery office building is included within the SAP area.

## 7.6 Supplementary Planning Guidance / Documents

<u>Accessible Leeds SPD (2016):</u> Guidance document is intended for use by developers, architects, design teams, and those applying for planning permission, to ensure an inclusive design approach is adopted

<u>Biodiversity and Waterfront Development (2006)</u>: Objectives are to identify and safeguard existing habitats; provide ecological design guidance on waterfront developments; provide guidance on the conservation of protected and important species; identify opportunities for habitat enhancement, creation and restoration; encourage appropriate long term habitat management. It requires development to be set back from riverbanks.

<u>Designing for Community Safety: A Residential Design Guide (2007):</u> This guide demonstrates how good design and good physical security can complement the environment and create safe, sustainable communities

Parking SPD (2016): sets out parking guidelines across the City

<u>Street Design Guide (2009):</u> This is a key element to delivering high quality residential and mixed development environments in the City and should be used in the context of other national and local planning or design guidance.

<u>Sustainable Design and Construction SPD (Building for Tomorrow Today) (2011, updated 2020):</u> Advocates the use of a range of measures to ensure that the best possible practices are used to ensure a sustainable environment is created.

<u>Tall Buildings Design Guide (2010):</u> The aim of this document is to provide clear design guidance on the location, form and appearance of tall buildings so that they can be successfully integrated into the environment and contribute to the changing skyline of the city.

<u>Transport SPD (Draft):</u> Update of the four existing transport related SPDs including Street Design Guide SPD, Travel Plans SPD and Parking SPD together with a cumulative impact policy to provide a methodology for contributions to be used and allow for growth from plan period.

<u>Travel Plans SPD (2015)</u>: This Supplementary Planning Document (SPD) sets out the Leeds City Council (LCC) requirements for travel plans and identifies when they are required in support of a planning application. It is also intended for use by existing firms or organisations who wish to draw up a travel plan to facilitate more efficient and sustainable working practices.

<u>Waterfront Strategy (2002)</u>: This advocates public access to the waterfront as well as its laying out with landscape treatment, which seeks to soften the bank edge. In addition, open space oriented towards the river, uses which take advantage of the amenity offered by the river and the protection of any wildlife habitats are also advocated. This document should be read in conjunction with the Biodiversity and Waterfront Development (2006) SPD.

## 7.7 National Planning Policy Framework (NPPF)

The NPPF and the National Planning Practice Guidance (NPPG) set out the national policies for England and how these are expected to be applied. One of the key principles running through the NPPF is a presumption in favour of Sustainable Development (in reference to paragraph 11) and is set out in three parts: Economic, Social and Environmental. The revised NPPF (2021) now seeks to tighten definitions on the presumption in favour of sustainable development, increases the emphasis on high-quality design and place-making.

Paragraphs 47 and 49 of the revised NPPF directs Local Planning Authorities to apply a presumption in favour of sustainable development and that they should approve development proposals that accord with an up-to-date development plan without delay.

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

<u>Section 5: Delivering a sufficient supply of homes</u> – to support the Government's objectives of significantly boosting the supply of homes.

<u>Section 7: Ensuring the vitality of town centres</u> - Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites which are well connected to the town centre.

<u>Section 8: Promoting Healthy and Safe Communities</u> – Policies and decisions should aim to achieve healthy, inclusive and safe places which promote social interaction, are safe and accessible (where crime and disorder do not undermine the quality of life or community cohesion) and enable / support healthy lifestyles.

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

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

## Section 12: Achieving well-designed places

Para 130: Planning policies and decisions should ensure that developments:

- a) will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
- b) are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;
- c) are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);
- d) establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
- e) optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
- f) create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.

Para 131: Trees make an important contribution to the character and quality of urban environments and help mitigate and adapt to climate change. Planning decisions should ensure that new streets are tree-lined, that opportunities are taken to incorporate trees elsewhere in developments. Applicants should consider carefully with LPAs that appropriate tree species are used compatible with highway standards to the right designs reflecting needs of different users.

Para 132: Design quality should be considered throughout evolution and assessment of individual proposals.

Section 14: Meeting the challenge of climate change, flooding and coastal change - The planning system should support the transition to a low carbon future in a changing climate, taking full account of flood risk and coastal change. It should help to: shape places in ways that contribute to radical reductions in greenhouse gas emissions, minimise vulnerability and improve resilience; encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure.

<u>Section 15: Conserving and enhancing the natural environment</u> - Planning policies and decisions should contribute to and enhance the natural and local environment.

### <u>Section 16: Conserving and enhancing the historic environment</u> –

Para 192: 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

### 7.8 Other Material Considerations

### Kirkstall Road Renaissance Area Planning Framework (KRRAPF) (2007):

This is adopted as Informal Guidance for planning purposes. It aims to promote the regeneration of the area in a manner which will establish a real sense of place and guide developers in formulating proposals for the re-development of land using positive urban design principles. This is underpinned by a need to ensure that a consistent approach is taken to all development in the area.

The framework area is split into a series of character areas. The area between the River and the Kirkstall Road is allocated as the 'Kirkstall Road Riverside'. Within this area the framework advocates that the buildings are laid out in a 'flexible configuration on a grid-based block pattern. Development sites/blocks and building envelopes will be determined by the requirement for public realm and safe and attractive pedestrian movement'. New buildings must contribute to the formation of these objectives by:

- Appropriate height, scale and massing
- Suitable siting and orientation
- Landscape settings
- Emphasis of corners
- Locating entrances on public access streets/paths

• Facilitating pedestrian access through the area and avoid potential conflict with traffic.

There is a requirement to create a boulevard along the A65 Kirkstall Road corridor, to be achieved in conjunction with works already undertaken as part of the Quality Bus Initiative (QBI).

A vehicular access road running parallel with Kirkstall Road is advocated exiting on to Washington Street.

Building heights are set out on a plan and are between 4 and 6 storeys fronting Kirkstall Road with 3 to 4 storeys in the main body of the site. A pedestrian and cycle link across the river to the canal towpath is also advocated on Washington Street.

## Flood Alleviation Scheme 2 (FAS2):

The Council, with advice from the Environment Agency, are currently constructing a package of measures which are to contribute to flood resilience in the Kirkstall Road corridor and upstream within the River Aire catchment. Given the immediate nature of the timing of these works, they will already be in place along this stretch of the riverbank at the time of construction of the proposed development. The proposal will therefore have to be constructed in line with the requirements and limitations of the FAS2 scheme and this position is fully accepted by the applicant.

### 8.0 KEY ISSUES

### 8.1 Principle of Proposed Uses

- 8.2 The application site already benefits from an extant Outline approval (20/03494/OT) for a residential led development of very similar scale. The site is located within a mixed-use area which in recent years has seen a gradual replacement of traditional industrial uses with a wider mix of uses, including residential development. The recently approved consent on the neighbouring Clarion Homes site is for a mixed use, but again predominantly residential development, across a mix of tenures with supporting commercial uses. This application, just like the Outline approval, is proposing a similarly residential led scheme with Build To Rent (BTR) as the main sector and a mix of ground floor supporting uses.
- As highlighted in the approval of the Outline application, the SAP identifies this site, along with part of the wider Clarion Homes site to the east, for major mixed-use redevelopment (SAP ref. MX2-9), comprising housing and office uses. Part A of Core Strategy policy EC3 applies to all development allocated for employment use, including mixed use allocations which include a proportion of office development. There are three criteria set out under Part A. As the criteria under Part A are separated by the word 'or', only one of the three criteria need to be satisfied for Policy EC3 to be satisfied.
- Part A (i) relates to the loss of employment sites necessary to meet employment needs during the plan period. The site is proposed as a mixed-use allocation for employment in the SAP with an indicative capacity of 41,000m<sup>2</sup> for new office floorspace across the whole MX2-9 site.
- At the time of the Outline approval it was highlighted that the latest evidence indicated that 197,000m<sup>2</sup> of office floorspace has been developed across the district since 2012 and 989,000m<sup>2</sup> was currently available on allocated and windfall sites. This represented a total supply of 1,186,000m<sup>2</sup> for office floorspace for the 2012-28 plan

period which was well above the Core Strategy policy SP9 requirement of 1 million square metres. This helped to justify the potential 'loss' of a significant proportion of the 41,000m² office space allocation for the wider MX2-9 SAP site. This position has been reviewed again but not fundamentally changed; as of July 2022, 223,477m² of office floorspace has been developed across the district since 2012 and 919,586m² is currently available on allocated and windfall sites. This represents a total supply of 1,143,063m² for office floorspace for the 2012-28 plan period. Allowing for the loss of 41,000m² at the application site, this supply again remains well above the Core Strategy policy SP9 requirement of 1 million square metres.

- 8.6 It was / is also noted that the MX2-9 site includes the existing 'Tannery' office building which means that the site does already have an office element as part of the wider use mix. In addition, given there is planning policy support for residential use on this site, the proposal is meeting other policy objectives.
- 8.7 The site is well placed for sustainable residential development and in being located only just over 300m from the City Centre boundary it can almost be classed as an 'edge of Centre' site (NPPF). It is well located in relation to existing public transport provision, with both frequent bus services along A65 Kirkstall Road and being only a 20-minute walk to the City's Railway Station. The residential nature of the development ties in with other committed residential developments (built out and emerging) either side (inbound and outbound) of Kirkstall Road and also in the surrounding area including Otter Island. Other applications previously submitted for residential developments are also noted at sites such as Canal Mills, south of the canal / river and at 84 Kirkstall Road.
- 8.8 As a previously developed (brownfield) site with a high density of residential development, the application would be appropriate to the requirements of policies H1 and H3 of the Core Strategy.
- 8.9 The SAP also indicates that school provision should be considered as part of the combined allocated site area. However, it has been established that the pupil yield from principally flat driven development is not as strong as that from traditional housing. As a result, it has been concluded by the Education Officer (consistent with the Outline approval with its similar amount and mix of development) that, based on the likely housing mix, a new school on MX2-9 would not be required. Instead, a contribution of £162.510.31 is required, to create additional new capacity within the existing (surrounding) school estate. This is the consultee's clear preference than dealing with the matter through the opening of a new school on site MX2-9. The applicant has agreed to provide this contribution, nowithstanding viability issues as described above.
- 8.10 The scheme also proposes mixed use ground floor space to provide support for the residential uses on the site as well as to provide livelier and active frontages, which at 356m² is above the thresholds for which a Sequential Assessment is generated under Core Strategy policy P8. However, a number of specific considerations arise in this regard in respect of this application i.e. the location of development (approximately 310m from the City Centre boundary just over what would otherwise be classed as 'edge of centre' (up to 300m)); the nature and size of these uses which are likely to be considered complementary to the sustainable place making objectives of this future residential development; and other future nearby major residential developments which it is anticipated will be served by this mixed use ground floor space. As with the Outline consent (which approved a higher amount of commercial

space at 965m<sup>2</sup>) the ancillary nature of the proposed commercial space for such 'main town centre' uses is considered complementary to sustainable place making for more immediate local shopping / commercial business opportunities serving the residential units. The use of floorspace in this way is to be controlled by condition to this maximum level of 356m<sup>2</sup> to safeguard the vitality of existing centres; this approach is considered reasonable, proportionate and appropriate in relation to policy P8.

# 8.11 Layout, Design and Massing

- 8.12 This site occupies a prominent position on the southern side of Kirkstall Road, which is the city's main western arterial route. The existing context of development is one which rises in scale towards the city centre on the northern side of Kirkstall Road. On the southern side of the road spreading out from the City Centre a number of sites are being or have been cleared for re-development purposes. This includes the consented and proposed schemes on the Clarion Homes site to the east. The building heights (for example the stepping up of Block A on the Kirkstall Road frontage) and their relationship to the 'Tannery' building are respectful of this non-designated heritage asset which is set at a generous 4 storey mass across a sizable footprint.
- 8.13 It is noted that the scale of the current proposal is greater than that envisaged by the 2007 KRRAPF. However, it is considered that the increase in scale is appropriate on this main arterial route as it has been handled well from a massing and design perspective. As the wider area is currently generally in commercial/office use, or vacant, there are no existing uses which would suffer a loss of amenity through the increase in scale of the proposals.
- 8.14 The proposal through its ongoing detailed design development, including through the pre-application has omitted one initially desired block ('C' from the Outline application), to create further breathing space and scope for good quality pedestrian / landscaped courtyard features in the Block Plan.
- 8.15 The proposals are otherwise still broadly akin to the 'Development Framework Zoning Plan' as approved under the Outline consent ref. (20)153 Rev P01. This showed storey heights mainly ranging from 7 12 stories but with scope for a taller block in the middle of the site at 11-16 stories. Indeed, it was and still is considered that some variation to the heights of the buildings provide visual interest. The ability to build higher also places less pressure on the footprints of the buildings which enables a greater proportion to be given over to breathing space / landscaping, which is another feature of this latest scheme. It is considered that the scheme is compatible with the objectives of the Tall Buildings Design Guide SPD and the emerging and consented plans for the Clarion Homes site in the same skyline.
- 8.16 This layout, again like the Outline, makes very efficient use of the land as a very sustainable development opportunity when set against a more traditional residential estate type scheme. The proposals represent the regeneration of a large brownfield site in a location with good quality existing public transport infrastructure and would make a significant contribution to the council's housing need. This type and density of proposal is considered appropriate in this location and officers consider that the emerging approach to scale and massing is again likely to be acceptable within the immediate context of Kirkstall Road and the riverside setting.
- 8.17 Again, as indicated in the Outline application (although this was just illustratively) the main publicly accessible open space areas are proposed to be located adjacent the river. This follows the pattern set by the Clarion Homes proposals to the east. This is

- again considered to form the most appropriate layout based upon a number of key objectives:
- nature conservation in providing a buffer of the development to the river watercourse and canal as key habitat corridors
- provides attractive and more desirable accessibility routes alongside the watercourse dovetailing with planned and future improvements of the Flood Alleviation Scheme (FAS2)
- provides the best area within the site to provide an open space setting away from the busier north-east side of the site adjacent to Kirkstall Road and other commercial uses
- allows for appropriate on-site flood risk mitigation to be installed into the site layout alongside the FAS2 scheme
- the open space will also face south-west, which is beneficial for sunlight penetration. Eventually the site would be joined to the Clarion Homes site by the riverside walkway and its associated bridge planned across the river to the Leeds/Liverpool Canal towpath (Trans-Pennine cycle Route 66).
- 8.18 The alignment of the buildings within the site has been considered in order to create views through the scheme to assist in legibility and pedestrian permeability (a key objective of policy CC3 as well as the KRRAPF). The alignment of the east-west spine route again provides a clear order to the development and offers the ability to link to the neighbouring sites whilst also allowing views through to the neighbouring scheme. This is fully supported as part of the KRRAPF requirements. It would also ensure that a hierarchy of routes would exist from the pedestrianised riverside walkway, through the spine road and then onto the main thoroughfare along Kirkstall Road with its Quality Bus Initiative. The building fronting Kirkstall Road has been appropriately set back to enable a tree lined frontage to the scheme in line with the objectives set out in the KRRAPF and to improve the existing bus stop provision (allowing for a shelter to be provided) and good pedestrian footpath / cycling space.
- 8.19 The designs show buildings with consistent architecture themes running through the different blocks. These include simple and elegant slender window designs, developed in a sash format with good heads and stone cill banding running horizontal through the levels. The windows are set with regular and ordered vertical emphasis up through the levels. This regular patterning of horizontal and vertical fenestration, which also features within the ground floor commercial space helps to link each block together with a character that sits sensitively with the similar style evident across the adjacent 'Tannery' building.
- 8.20 The architectural detail is considered to represent a significant visual improvement and investment into the Kirkstall Road Renaissance Area beyond that of the (recently now demolished) former 1960s offices of the former Arla Foods site, on this main arterial route into / out of Leeds. The new blocks show a much more aligned solid to void ratio more familiar to the Tannery building and use of materials more characteristic of the adjacent and opposite large commercial buildings that feature within the area.
- 8.21 Some of the apartments that would face onto the south-west aspect contain balconies, a welcome addition that aids natural surveillance and since the on-set of

Covid-19, a really beneficial aid to assist with improved external amenity space / improved airflow into buildings.

# 8.23 <u>Highway Considerations</u>

- 8.24 As with the approved Outline application, the cumulative impact upon key junctions (alongside other neighbouring developments) requires a contribution of £197,000, sought in line with the guidance of the advanced draft Transport SPD. The Council is developing a more sophisticated adaptive signal control system along this section of Kirkstall Road. The applicant has agreed to provide this and other Highways requirements, notwithstanding the viability issues discussed above.
- 8.25 Other public transport and footway improvements are necessary to further enhance this site given its bus, foot and cycle opportunities for encouraging sustainable travel patterns. Again, as with the Outline approval, this includes an upgrade of the existing bus stop pole to a real time shelter identified on Kirkstall Road outside of the site frontage.
- 8.26 Improvements and upgrading to cycling lanes and north / south crossings (on Kirkstall Road (including a 4m wide footway and also a toucan crossing with cycle link), Washington Street (including a 3.5m wide public highway) / Studio Road and Wellington Bridge / Bingley Street) are identified to link better with the City Centre / neighbouring communities (reference to Core Strategy policy CC3). To also introduce some welcome boulevard style tree planting to Kirkstall Road, block A is set back from the existing road edge to ensure sufficient space is provided for pedestrian footpath and cycle lane provision.
- 8.27 In respect of the parking, this is contained in centrally overlooked areas that would also reduce its wider visual impact from the primary routes and is further screened from views (such as the open space / riverside) with landscaping.
- 8.28 The scheme proposes 226 car parking spaces (reduced from 231 to accommodate required fire safety measures). The applicant proposes that all the spaces are intended to be capable of being provided as electric charge point spaces, but only 30% will be provided initially with the rest to be provided based on demand. This is considered acceptable by the Highways team, so long as full provision is ultimately provided.
- 8.29 The 226 car parking spaces represent a 36.6% ratio provision in relation to the total number of flats. A similar level of provision was accepted for the recent outline consent and it is considered that this is an appropriate level balancing a proportionate demand against the highly accessible location and existing public transport provision. The Highways consultee agrees the same. It is considered that any higher level of parking ratio would reduce the sustainable travel credentials of the scheme including the execution of the Travel Plan as drafted and have additional impact upon the level of public realm possible.
- 8.30 Landscaping in the form of green planting screens and street trees will contain clear boundaries for resident parking. 2no car club spaces are shown centrally located off the main spine road through the development. Overlooked short stay cycle parking is also shown set around the various blocks. Secure cycle spaces are set within the ground floors of each block and additionally within a larger linear cycle shelter which is shown facing towards the side of block B on the eastern boundary. Nearly 400

bicycle spaces are proposed (majority being long stay) and the Highways team is content that in line with other neighbour developments this is an appropriate ratio.

As also explained with the Outline approval, the KRRAPF makes reference to the provision of a potential crossing over the river at the end of Washington Street. However, the route is by no means a simple one as there is an estimated 8m vertical level change from Washington Street up to the canal towpath. In addition, the space on the southern side of the river is part of the Leeds Habitat Network which forms a continuous belt of uninterrupted riverside land from Viaduct Road to Holts Crest Way. The Clarion Homes development (as consented) is also noted to provide a public crossing across the Aire utilising the former chemical works bridge landing points (by either working with the existing redundant bridge structure or by constructing a replacement) between that site and the Otter Island development. Therefore, in this context it is not considered necessary or practical for the redevelopment to provide a further bridge crossing over the River Aire.

# 8.32 Wind

- 8.33 The application information provided has been supported by a proposed methodology for Wind Assessment by GIA which has been reviewed by Tobermory Consultants on behalf of the Council. The Review has concluded that sufficient information is being collated to understand and assess the wind conditions on site and the effect of the new development on its surroundings.
- 8.34 GIA have applied a detailed CFD (Computer Fluid Dynamics) analysis approach to the modelling, using appropriate tools and significant computing resources; the peer review outlines that there are no concerns over any aspect of the modelling approach.
- 8.35 A set of scenarios to be tested have been accepted by the Council's Wind Consultant based around existing site, proposed site and proposed site, within cumulative surrounds.
- 8.36 The conclusions reached in the review against the drawings (as updated on 18<sup>th</sup> July) are as follows:
  - The wind study has demonstrated that onsite wind conditions for the new Development are acceptable at ground level, based on the "embedded" wind mitigation measures that were included in the modelling (namely 4 porous screens and 1 porous wall).
  - 2. However, the study has also shown that some further, minor mitigation measures were necessary for the roof terrace on building F (i.e. planter) and some of the balconies on the upper levels of blocks B, E and F, in order to remove safety exceedances and improve comfort conditions. Suitable mitigation measures have been incorporated into the design now.
  - 3. Off-site wind conditions are either unchanged or are slightly improved by the presence of the new Development (e.g. at the entrances to 94 and 96 Kirkstall Rd.; at the westbound bus stop on Kirkstall Rd.; and at the existing safety exceedance at the SE corner of the Farnell building). Comfort conditions are rated as suitable for all of the off-site thoroughfares, and the canal-side and river-side paths. Hence, no further mitigation is required there.

- 8.37 The Peer Review has confirmed that the CFD model for the proposed development has included the following wind mitigation measures:
  - a porous wall around the cycle/refuse store, block D;
  - 3 porous screens to the west of building B;
  - 1 porous screen at the southwest corner of building F.
- 8.38 The reviewer has agreed the exact detail of these can be conditioned and this will require consultation (with the reviewer) upon submission at discharge stage. The Highways consultee notes the work undertaken and thus it is considered the application has sufficiently addressed wind mitigation in the proposed scheme under policies P10, T2 and guidance within the Tall Buildings Design Guide.
- 8.39 <u>Greenspace, Open Space</u>
- 8.40 In respect of the requirements of Core Strategy Policy G4, para 5.5.18 of the Core Strategy is considered relevant:
  - "5.5.18 As the green space requirement is expressed as an amount of green space per dwelling, high density developments (65dph (net)) usually found in or on the edge of town centres may generate requirements for green space that cannot be delivered on-site. For such schemes an expected level of 20% of green space should be provided on-site with the residual being provided off-site or in the form of a commuted sum. However, it is accepted that there may be particular site circumstances to justify a higher or lower quantity than 20% on-site."
  - Para 5.5.14 of the supporting text is referred to within the policy itself and this outlines which factors are relevant to the provision of on-site greenspace.
- 8.41 The layout plans broadly show at least around 30% of the whole site area being provided as open space and the layout / designs here are also aligned with the FAS2 strip of land set back from the river edge with its defence wall and landscaping / public realm improvements.
- 8.42 The arrangements as designed will contribute to policy G4's provision on site with the remaining demands from the new development generating an off-site commuted sum of £624,790. Although the policy itself does not account for viability issues it is accepted by the District Valuer that the current proposed on-site provision of open-space does significantly affect the viability of the proposal. Consequently a further financial contribution is not considered to be sustainable by the developer. On balance it is considered by Officers that the level of on-site provision provides significant benefits for the site and the surrounding area and it is accepted that the additional financial contribution would jeopordise the overall provision of the scheme.
- 8.43 The designs with the colonnade walkways and footpaths linking into the open space and the riverside routes beyond provide attractive, safe routes from the City into the West Leeds / Kirkstall Road corridor away from the busy A65. These routes appear set around a mixture of hard and soft landscaping providing legible, accessible, surfaced and attractive routes with good levels of overlooking / natural surveillance from the apartments.

### 8.44 Accessibility and Inclusivity

The proposals create a fully accessible environment through level access and lift provision throughout. The site is generally flat and there is a large amount of open space to be provided which would allow all accessibility standards and requirements to be achieved and controlled through condition in accordance with the Accessible Leeds SPD. This includes the appropriate provision (ratio) of disabled parking further to the Highways consultation (dated 23<sup>rd</sup> September 2022).

# 8.46 Flood Risk / Drainage

- 8.47 A full Flood Risk Assessment and Drainage Statement has been prepared, including for consultation with both the Environment Agency and Flood Risk Management consultees. An Exception Test was also carried out by the Council in the original allocation of this mixed-use site. This provided the basis which satisfactorily addressed the social, economic and environmental benefits of this site for sustainable development purposes outweighing flood risk, subject to resolution of an acceptable Flood Risk Assessment on development proposals.
- 8.48 The site is set within Flood Zone 3a (high probability). This is recognised with the Leeds Strategic Flood Risk Assessment (2007). Since then the 2015 Boxing Day floods provide further background context as to the credentials of the site in respect of flood risk.
- In view of the above context, the general design approach of the site layout is to provide any commercial uses at ground floor level with residential units set at first floor and above. Notwithstanding this approach, minimal finished floor levels are to be provided (as also controlled under condition) at a flood safe level, namely which have been shown to be in excess of 600mm above flood levels, as per the Landscape General Arrangement Plan (re-form) ref. 0005 Rev P14.
- 8.50 Concerning surface water drainage, the Outline Drainage Strategy drawing (Appendix H of the NPPF Flood Risk Assessment and Outline Drainage Strategy, appended (Appendix 1) to the Flood Risk Assessment Addendum) illustrates a surface water drainage strategy comprising of a traditional pipe network. supplemented by attenuation provided in the form of permeable paving, oversized pipes and a geo-cellular attenuation system. The strategy proposes to discharge surface water runoff from the entire site into the River Aire (via a new point of connection/headwall) to the south of the site as to be agreed through a permit with the Environment Agency. A rate of 90.68l/s has been agreed in principle with the Flood Risk Management consultee. The Flood Risk Management consultee accepts that infiltration is not proposed due to the historic use of the site (as a tannery (potential for ground contamination)) and that the groundwater level on-site is at a shallow level (based on Section 6.3 of the NPPF Flood Risk Assessment and Outline Drainage Strategy, appended (Appendix 1) to the Flood Risk Assessment Addendum prepared for this application).
- 8.51 A detailed Flood Evacuation Plan has been conditioned but this would be expected to reflect the emerging principles of the uses and their respective levels / positions on site reflect key considerations here with respect to flood risk.
- 8.52 It should be noted that additional defence measures in the form of the FAS2 scheme have been largely constructed along this stretch of the river (zone 11 of the scheme) with the overall two step defence scheme expected to be completed by Autumn 2023. This would give protection to the site itself from flooding events based upon a 1:200 year (+ climate change) frequency.

# 8.53 <u>Biodiversity Net Gain</u>

8.54 Policy G9 in the Core Strategy requires development to demonstrate an overall net gain for biodiversity commensurate with the scale of development. Concerns have been raised by the Environment Agency regarding the initial Biodiversity Net Gain Assessment submitted by the applicant. The proposal provided no evidence of biodiversity net gain and there was no consideration of river habitat. The applicant subsequently provided an amended Biodiversity Net Gain Assessment which shows a net gain on land of 78% and argues that improvements to biodiversity in the river are therefore not required. The EA and Nature Teams have been reconsulted on this amended document and any updates will be presented verbally at panel.

## 8.55 Viability

- As stated above the Council's adopted planning policies would result in a number of planning obligations to support the development. These relate to Education contribution (£162,510.31), Greenspace contribution (£624,789.97), Affordable Housing provision (based on a Build-to-Rent development under Core strategy policy H5), provision of a bus shelter (£20,000), off-site highways contribution (£197,000), Travel Plan monitoring fee (£6,875) and Sustainable Travel Fund contribution (£158,053.50). However, a Viability Appraisal has been submitted as it proposed that the development cannot fund these provisions. The District Valuer has concluded that the scheme is unviable if it was to meet all the required obligations. The District Valuer has advised that the proposed development can only reasonably support 1 affordable apartment and a Community Infrastructure Levy of £308,082.25 and no other \$106 obligations. The details of this are set out at Appendix 2.
- 8.57 Paragraph 58 in the NPPF states that where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. However, the NPPF also allows that it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight given to a viability assessment is a matter for the decision maker. The supporting text to Policy ID2 in the Core Strategy, relating to planning obligations through S106 agreements, allows that the NPPF requires local planning authorities to take account of changes in market conditions over time and, where appropriate, should be sufficiently flexible to prevent planned development from being stalled. Consequently, the wording of ID2 states that developer contributions will be sought through Section 106 planning obligations and the Community Infrastructure Levy as appropriate. In this case the development will provide a contribution through CIL which can be used to fund infrastructure projects which the Council has identified to meet the needs of the new development and will also provide all of those financial contributions listed with the exception of the Greenspace request.

With regard to Affordable Housing, the proposal would generate a requirement of 7% under Policy H5. This would amount to 43 units. The current proposal would deliver only 1 affordable housing unit. Policy H5 requires departures from this policy to be justified by evidence of viability considerations. Such evidence has been provided and reviewed by the District Valuer who concurs that the scheme could only viably provide 1 unit along with a CIL contribution.

Given that the applicant has agreed to take on a good proportion of financial risk in order to provide the required financial obligations it is considered, on balance, by Officers that the benefits of the proposal would still greatly outweigh the harm

generated by a loss of affordable housing and Greenspace sum. As evidence has been provided and independently corroborated that the alternative would be no development in this key sustainable location it is recommended that a pragmatic approach be taken to ensure the wider benefits that the proposal would bring to this part of the city are provided.

### 9.0 CONCLUSION:

- 9.1 Notwithstanding the financial viability position, this scheme represents an opportunity to regenerate a mostly cleared brownfield site on the southern side of Kirkstall Rd. The proposals provide 618 residential units contributing to housing supply as well as associated employment uses, large areas of open space and connectivity to the waterfront with a new section of riverside walkway in a highly sustainable gateway location.
- 9.2 It is considered that the scale, form and detailing of the proposal would enhance the character of this part of Kirkstall Road and help to deliver an identified housing need in the development plan. On balance the proposals are supported by national and local planning policy.

### **BACKGROUND PAPERS:**

Application file: 22/02505/FU

Application files: Clarion Homes approval 21/08190/FU

Application file: Holts Crest Way approval ref. 13/05566/FU

Application files: FAS2: 18/07367/FU, 19/06812/FU and 19/00741/FU

# Appendix 1 – Proposed Conditions

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 and Specifications above.

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

3. A plan showing the anticipated phases of the development shall be submitted to and approved in writing by the Local Planning Authority prior to any development commencing. Phases of the development shall thereafter be carried out in accordance with the submitted plan, unless otherwise approved in writing by the Local Planning Authority, and any reference to 'phase' or 'phases' in the conditions below shall refer to the phases detailed in the plan thereby approved.

In order to accord with the provisions of the Leeds Core Strategy, Saved Policies of the Leeds Unitary Development Plan Review and the Leeds Natural Resources and Waste DPD, in the interests of amenity, visual amenity, the provision of (any) affordable housing, pedestrian connectivity, highways safety, sustainable development, and in

order that the Local Planning Authority is informed of the phasing in order that the relevant sections of the conditions may be discharged.

4. The commercial uses hereby permitted shall be limited to the maximum Gross Internal Area of 356 sqm, of which any (former use class) A1 retail floorspace shall be for convenience retail use only.

In order to ensure that the developed scheme does not exceed the floor spaces which have been used to assess the impact which this proposal will have on surrounding centres, including the neighbouring buildings and the local highway network and to ensure a mix of uses is provided. In the interests of proper planning in accordance with policy P8 of the adopted Leeds Core Strategy 2019.

In the interests of the vitality and viability of existing retail centres, in accordance with Leeds UDPR Policy GP5, Leeds Core Strategy policies SP2, SP3, P8 and CC1 and the NPPF.

5. Prior to the use on site of the external materials to be used for each phase of development, details and samples of all external walling and roofing materials for that phase shall be 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 visual amenity in order to accord with Leeds UDP Review Policies GP5 and BD2, Leeds Core Strategy Policy P10 and the NPPF.

6. Prior to the commencement of building works in each phase details of the position, design, materials and type of all walls and/or fences or permanent boundary/screening treatment for that phase shall be submitted to and approved in writing by the Local Planning Authority. Such walls and fences shall be erected in accordance with the approved details, before the land/buildings to which they relate are occupied and shall thereafter be retained.

In the interests of visual amenity, in accordance with Leeds UDPR Policies GP5 and LD1, Leeds Core Strategy Policy P10 and the NPPF.

- 7. Prior to the commencement of landscaping works in each phase of development full details of both hard and soft landscape works, including an implementation and maintenance programme, shall be submitted to and approved in writing by the Local Planning Authority for that phase. Hard landscape works shall include:
  - (a) proposed finished levels and/or contours
  - (b) vehicle and pedestrian access and circulation areas,
  - (c) hard surfacing areas,
  - (d) minor artefacts and structures (e.g. furniture, play equipment, refuse or other storage units, signs, lighting etc.),
  - (e) proposed and existing functional services above and below ground (e.g. drainage, power cables, communication cables, pipelines etc., indicating lines, manholes, supports etc.).

Soft landscape works shall include:

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

All hard and soft landscaping works shall be carried out in accordance with the approved details, approved implementation programme, British Standard BS 4428:1989 Code of Practice for General Landscape Operations and maintained in accordance with the maintenance programme.

The developer shall complete the approved landscaping works for each phase 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 landscape in accordance with adopted Leeds Core Strategy Policy P12, Saved Leeds UDP Review (2006) policies GP5 and LD1, Leeds Natural Resources and Waste DPD, and the NPPF.

8. 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 scheme.

9. Remediation measures are shown to be necessary following the approved Site Investigation Reporting and soil or soil forming material is being imported to site. Development (excluding demolition) shall not commence until a Remediation Strategy demonstrating how the site will be made suitable for the intended use has been submitted to, and approved in writing by, the Local Planning Authority. The Remediation Strategy shall include a programme for all works and for the provision of Verification Reports. It is strongly recommended that all reports are prepared and approved by a suitably qualified and competent person.

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

10. If remediation is unable to proceed in accordance with the approved Remediation Strategy, or where significant unexpected contamination is encountered, or where soil or soil forming material is being imported to site, the Local Planning Authority shall be notified in writing immediately and operations on the affected part of the site shall cease. The affected part of the site shall be agreed with the Local Planning Authority in writing. An amended or new Remediation Strategy and/or Soil Importation Strategy shall be submitted to and approved in writing by the Local Planning Authority prior to any further remediation works which shall thereafter be carried out in accordance with the revised approved Strategy. Prior to the site being brought into use, where significant unexpected contamination is not encountered, the Local Planning Authority shall be notified in writing of such.

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

To ensure that any necessary remediation works are identified to make the site 'suitable for use' with respect to land contamination.

11. 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 verification information has been approved in writing by 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 the remediation works are fully implemented as agreed and the site has been demonstrated to be 'suitable for use' with respect to land contamination.

12. There shall be no discharges of foul water from the development until a foul drainage scheme (to be phased as necessary) including details of provision for its future maintenance (e.g. adoption by the Water Company) has been implemented in accordance with details to be submitted to and approved in writing by the Local Planning Authority for that phase. In addition, written confirmation shall be provided from Yorkshire Water or any other third party involved to allow the laying of any sewer across third party land and discharge of the design foul flows to the sewer.

To ensure satisfactory drainage and pollution prevention in accordance with adopted Leeds UDP Review (2006) policy GP5.

13. Before development of any phase commences, a detailed SuDS based Drainage Scheme based on the principles of The SUDS Manual (C753) and the design criteria as set out within the Councils Minimum Development Control Standards for Flood Risk, shall be submitted and approved in writing by the Local Planning Authority for that phase.

The maximum rate of discharge, off-site, shall not exceed 90.68 l/s and be in line with the drainage strategy as set out within the Curtins Flood Risk Assessment Addendum (Ref. 079805-CUR-00-XX-RP-C-001-FRAA Rev 01) or shall be consistent with the Councils Minimum Development Control Standards for Flood Risk and the LLFAs requirements for Major Development unless otherwise agreed with the Local Planning Authority. The works shall be implemented in accordance with the approved scheme before the development is brought into use, or as set out in the approved phasing details.

The detailed design drawings, calculations and supporting information shall include the following:

- a) Model Information (Micro Drainage or similar approved) to include a plan showing pipework model numbering and network details.
- b) Survey and details of any existing surface water outfalls from the site into the River Aire, identifying which outfalls are to be retained and which can be abandoned.
- c) Results: Summary of Results showing all the modelling criteria and summary network results for critical 1 in 2 year, 1 in 30 year and 1 in 100 year plus 40% CC storm events

showing maximum water level, flow and velocity and details of any surface flooding anticipated.

- d) A drawing showing the proposed impermeable areas, suitably annotated.
- e) Calculations and any supporting survey and investigations to justify and demonstrate the existing and proposed discharge rate.
- f) Drainage Plan showing drainage layout, manholes including cover and invert levels, proposed levels, pipe sizes and gradients, all on -line controls, on and off line storage structures and outfall details.
- g) Plan showing overland exceedance routes in the event of a failure of the drainage system or storm event in excess of the 1 in 100 + 40% CC storm event.
- h) Summary Drainage Report setting out the Drainage Strategy and results of the calculations demonstrating compliance with the above.
- i) Where third party agreements to construct sewers and to discharge flows are required, then written evidence of these two agreements shall be provided.
- j) A timetable for implementation of the drainage works including an assessment of any phasing of the development.
- k) Demonstrating that adequate water quality of the off- site surface water flows in accordance with the Simplified Index Approach as set out within Section 26 of the SUDS Manual (C753) can be achieved during all phases of the development.
- I) Where SUDs are only proposed in part or not at all, then a full justification statement shall be provided to demonstrate why it is not considered appropriate or reasonable.

No piped discharge of surface water from the application site shall take place until works to provide a satisfactory outfall, other than the existing local public sewerage, for surface water have been completed in accordance with details submitted to and approved by the Local Planning Authority.

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

14. Development of each phase shall not commence until details and a method statement for interim and temporary drainage measures during the construction phases have been submitted to and approved in writing by the Local Planning Authority for that phase. This information shall provide full details of who will be responsible for maintaining such temporary systems and demonstrate how the site will be drained to ensure there is no increase in the off-site flows, nor any pollution, debris and sediment to any receiving watercourse or sewer system. Where temporary discharges to a sewer are proposed, written confirmation from the sewer owner that these have been accepted shall be provided. The site works and construction phase shall thereafter be carried out in accordance with approved method statement, unless alternative measures have been subsequently approved by the Local Planning Authority.

To prevent flooding offsite in accordance with the NPPF.

15. Prior to the occupation of the first unit, details shall be provided in respect to the management, inspection and maintenance of any non-adopted drainage features for that phase. The details shall identify the responsible parties and set out how these will be funded and managed and provide a schedule of the proposed inspections and annual maintenance for the lifetime of the development. The plan shall be submitted

to and approved in writing with the Local Planning Authority prior to first occupation for that phase and the development shall thereafter be maintained at all times in accordance with the approved details.

To ensure the development is adequately maintained for the lifetime of the development.

- 16. The development shall not be brought into use until a suitable Flood Evacuation Plan (FEP) has been submitted and approved by the Local Planning Authority. The Flood Evacuation Plan shall be based on the latest Environment Agency and West Yorkshire Fire & Rescue Service (WYF&RS) guidance and the ADEPT/EA document titled Flood Risk Emergency Plans for New Development dated Sept 2019 and include the following:
  - a) Details of advanced flood warning measures;
  - b) Advanced site preparation measures to be undertaken in the event of a flood warning
  - c) Site evacuation measures whilst being also aligned with the WYF&RS 'stay put' advice where applicable within the development / specific floor levels;
  - d) Details of how the FEP will be monitored during all operational hours of the development, the responsibility for flood safety measures in accordance with emergency flood management plan.
  - e) Confirmation that details of the FEP will be relayed to all site users and shall be implemented for the life of the development and to any future owners.

In the interests of flood risk.

- 17. The development shall be carried out in accordance with the Curtins Flood Risk Assessment Addendum (Ref. 079805-CUR-00-XX-RP-C-001-FRAA Rev 01) and the following mitigation measures it details:
  - There is to be no residential development on the ground floor.
  - Finished floor levels shall be set no lower than 31.600 metres above Ordnance Datum (AOD).
  - Any under croft car parks are to remain at grade so as to not displace floodwaters.
  - There shall be a minimum of a 2m undeveloped easement strip from the Leeds Flood Alleviation Scheme Phase 2 Walls to any proposed buildings within the site
  - There is to be no land raising as a result of the proposed development

These mitigation measures shall be fully implemented prior to occupation and subsequently in accordance with the scheme's timing/phasing arrangements. The measures detailed above shall be retained and maintained thereafter throughout the lifetime of the development.

The reason for this condition is as follows:

- To reduce the risk of flooding to the proposed development and future occupants.
- To not displace or transfer any flood waters to others as a result of the proposed development.
- To ensure the structural integrity of the Leeds Flood Alleviation Scheme Phase
   2 flood defences thereby reducing the risk of flooding.
- To ensure safe and timely access egress arrangements in the event of a flood.

- 18. No development in any phase shall take place until a landscape and ecological management plan, including long-term design objectives, management responsibilities and maintenance schedules for all landscaped areas (except privately owned domestic gardens), has been submitted to, and approved in writing by, the local planning authority. The landscape and ecological management plan shall be carried out as approved and any subsequent variations shall be agreed in writing by the Local Planning Authority for that phase. The scheme shall include the following elements:
  - o details of maintenance regimes
  - o details of any new habitat created on-site
  - o details of treatment of site boundaries and/or buffers around water bodies
  - o details of management responsibilities
  - o details of a suitable lighting plan which minimises light spill onto the river

To ensure the protection of wildlife and supporting habitat and to preserve the functionality of the Leeds Habitat Network. Also, to secure opportunities for enhancing the site's nature conservation value in line with national planning policy and adopted policy G9 of the Leeds Core Strategy.

- 19. No development shall take place for each phase until a Construction Environmental Management Plan (CEMP), including an Invasive Non-Native Species (INNS) management plan, has been submitted to, and approved in writing by, the local planning authority. The construction environmental management plan shall be carried out as approved and any subsequent variations shall be agreed in writing by the Local Planning Authority for that phase. The scheme shall include, but not be limited to, the following elements:
  - o details of how the site will be remediated and built without affecting surrounding habitats
  - o details of invasive non-native species management

To ensure the protection of wildlife and supporting habitat and to prevent the spread of invasive non-native species.

20. 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 unless otherwise agreed in writing by the Local Planning Authority.

In the interests of residential amenity, in accordance with Leeds Core Strategy, Leeds UDPR Saved Policy GP5 and the NPPF

- 21. No construction works shall begin on any phase of development until a Statement of Construction Practice for that phase has been submitted to and approved in writing by the Local Planning Authority for that phase. The Statement of Construction Practice shall include full details of:
  - a) the methods to be employed to prevent mud, grit and dirt being carried onto the public highway from the development hereby approved;
  - b) measures to control the emissions of dust, dirt and noise during construction;
  - c) location of site compound and plant equipment/storage;
  - d) how this Statement of Construction Practice will be made publicly available by the developer.
  - e) location of access and egress from the site and management of vehicle movements entering and exiting the site

f) car parking for contractors staff and operatives

The approved details for that phase shall be implemented at the commencement of construction 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 Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework.

22. For each phase of development, details of a sound insulation scheme (based upon the submitted Noise Impact Assessment by Hann Tucker Associates ref. 27385/NIA1, dated 24<sup>th</sup> March 2022) designed to protect the future occupants of the proposed accommodation from noise emitted by nearby sources and to protect sensitive receptors from noise emitted from the development shall be submitted to the Local Planning Authority and approved in writing prior to the commencement of the development in that phase.

The approved works shall be completed prior to first occupation of that phase and shall thereafter be retained. The scheme shall also include a ventilation strategy, which provides for the adequate control of room comfort, where windows will need to remain closed to meet the internal noise level targets.

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 re-submitted for approval.

In the interests of residential amenity, in accordance with Leeds Core Strategy, Leeds Saved UDPR Policy GP5 and the NPPF.

23. Prior to occupation of each phase, details for the provision of bin stores (including siting, materials and means of enclosure) and (where applicable) storage of wastes and access for their collection for that phase shall be submitted to and approved in writing by the Local Planning Authority. The approved measures shall be implemented in full before the use commences and shall be retained thereafter for the lifetime of the development.

To ensure that adequate provision for bin storage is made and in the interests of visual and residential amenity, in accordance with Leeds UDPR Policy GP5, Leeds Core Strategy Policies T2 and P10 and the NPPF.

24. No phase of development shall be occupied until a Car Park and Servicing Management Plan (including timescales) has been submitted to and approved in writing by the Local Planning Authority for that phase. The plan shall be fully implemented, and the development thereafter operated in accordance with the approved timescales.

To ensure the free and safe use of the highway.

25. Prior to commencement of development in any phase a Lighting Design Strategy for both consideration of protection of residential amenity, highway safety and consideration of bat activity shall be produced and approved in writing by the Local

Planning Authority for that phase. This shall include commentary by an appropriately qualified ecological consultant. The Strategy shall show how and where external lighting will be installed (through the provision of appropriate lighting contour plans and technical specifications) so that it can be clearly demonstrated that areas to be lit will not disturb commuting and foraging bats adjacent to the River Aire. All external lighting shall be installed in accordance with the specifications and locations set out in the Strategy and shall be maintained thereafter in accordance with it. Under no circumstances should any additional external lighting be installed without prior consent from the LPA in the areas identified in the Strategy as "particularly sensitive for commuting and foraging bats".

In the interests of residential amenity and highway safety and in accordance with adopted Leeds UDP Review (2006) policy GP5 and the National Planning Policy Framework and to safeguard a protected species (bats) in accordance with protection and enhancement of biodiversity in accordance with Core Strategy Policy G8 and G9, NPPF and BS 42020:2013.

26. No phase of the development hereby approved shall be occupied until a plan, setting out the location of electric vehicle charging points to be provided in that phase, has been submitted to and approved in writing by the Local Planning Authority. The charging points for that phase shall be provided in accordance with the approved details prior to first use of the car park for each phase and retained as such thereafter.

In the interests of encouraging more sustainable forms of travel, in accordance with the NPPF, Leeds Natural Resources and Waste DPD, Leeds Travel Plans SPD, Leeds UDPR Policies GP5 and Leeds Core Strategy Policy T2.

27. There must be no gates or barriers on any part of the access roads. The location of any barriers at the entrance to car parking areas must be submitted to and approved in writing by the Local Planning Authority.

To ensure the free and safe use of the highway and to ensure future connections to neighbouring developments in accordance with adopted Leeds Core Strategy policy T2.

28. Prior to the commencement of building works in each phase, details of cycle and motorcycle parking, and associated facilities to include showers and lockers where required, for that phase shall be submitted to and approved in writing by the Local Planning Authority. The approved cycle/motorcycle parking and associated facilities shall be provided prior to occupation of that phase of development and retained as such thereafter.

In the interests of promoting walking, running and cycling as more sustainable means of travel to work, in accordance with the NPPF, Leeds UDPR Policy GP5, Leeds Core Strategy Policy T1 and the Travel Plans SPD.

29. No part of any phase of development shall be occupied until all areas shown on the approved plans to be used by vehicles in that phase have been fully laid out, surfaced and drained such that loose materials and surface water does not discharge or transfer onto the highway. These areas shall not be used for any other purpose thereafter.

To ensure the free and safe use of the highway in accordance with adopted Leeds Core Strategy Policy T2 and Street Design Guide SPD (2009).

30. Development shall not commence until details of the proposed method of closing off and making good all existing redundant accesses as necessary to the development site have been submitted to and approved in writing by the Local Planning Authority. The approved works shall be completed before the development is occupied.

To ensure the free and safe use of the highway in accordance with the adopted Leeds UDP Review (2006) policy T2.

- 31. Prior to occupation of the development details of works comprising of the following elements shall be submitted to and approved in writing by the Local Planning Authority and shall have been fully implemented:
  - 1. Upgrade the pedestrian crossing across Kirkstall Road on the site frontage to a Toucan crossing to provide a cycle link.
  - 2. Widen the existing footway to 4.0m wide footway along the whole of the site frontage, dedicating land within the site as highway.
  - 3. Provide a cycle link on the east side of Kirkstall Road through the existing car park north to Studio Road.
  - 4. 3.5m wide footway along the site frontage of Washington Street dedicated as public highway.
  - 5. Vehicle access points on Kirkstall Road and Washington Street.
  - 6. Removal of all redundant access points on Kirkstall Road and Washington Street, and reinstate full-height footway.
  - 7. Traffic Regulation Orders (TRO) to restriction loading/unloading on Kirkstall Road and on-street parking on Washington Street.
  - 8. Disabled parking in accordance with BS8300.

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

32. Further to and notwithstanding the Sustainability and Energy Statement Design Note ref. 2021.235 Version 1.2 (March 2022), the submission of each phase of development shall include a statement, for that phase which demonstrates the feasibility of achieving sustainable design and construction standards and investigation into any feasibility of connecting to the District Heating Network as set out in policies EN1, EN2 and EN4 of the City Council's adopted Leeds Core Strategy 2019. The development shall be implemented in accordance with the agreed statement.

To ensure the adoption of appropriate sustainable design principles in accordance with Leeds Core Strategy Policies EN1, EN2 and EN4, Leeds SPD Sustainable Design and Construction and the NPPF.

33. Prior to the commencement of any above ground works, full details (including any related phasing information in conjunction with condition 3) of the mitigation measures at section 17 of the Wind Microclimate Assessment Report, ref. 1739 (22<sup>nd</sup> March 2022) shall be submitted to and approved in writing by the Local Planning Authority. The works (together with any phasing) shall be implemented as approved prior to first occupation of the buildings.

In the interest of pedestrian and highway safety.

34. No development shall take place until the applicant, or their agents or successors in title, has secured the implementation of a programme of archaeological and architectural recording. This recording must be carried out by an appropriately qualified and experienced archaeological consultant or organisation, in accordance with a written

scheme of investigation which has been submitted by the applicant and approved in writing by the Local Planning Authority.

In order to ensure that any items of archaeological importance are recorded.

35. For all phases of development details of any external extract ventilation system shall be submitted to and approved in writing by the Local Planning Authority prior to its installation and the system shall be installed and maintained in accordance with the approved details.

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

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

36. Notwithstanding the provisions of the Town & Country Planning (General Permitted Development) Order 2015 (or any order revoking or re-enacting that order with or without modification) planning permission shall be obtained before any change of use of (former) A3, A4 and D1 uses referred to in this consent, to any use within use Class A1 as defined in the Town & Country Planning Use Classes (Amendment) Order 2005 (or any order revoking or re-enacting that order with or without modification).

In order that the Local Planning Authority can retain control over uses which it considers could be harmful to the character of the area and the viability of the City Centre in accordance with policy CC1 of the adopted Leeds Core Strategy 2019.

- 37. Prior to any above ground level building works commencing for each phase, detailed 1:20 scale working drawings of the following features shall be submitted to and approved in writing by the Local Planning Authority for that phase:
  - (a) Sections of windows, doors and balconies;
  - (b) Junctions of materials and recesses, rooflines and eaves;
  - (c) Commercial frontage design guide to ground floor uses.

Works shall be carried out in accordance with the approved drawings and maintained as such thereafter.

In the interests of visual amenity in accordance with saved policy BD5 of the Leeds UDP Review (2006)

- 38. Prior to occupation of any phase of development details of a strategy for a CCTV system and other crime prevention measures to be provided within that phase shall be submitted to the Local Planning Authority. This strategy shall then be implemented prior to occupation of each phase of development.
  - In the interests of safety of the users of the site in accordance with saved policy GP5 of the Leeds UDP Review (2006).
- 39. Plant and machinery operated from the site 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.

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

40. The proposed mix of residential accommodation across all phases of development should be designed in accordance with the accessible housing guidance of Core Strategy policy H10. Full details of this including the apartments selected should be submitted to and approved in writing by the Local Planning Authority. The approved mix / accessibility measures shall be carried out within the completed development and retained thereafter.

In the interests of providing a sustainable accessible development in accordance with policy H10 of the Core Strategy.

41. Prior to the commencement of development, a report shall be submitted for approval which assesses the potential or otherwise for extraction of sand and gravel and surface coal recovery within the site in accordance with Natural Waste & Resources DPD policies Minerals 2 and 3. Any removal of sand and gravel and surface coal shall be undertaken in accordance with the report as submitted and approved.

In the interests of sustainable site development and re-use of mineral aggregates where feasible in accordance with policies Minerals 2 and 3 of the Natural Waste and Resources Development Plan Document.

42. Prior to commencement of a phase of development on site, full details of the internal road and parking construction to serve that phase of development shall be submitted to and agreed in writing by the Local Planning Authority. The internal road and parking shall be constructed and provided for use as thereby agreed prior to first occupation of the related phase of development.

In the interests of highway safety and amenity.

43. There must be no gates or barriers as part of the access roads, where this would prevent connections with future neighbouring developments. The location of any barriers at the entrance to car parking areas must be submitted to and approved in writing by the Local Planning Authority.

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

44. Prior to the commencement of a phase of development on site, full details of a fire strategy, including the means of escape and fire service areas of that phase, shall be submitted to and approved in writing by the Local Planning Authority. The details provided, which shall be consulted on with the Health & Safety Executive, shall be implemented as approved and retained / maintained thereafter for the lifetime of the development.

In the interests of fire safety and prevention.

45. The development shall not be occupied until a wayfinding scheme has been submitted to and approved in writing by the Local Planning Authority. The scheme shall include details and location of pedestrian and cycling signage between Kirkstall Road, the site and the river/canal path. The works shall be carried out in accordance with the approved details within a timescale that shall have first been agreed in writing by the Local Planning Authority.

To ensure pedestrian and cycling safety and legibility.

46. Development shall not commence until a survey of the condition of Kirkstall Road along the site frontage and Washington Street has been submitted to and approved in writing by the Local Planning Authority. Upon completion of the development (completion of the final approved building on the site) a further condition survey shall be carried out and submitted to the Local Planning Authority together with a schedule of remedial works to rectify damage to the highway identified between the two surveys.

The approved mitigation works shall be fully implemented within 3 months of the remedial works being agreed with the Local Planning Authority. In the event that a defect is identified during other routine inspections of the highway that is considered to be a danger to the public it must be immediately made safe and repaired within 24hours from the applicant being notified by the Local Planning Authority.

Traffic associated with the carrying out of the development may have a deleterious effect on the condition of the highway that could compromise the free and safe use of the highway.





STAGE 2
Viability Review Report
618 PRS Apartments
87-89 Kirkstall Road
Leeds
LS3 1HS



# Report for:

Central Team Planning Services City Development Leeds City Council

Prepared by:

**MRICS** 

Principal Surveyor RICS Registered Valuer DVS

Tel: Email

Liliali

Case Number: 1798302

Client Reference: EX000000/PP-11130674

Date: 14th October 2022



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# 1.0 Executive Summary

## 1.1 <u>Proposed Development Details.</u>

This report provides an independent review of a viability assessment in connection with:

Proposed Development	618 Build to Rent Apartments – 1, 2 and 3 bed apartments, 1 ground floor retail unit, resident amenity and 231 car parking spaces
Subject of Assessment:	87-89 Kirkstall Road, Leeds, LS3 1HS
Planning Application Ref:	22/02505/FU
Applicant / Developer:	Glenbrook RIL Limited
Applicant's Viability Advisor:	CBRE

### 1.2 <u>Instruction</u>

In connection with the above application Leeds City Council Planning Department require an independent review of the viability conclusion provided by the applicant in terms of the extent to which the accompanying appraisal is fair and reasonable and whether the assumptions made can be relied upon to determine the viability of the scheme.

A site-specific viability assessment review has been undertaken, the inputs adopted herein are unique to this site and scheme and may not be applicable to other viability assessments undertaken or reviewed by DVS.

# 1.3 <u>Viability Conclusion</u>

It is my considered and independent opinion that:

The above scheme assessed with regards to full planning policy requirement comprising 20% affordable housing, £1,168,877S.106 contributions and contributions of £308,082.25 is <u>unviable</u>.

I have appraised the scheme to establish what level of contributions the scheme can reasonable support and conclude it can provide 1 (one) affordable apartment, a CIL contribution of £308,082 and no contributions to section 106 costs.

# 1.4 Non-Technical Summary of Viability Assessment Inputs

Policy Compliant Inputs	Agent	DVS Viability Review	Agreed (Y/N)
Assessment Date	22 March 2022 October 2022		N
Scheme, Gross Internal Area, Site Area	396,805sqft 5.12 acres	396,805sqft 5.12 acres	Υ
Development Period	3m pre-construction 32m build period	3m pre-construction 32m build period	Υ
Gross Development Value	£128,746,462	£144,609,287	N
Comprising:			
Market Housing GDV blended value rate	£101,571,084	£136,306,871	N
Affordable Housing GDV	£NIL	£139,198	N
Other GDV	£6,557,218 Retail & Car Parking	£8,163,218 Retail & Car Parking	N
CIL/Planning Policy / S.106	£1,700,000 £308,032	S106 £NIL CIL £308,082.25	Y
Total Development Cost (excludes planning policy; land and fees; profit)	£113,743,072	£113,743,072	Y
Professional Fees %	7.5%	7.3%	N
Contingency %	3%	3%	Υ
Finance Interest and	4.5%	5%	Υ
Sum			
Other Fees: Marketing Fees	£300,000	Nil	N
Letting Agency Fees	10%	Nil	N
Sales / Agency Fees	1%	Nil	N
Letting Legal Fees	5%	Nil	N
Sales Legal Fees	0.50%	Nil	N
Land Acquiring Costs	Nil	SDLT + 1.5%	N
Profit Target %	10%	8%	N
Benchmark Land Value	£6,310,000	£3,000,000	N
EUV	Not Stated	£3,000,000	N
Premium	Not Stated	£Nil	N
Purchase Price	Not Stated	£5,800,000	N
Alternative Use Value	£3,966,600	£Not applicable	N
Residual Figure	Minus £6,583,871 Negative Land Value	Positive £3,000,000	N
Viability Conclusion Full Policy Scheme	Not Viable	Not Fully Viable	Υ

Deliverable Scheme	No Affordable	One affordable unit at 20% discount of market rents, plus full CIL contribution but no Section 106 Costs	N
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A site-specific viability assessment review has been undertaken, the inputs adopted herein are unique to this site and scheme and may not be applicable to other viability assessments undertaken or reviewed by DVS.

### 2.0 Instruction and Terms

- 2.1 The Client is Leeds City Council.
- 2.2 The Subject of the Assessment is a proposed scheme of 618 Build to Rent Apartments 1, 2 and 3 bed apartments, 1 ground floor retail unit, resident amenity and 231 car parking spaces on a site of approximately 5.12 acres.
- 2.3 The date of viability assessment is 14<sup>th</sup> October 2022. 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.
- 2.4 Instructions were received on 13 April 2022. It is understood that Leeds City Council require an independent opinion on the viability information provided by CBRE dated March 2022, 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. Specifically, DVS have been appointed to:
  - Assess the Viability Assessment submitted on behalf of the planning applicant / developer, taking in to account the planning proposals as supplied by you or available from your authority's planning website.
  - Advise Leeds City Council in writing on those areas of the applicant's Viability
    Assessment which are agreed and those which are considered unsupported or
    incorrect, including stating the basis for this opinion, together with evidence. If
    DVS considers that the applicant's appraisal input and viability conclusion is
    incorrect, this report 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.
- 2.5 Conflict of Interest Statement In accordance with the requirements of RICS Professional Standards, DVS 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.
- 2.6 Inspection The site has been inspected from the roadside on 30 June 2022.

2.7 DVS/ VOA Terms of Engagement were issued on 8 June 2022, a redacted version is attached at **Appendix (iv).** 

### 3.0 Guidance and Status of Valuer

### 3.1 Authoritative Requirements

The DVS viability assessment review will be prepared in accordance with the following statutory and other authoritative mandatory requirements:

- 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 is recognised as the
  'authoritative requirement' by the Royal Institution of Chartered Surveyors
  (RICS).
- RICS Professional Statement 'Financial viability in planning: conduct and reporting' (effective from 1 September 2019) which provides the mandatory requirements for the conduct and reporting of valuations in the viability assessment and has been written to reflect the requirements of the PPG.
- RICS Professional Standards PS1 and PS2 of the 'RICS Valuation Global Standards'.

### 3.2 Professional Guidance

Regard will be made to applicable RICS Guidance Notes, principally the best practice guidance as set out in RICS GN 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' (effective 1 July 2021).

Other RICS guidance notes will be referenced in the report and include RICS GN 'Valuation of Development Property' and RICS GN 'Comparable Evidence in Real Estate Valuation'.

Valuation advice (see Note 1) will be prepared in accordance with the professional standards of the of the 'RICS Valuation – Global Standards' and the 'UK National Supplement', which taken together are commonly known as the RICS Red Book. Compliance with the RICS Professional Standards and Valuation Practice Statements (VPS) gives assurance also of compliance with the International Valuations Standards (IVS).

(<u>Note 1</u>) Whilst professional opinions may be expressed in relation to the appraisal inputs adopted, this consultancy advice is to assist you with your decision making for planning purposes and is not formal valuation advice such as for acquisition or disposal purposes. It is, however, understood that our review assessment and conclusion may be used by you as part of a negotiation.

The RICS Red Book professional standards are applicable to our undertaking of your case instruction, with PS1 and PS 2 mandatory. While compliance with the technical and performance standards at VPS1 to VPS 5 are not mandatory (as per PS 1 para 5.4) in the context of your instruction, they are considered best practice and have been applied to the extent not precluded by your specific requirement.

### 3.3 RICS 'Financial Viability in Planning Conduct and Reporting'

In accordance with the above RICS Professional Statement it is confirmed that:

- a) 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.
- b) The professional fee for this report is not performance related and contingent fees are not applicable.
- c) 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.
- d) The appointed valuer, 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.
- e) Neither the appointed valuer, nor DVS advised this local planning authority in connection with the area wide viability assessments which supports the existing planning policy.
- f) The DVS viability review assessment has been carried out with due diligence and in accordance with section 4 of this professional statement
- g) The signatory and all other contributors to this report, as referred to herein, has complied with RICS requirements.

### 3.4 Most Effective and Efficient Development

It is a mandatory requirement of the **RICS** 'Financial viability in planning: conduct and reporting' Professional Statement for the member or member firm to assess the viability of the most effective and most efficient development.

The applicant's advisor has assessed the viability based on 618 apartments and has assessed the viability based upon a sale of the entire development to an investor. Having considered the size and location of the development, the applicant's proposal is considered to be reasonable. The DVS Valuer agrees that the scheme is an efficient and effective development.

### 3.5 Signatory

- a) It is confirmed that the viability assessment has been carried out by 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.
- b) As part of the DVS Quality Control procedure, this report and the appraisal has been formally reviewed by Registered Valuer, who also has the appropriate knowledge, skills and understanding necessary to complete this task
- c) Other Contributors As part of my viability review, I have relied on professional opinions provided by Rex Procter and Partners (Andrew Cooper). Rex Procter and Partners have been independently appointed by Leeds City Council and have provided me with advice relating to build costs.
- d) DVS has provided viability assessment reviews for Leeds City Council for a number of years.

# 3.6 Bases of Value

The bases of value referred to herein are defined in the TOE at **Appendix IV** and are sourced as follows:

- Benchmark Land Value is defined at Paragraph 014 of the NPPG.
- Existing Use Value is defined at Paragraph 015 of the NPPG.
- Alternative Use Value is defined at Paragraph 017 of the NPPG.
- Market Value is defined at VPS 4 of 'RICS Valuation Global Standards'
- Market Rent is defined at VPS 4 of 'RICS Valuation Global Standards'
- Gross Development Value is defined in the Glossary of the RICS GN 'Valuation of Development Property' (February 2020).

### 4.0 Assumptions, and Limitations

### 4.1 Special Assumptions

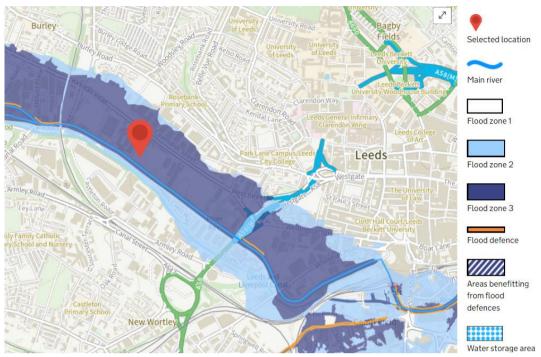
As stated in the terms the following special assumptions have been agreed and will be applied:

- 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 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.
- That the development as proposed is complete on the date of assessment in the market conditions prevailing on the date.

### 4.2 General Assumptions

The site has been inspected on a partial basis. 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.

- 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 The applicant has not specifically included abnormal development costs for flood alleviation. DVS have referred to the Environment Agency's Flooding 'flood risk assessment' mapping tool which indicates the site is in Flood Zone 3 and subject to a flood risk as indicated by the plan below.



Source: Flood Map for Planning

 Asbestos - It is assumed any asbestos will not occasion any extraordinary costs over and above those identified by the applicant and considered as part of abnormal costs.

# 5.0 Proposed Development

# 5.1 Location / Situation

The subject site is located to the south of Kirkstall Road with additional vehicular access from Washington Street.

It is situated overlooking the River Aire and lies approximately 1 mile north-west of Leeds train station and the city centre.

The site is bound by the Tannery and a Nissan Dealership. It is also surrounded by a mixture of commercial uses including Kirkstall Brewery, ITV Yorkshire Studios, Evallance UK Entertainment, Kwikfit.

The site benefits from ease of access to the city centre and along the main route A65 west to Rawdon.

# 5.2 <u>Description</u>

The subject site is previously developed land. The site also currently comprises the office of the former Arla Foods Depot and a substation. The site enjoys a broadly level topography and is abutted by Kirkstall Road and Washington Street and the River Aire to its south.

### 5.3 Site Plan and Area

Approximately 5.12 acres / 2.07 hectares.

### 5.4 Schedule of Accommodation / Scheme Floor Areas

DVS make no comment about the density, design, efficiency, merit or otherwise, of the suggested scheme, the accommodation details have been taken from the applicant's appraisal and are summarised below:

### Rental Area Summary

	Units	ft <sup>2</sup>
Block A: BTR Apartments	126	79,993
Block B: BTR Apartments	120	74,026
Block D: BTR Apartments	122	74,958
Block E: BTR Apartments	108	70,131
Block F: BTR Apartments	18	13,651
Block F: BTR Apartments (APR Units)	124	80,214
Car Parking	219	
Block A: Commercial Unit	1	3,832
Totals	838	396,805

Source: CBRE

The proposed scheme comprises a residential scheme delivering 618 Build to Rent Apartments across a mix of 1, 2 and 3 bed apartments, 1 ground floor retail unit, resident amenity and 231 car parking spaces.

The scheme extends to a maximum of 12 storeys. The proposed development comprises 5 blocks, situated on the former Arla Foods site in a L-shaped arrangement with dual vehicular access from Kirkstall Road (A65) and Washington Street.

The scheme includes landscaped areas and public open space. The applicant has originally set out in their viability assessment that the schemes Gross Internal Area (GIA) equates to 519,993 sqft.

I refer you to a summary of areas below which is an extract from the applicants original viability report illustrating the size and total number of apartments within the scheme expressed as the net internal areas:

Unit Type	Unit Qty	Avg. NIA (ft²)	Total NIA (ft²)
1-Bed	308	526	162,097
2-Bed	248	701	173,825
3-Bed	62	920	57,050
Total/ Avg:	618	636	392,972

Source: CBRE

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).

As agreed in the terms, any office and / or residential property present has been reported upon using a measurement standard other than IPMS, and specifically

Gross Internal Area has been used. Such a measurement is an agreed departure from 'RICS Property Measurement (2<sup>nd</sup> Edition)'.

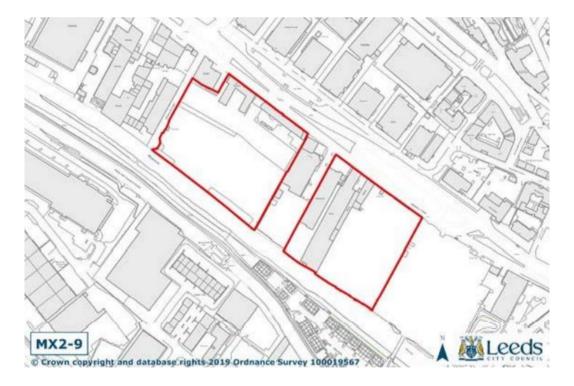
I understand that you requested this variation because this measurement standard is how the applicant has presented their data, is common and accepted practice in the construction / residential industry, and it has been both necessary and expedient to analyse the comparable data on a like with like basis.

### 5.5 Planning

 a) Local Plan: Leeds City Council's Statutory Development Plan includes the Core Strategy (2014) where the remaining policies onto the Unitary Development (2006), including the proposals map.

Leeds City Council's Site Allocation's Plan (SAP) was adopted on 10 July 2019. The site reference MX2-9 (3390\_3393) includes the application site (western red edged land parcel) and extends to 5.2 hectares (12.85 acres) together. The eastern land parcel is not part of this planning application. Taken together the site is allocated for housing with a provision of 553 residential units and 41,000 sqm of office space. The policy also notes that some of the site should be retained for a school and therefore a detailed masterplan approach is required for the development of this site. The onsite educational requirement has more recently been confirmed as not being needed.

HMCA Inner Area in Ward Hyde Park and Woodhouse.





- b) The Local Authority viability study sets out that a scheme in this location should provide 7% affordable housing.
- c) Developments are expected to meet the policy provision as prescribed in the Plan. DVS have not been made aware of why this scheme has been accepted for site specific viability assessment.

## 5.6 Policy Requirements for the Scheme

Further to your confirmation my review assessment includes the following Local Plan policy requirements with S106 £1,168,896.90 and CIL of £308,032.25:

Education Contribution	£162,510.31
Greenspace Off Site Contribution	£624,458.09
Sustainable Travel Fund	£158,053.50
Off Site Highway Contribution	£197,000
Bus Shelter	£20,000
Travel Plan Monitoring Fee	£6,875
Community Infrastructure Levy	£308,082.25

The applicant's original viability assessment incorporated some different costs which					
departed from policy namely:					
Community Infrastructure Levy	£308,032				
Section 106	£1,700,000				

Planning policy requirements should be factual and agreed between the LPA and the applicant. If the review assessment adopts an incorrect figure and / or a (significantly) different figure is later agreed the viability conclusion should be referred back to DVS.

# 5.7 Planning Status

I have made enquiries of the Planning Authority as to the planning status and history which has revealed that there are no extant consents, and there have been previous planning applications on the site.

## Previous applications include:

Ref: 20/03494/OT including follow up 22/03145/COND

Received: 17 June 2020

Description: Full planning permission for demolition of existing buildings and structures and Outline planning permission with all matters reserved, except for access, for the redevelopment of the site for residential dwellings (use class C3), flexible commercial space (use classes A1, A2, A3, A4, D1 and D2) and associated refuse and plant infrastructure, landscaping, new public realm and open space.

Status: Approved

The previous consent was granted for up to 631 residential apartments (use class C3) comprising a mix of one, two- and three-bedroom units; and - Up to 965m² of ground floor flexible commercial space to serve the new community (Use Class A1, A2, A3, A4, D1 and D2) spread across six units. A landmark 16 story building marking the centre of the site. The rest of the blocks are between 6 to 12 storeys and complete the development.





# 6.0 Summary of Applicant's Viability Assessment

## 6.1 Report Reference

DVS refer to the Financial Viability Assessment prepared by CBRE dated March 2022 and the appraisal(s) therein. The surveyor and firm are noted to be a member and member firm of the RICS and the report states that they have followed mandatory and best practice professional statement and guidance of the RICS.

## 6.2 Summary of Applicant's Appraisal

In summary the applicant's appraisal has been produced using Argus Developer software and follows established residual methodology. This is where the Gross Development Value less the Total Development Costs Less Profit, equals the Residual Land Value, and the Residual Land Value is then compared to the Benchmark Land Value as defined in the Planning Practice Guidance, to establish viability.

The applicant outlines in their report the following:

- The proposed scheme with 20% Affordable Housing, at Discounted Market Rents, and the required Section 106 and CIL Policy requirements produces a Residual Land Value of negative -£6,583,871;
- The applicant has stated a Benchmark Land Value is £6,310,000 based upon comparable evidence.
- As referred to earlier the applicant's report contains a residual land valuation of minus £6,583,871 for a policy compliant scheme which is below their opinion of Benchmark Land Value and therefore the applicant seeks to demonstrate that no-Affordable Housing / financial planning contributions are viable.

 The applicant's advisor concludes a scheme with sub policy compliant contributions is unviable. Notwithstanding the significant shortfalls identified, it is understood the applicant intends to deliver this scheme.

To review the reasonableness of this conclusion, the reasonableness of the applicant's appraisal inputs is considered in the next sections.

# 7.0 Development Period / Programme

- 7.1 The development period adopted by the applicant's advisor is 37 months comprising:
  - 1 month for site purchase
  - 3 months pre-construction/ site preparation
  - 32 months for construction
  - 10 months for sales starting at month 27

The completed scheme will be sold at the practical completion of the construction phase of each block / phase.

7.2 This is considered reasonable I have adopted the same development period and programme.

# 8.0 Gross Development Value (GDV)

I set out below the GDV for the scheme.

The applicant's viability surveyor has adopted a GDV of £128,746,462 this comprises:

Market Housing GDV	£101,571,084
Affordable Housing GDV	£20,618,160
Other GDV (Car Parking and Commercial Unit)	£6,557,218

I have reviewed the GDV proposed with regards to RICS Guidance Notes 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' and 'Comparable Evidence in Real Estate' and my conclusions are set out below.

#### 8.1 Market Value of Private Dwellings

The applicant's consultant has undertaken market research into new Build to Rent developments within the city centre and have focused on four schemes: Mustard Wharf, Leodis Square, Pin Yard and The Headline.

I would comment that each scheme benefits from ease of access to the city centre amenities, services and transport links, although Mustard Wharf occupies the most superior position, 5 minutes' walk from the train station and delivering enhanced specification and on-site amenity.

I disagree with the rents adopted by the applicant's advisor as I have agreed rents for viability purposes at numerous other properties schemes in the city centre including developments off Water Lane / Globe Road / SOYO adjacent to West Yorkshire Playhouse which have been agreed with developers at higher rental values for 1-, 2- and 3-bedroom units.

I have had regard to previous agreements with PRS / Build to Rent developers when determining rental values for this scheme. I summarise below evidence of previous agreements in respect of PRS / Build to Rent schemes in the city which have been anonymised but further details can be provided upon request:

## Agreed Rental Values for PRS Schemes in Leeds

Location	Studio (sqm & £/sqm) 1 bed (sq		2 bed (sqm & £/sqm)	3 bed (sqm & £/sqm)	
Leeds City Centre Scheme A	31.5 / £264.37	47.5 / £201.72	62.5 / £193.75	76.00 / £203.45	
Leeds City Centre Scheme B	Blank	49.0 / £201.93	70.0 / £175.56	85.83 / 195.69	
Leeds City Centre Scheme C	Blank	45.6 / £249.73	67.8 / £224.75	92.10 / £210.97	
Leeds City Centre Scheme D	Blank	42.7 / £201.82	63.45 / £175.45	85.00 / £195.69	
Leeds City Centre Scheme E	37.43 / £228.41	45.6 / £249.73	67.81 / £224.75	92.15 / £210.97	
Leeds City Centre Scheme F	Blank	45.7 / £236.38	69.21 / £224.43	96.98 / £219.59	
		46.91 / £232.28	69.02 / £224.86	89.55 / 226.04	
Leeds City Centre Scheme G	40.78 / £220.77	45.06 / £226.36	63.73 / £231.42	86.12 / £232.18	
		50.17 / £215.06	71.26 / £228.09		

In the current market there has been increases in rental values for city centre properties as a result of return to office workplace strategy, and the return of young people (students and international students).

The Office of National Statistics are saying that in the 12 months to April 2022, rental prices for the UK, excluding London, increased by 3.4%; this is up from an increase of 3.3% in March 2022.

In light of the above evidence, I have adopted the following gross rents for the market value apartments within the Kirkstall Road Scheme:

Rental Area Summary				Initial
	Units	ft²	Rent Rate ft <sup>2</sup>	MRV/Unit
Car Parking	219			1,700
Block A: Commercial Unit	1	3,832	15.00	57,480
Block A: 1 Bed Apartments	41	21,387	20.01	10,438
Block A: 2 Bed Apartments	6	3,978	21.60	14,321
Block A: 2 Bed Apartments	42	27,930	21.59	14,357
Block A: 2 Bed Apartments	9	6,498	21.36	15,422
Block A: 2 Bed Apartments	15	10,905	21.34	15,514
Block A: 2 Bed Apartments	12	8,784	21.32	15,606
Block A: 1 Bed Apartments (DMR)	1	522	16.01	8,352
Block B: 1 Bed Apartments	60	31,260	20.01	10,425
Block B: 1 Bed Apartments	24	12,528	20.01	10,445
Block B: 2 Bed Apartments	12	8,724	21.34	15,514
Block B: 3 Bed Apartments	24	21,528	21.73	19,492
Block D: 1 Bed Apartments	4	2,076	20.02	10,390
Block D: 1 Bed Apartments	62	32,302	20.01	10,425
Block D: 1 Bed Apartments	6	3,354	19.56	10,934
Block D: 2 Bed Apartments	4	2,648	21.60	14,299
Block D: 2 Bed Apartments	6	3,984	21.59	14,336
Block D: 2 Bed Apartments	10	6,650	21.59	14,357
Block D: 2 Bed Apartments	12	8,520	21.41	15,201
Block D: 2 Bed Apartments	10	7,350	21.31	15,663
Block D: 3 Bed Apartments	8	8,072	21.00	21,189

Block E: 1 Bed Apartments	38	19,798	20.01	10,425
Block E: 1 Bed Apartments	8	4,304	19.98	10,749
Block E: 2 Bed Apartments	16	10,640	21.59	14,357
Block E: 2 Bed Apartments	10	6,660	21.58	14,372
Block E: 2 Bed Apartments	16	11,712	21.32	15,606
Block E: 2 Bed Apartments	10	7,790	21.15	16,476
Block E: 3 Bed Apartments	8	7,352	21.58	19,832
Block E: 3 Bed Apartments	2	1,864	21.50	20,038
Block F: 1 Bed Apartments	33	17,193	20.01	10,425
Block F: 1 Bed Apartments	11	5,742	20.01	10,445
Block F: 1 Bed Apartments	11	5,918	19.98	10,749
Block F: 1 Bed Apartments	9	5,715	18.30	11,621
Block F: 2 Bed Apartments	18	11,970	21.59	14,357
Block F: 2 Bed Apartments	11	7,326	21.58	14,372
Block F: 2 Bed Apartments	18	13,176	21.32	15,606
Block F: 2 Bed Apartments	11	8,569	21.15	16,476
Block F: 3 Bed Apartments	9	8,109	21.70	19,552
Block F: 3 Bed Apartments	11	10,131	21.57	19,866

# Net Rental Income Capitalisation Yield

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

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

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

Description	Cost expressed as a percentage of gross revenue
BTR Operating Costs	26%

Their viability report did not include a detailed commentary justifying the allowances adopted.

I have adopted a lower percentage for calculating the net rental income of 25% which is supported by agreements with other developers in Leeds for multi-block schemes of between 700 and 800 units where PRS viability appraisals have been submitted for multiple buildings within a scheme.

Operation Voids	2.5%
Bad Debt	0.5%
Council Tax Voids	1%
Void Utilities	1.5%
Management Fees	9% inclusive of VAT
Operational Expenditure	10.50 %

Total	25%

Further evidence can be provided in due course on a confidential basis subject to the Commissioners and Revenue Act restrictions. In the meantime, I refer you to a schedule of anonymised evidence in Appendix 17.3

## Capitalisation Yield

The applicant has adopted a Net Initial Yield (NIY) of 4.50% to the net revenue which is considered by DVS to be reasonable, for an institutional grade asset of this type in Leeds City Centre.

The applicant states anecdotal evidence for what they believe are comparable schemes in Leeds and Manchester.

I am aware that Legal & General secured forward funding of approximately £57m to bring forward the 'Tower Works' development – 245 Build to Rent units - in the South Bank regeneration area of Leeds which is relatively close to the subject site. Whilst exact transactional details remain commercially confidential.

I refer you to a table below which contains evidence of agreed capitalisation yields, for net income for a number of PRS schemes in Leeds City Centre. The developers were advised by a full suite of professional advisers and agreed and analysed capitalisation yields as summarised below.

PRS Schemes	Gross to	Revenue	Furniture	Capitalisation	Professional	Benchmark	Finance	Advisors	Purchasers	Contingency	Agreed	Notes
	Net	Per Parking	Allowance	Yield	Fees	Land		Fees	Costs		Profit	
	Leakage	Space			Construction	Value/acre					on Cost	
	(96)										(%)	
17-20 storeys comprising 463 residential units	23.78%	£1,800	£1,700	4.80%	7%	£1.328m	6%	0.55% Funding	0.50%	3%	8.04%	Previous consent for Office
102 parking								£255,000				Development
spaces								Freehold				
,								Monitoring				
349 Apartments, 53 car parking	23%	£1,500	NIL	4.50%	6.2%	£1.011m	5%	2%	1.72%	3%	8.0%	Site occupied by modern
spaces										£1740.09		industrial buildings
322 Apartments across 3 blocks on	25%	1500	£2000	4.65%	6.4%	£375,000	5%	0.75% Appt.	1.75%	3%	8.08	3 Blocks on two separate
two sites intersected by the								0.25% Legal				sites
public highway												
783 Units across 8 blocks of apartments with	25%	£1,800	£2,000	4.5%	8%	£581,000	5%	0.25 Agent 0.1 Legal	0.25	3%	8.055	8 blocks apt bocks and large area of
in excess of												public realm
30,000 sq.ft.of commercial space												
245 Apartments within a City	23.75%	N/A	£2,000	4.5%	8%	£974,417	5%	0.85% Agent 0.5% Legal	1.6%	3%	8.08	Next to Train Station
Centre site with a high proportion												
of Public Realm	l					l		l	l		l	1
Units Tower	l					l						
Works	l					l						1
Works Leeds	l					l						
Leeds												

# **DVS Reasoning and Conclusion**

Based on my comments above, I have given greater weight to the agreed capitalisation yields for PRS scheme I have reviewed in Leeds City Centre. I have therefore adopted a yield of 4.5%.

## 8.2 Discounted Market Value for the Affordable Apartments

By virtue of my difference of opinion regarding market value rents the Discounted Market Rents (DMR) are higher than those adopted by the applicant. The applicant has adopted the DMR income summarised below:

Tenure	Unit Type	Total Units	Avg. Unit NSA (ft²)	Total NSA (ft²)	Avg. Gross Rent PCM (£/Unit)	Avg. Gross Rent PA (£/Unit)	Total Gross Rent PA (£)	Avg. Gross Rent (£/ft²)
Open Market	1-Bed	248	523	129,628	£872	£10,461	£2,594,213	£20.01
	2-Bed	196	699	137,015	£1,142	£13,702	£2,685,674	£19.60
	3-Bed	50	922	46,116	£1,495	£17,935	£896,733	£19.45
Open Market Total/ Avg:		494	633	312,758	£1,042	£12,503	£6,176,620	£19.75
APR	1-Bed	60	541	32,469	£710	£8,521	£511,281	£15.75
	2-Bed	52	708	36,810	£919	£11,023	£573,182	£15.57
	3-Bed	12	911	10,934	£1,176	£14,112	£169,344	£15.49
APR Total/ Avg	j:	124	647	80,214	£843	£10,111	£1,253,807	£15.63
Scheme Avg/ 1	otal:	618	636	392,972	£1,002	£12,023	£7,430,427	£18.91

Source: CBRE

#### 8.3 Market Value of Commercial Units

The applicant's consultant has undertaken market research into new nearby lease and sale transactions.

They refer that there are limited comparables available and have focused on two comparables: 1 Gower Street and 1 Cypress Point, Leylands Road.

Gower Street is located 2 miles away from the subject through the other side of Leeds city centre along the A64M. This was constructed in 2020 as a hotel and premises and is currently occupied by Hampton by Hilton.

This is a 1,250 sqft ground floor retail unit let in January 2022 on a five year term at a market rent of £17,500 per annum; £14 per sqft.

Cypress Point, Leylands Road is located 2.3 miles away from the subject through the other side of Leeds city centre in a similar situation to 1 Gower Street.

This is an 829 sqft ground floor retail unit let in November 2022 at a rent of £12,000 per annum; £14.48 per sqft. This is currently let as a coffee shop.

The subject properties retail unit is due to be located on the ground floor of Block A which will front Kirkstall Road and The Tannery at 3,832 sqft.

Both of the applicants consultants comparable properties are considerably smaller than the subject by at least half.

#### DVS Comparables

46 Burley Street, LS3 1LB – This is let by Co-operative Group Ltd and located on the ground floor under UNION Student Living. It is 265 sqm (2,852 sqft). It is let at £55,800 per annum on a 15 year lease from September 2020. We are aware of a 4 month rent free period. The property was constructed in 2020 and is  $\frac{1}{2}$  mile from the subject. £19.57 per sqft.

I have also had regard to a variety of other evidence mainly located at Wellington Place which is arguably one of the newest and closest developments incorporating retail and leisure uses on the ground floors.

# Schedule of Comparables

DATE	ADDRESS	TENANT	AREA SQ FT	NET RENT	RENT/SQ FT	
26/11/2019	6 Wellington Place	Mad Fran	1883	£36,000	£19.12	
01-Mar-19	1 Whitehall Place LS12 1AA	Deli No.1	654	£15,000	£22.94	
12-Jan-18	10 Wellington Place LS1 4AP	Sociable Folk	1,270	£24,500	£19.29	
18-Sep-18	5 Wellington Place LS1 4AP	Sainsburys	4,492	£82,151	£18.29	
08-Aug-17	Unit 32 Block H Leeds Dock	North Str Coffee Shop	1,472	£35,400	£24.05	
	Basement 68 Wellington Street	-				
19-May-17	LS1 2EE	Basement 65 Barbers	1,100	£48,000	£43.64	
26-Oct-16	5 Wellngton Place LS1 4AP	Veeno	2,357	£37,656	£15.98	

Source: CoStar

Wellington Place is a more established centre for retail and leisure than Whitehall Riverside and the rents above indicate a "tone" of value of between £16 moving to £19 per sqft for the most recent transactions which took place before the Covid Pandemic. In addition, hybrid working has also reduced footfall in and around Wellington Place and Whitehall Riverside.

The rents summarised above are net adjusted rents which include allowances for rent free periods. The general level of rent free has been 12 months with the exception of Veeno which was offered 23 months in 2016. As you are aware the Globe Road scheme includes and allowance of 24 months rent free.

At present "letting risk" within the applicants appraisal is currently accounted for by a 24 month rent free period and a yield of 7% which I have accepted as reasonable. I have included a rent free/void period for the commercial space within the residential blocks and also adopted a headline rent of £15 per sqft.

#### 8.4 Market Value of Car Parking

In addition to the rental apartments the scheme incorporates 231 car parking spaces, including 12 accessible spaces. As such the applicants consultant regarded that 219 parking spaces would be lettable at an assumed additional rent of £100 per calendar month per space.

I agree with their approach of adopting 100% take-up as there are 219 car parking spaces serving 618 apartments in the city centre and there is likely to be a waiting list for spaces.

Furthermore, Leeds City Council Supplementary Planning document for parking published in 2016 refers to "Supporting: Core Strategy T1" (paragraph 4.1.2) "Limiting the supply of commuter parking in areas of high public transport accessibility, such as the City Centre" which means city centre parking in the future will be at a premium.

Based on current evidence of parking spaces let in Mustard Wharf I have adopted £1,700 per parking space. I understand from my enquiries that there is a substantial list for parking spaces Mustard Wharf.

# 8.5 Total GDV

My total for GDV is £144,609,287 which is £15,862,825 higher than the applicant.

## 9.0 Total Development Costs

## 9.1 Summary of Costs

The applicant's viability consultant submitted costs in their original viability appraisal dated March 2022. The report included a cost plan dated 30 March 2022 which was prepared by Abacus Cost Management.

Rex Proctor and Partners has been appointed by Leeds City Council to act as independent cost consultants and they approached Abacus Cost Management to confirm that their build costs were current in March 2022. The applicant's cost consultant Abacus confirmed that their costs were out of date and resubmitted a cost plan dated 26 July 2022.

Since the initial cost plan there has been a significant increase in build costs and as a consequence, the applicant's total build costs for the scheme have increased from £103,119,078 in March 2022 to £106,338,220 on 26 July 2022 and then again in September 2022 to £113,743,000 inclusive of 2.5% contractors contingency / risk allowance.

I refer to the extract below from the Rex Proctors and Partners report advising on the reasonableness of the applicant's updated cost plan:

"The revised cost plan dated 1st September 2022 has been prepared by Abacus and assumes a design and build form of contract, with current day pricing.

Contract period has been stated at 146 weeks. No allowance has been included for inflation to a mid-point of construction.

A high level summary of cost plan is as follows: -

- Construction Cost £113,870,000
- Cost/m² (GIA) £2352.93
- Cost/sqft (GIA) £218.60
- Cost/apartment £184,255.67

The above figures represent a circa 6% increase on the previous cost plan.

As noted above, we have reviewed in detail the cost plan and associated assumptions and exclusions and note the following key observations: -

- Fees are excluded
- Contingencies are excluded although a Contractors contingency price risk allowance of 2.5% has been allowed for
- S106 and any offsite works are excluded
- Allowance of £1,503,000 for demolition and remediation based on tenders.

The cost plan contains a number of lump sum allowances for items such as attenuation, substation, contamination etc pending further investigations/design.

Also an allowance for the external envelope is included which will need to be reviewed as design and materials choices evolve.

The allowances included for main contractor preliminaries, overheads and profit and contingencies are considered reasonable given current market conditions

Our detailed review of the cost plan identifies items which in our opinion are priced on the high side, but countered by some items which are low.

It should also be noted that the cost plan includes £5.65m for external works which equates to circa £11/sqft. An element of this could be considered as a site abnormal cost.

Overall the cost plan is considered reasonable given current market conditions. A 6% increase from the previous cost on the face of it appears high, however to put this in context the recent steel and concrete increases are in excess of this."

# 9.2 Summary Agreed Cost Inputs

The following cost inputs have been accepted as reasonable and adopted by DVS in the review assessment.

Cost	Agent	DVS	Comments
Contingency	2.5%+0.5%	3%	Contractors Price Risk Allowance
Latent Defects Insurance	£760,000	£760,000	Insurance against contractor insolvency
Amenity Furniture Allowance	£65,000	£65,000	Agreed
Furniture Allowance for Apartments	£2,625 per apartment	£2,000 per apartment	An allowance for installation of furniture in apartments in accordance with numerous viability schemes agreed in Leeds city centre
Professional fees	7.5%	7.3%	Not Agreed
Marketing	£300,000	Nil	Marketing Costs including in the gross the net rent adjustment
Commercial letting agency fees	10%	10%	Agreed
Commercial letting legal fees	5%	5%	Agreed
Investment sale agent fee	1%	0.25%	DVS conclusion supported by evidence of agreed comparable DVS financial viability appraisals
Investment sale legal fee	0.5%	0.10%	DVS conclusion supported by evidence of agreed comparable DVS financial viability appraisals
Land acquisition fees & Stamp Duty Land Tax	2%	1.5% plus prevailing Stamp Duty 2%	SDLT plus 1.5%

Finance	4.5%	5%	100% debt funded scheme; land
			purchased in entirety at day 1
			reflecting recent turbulence in
			funding markets

## 10.0 Developer's Profit

10.1 The applicants advisor has adopted an approach which assumes a target profit of 10% profit on cost.

I disagree with this and have adopted a target profit of 8% profit on cost and is evidenced by previous viability schemes. I refer you to a schedule of evidence in Appendix 17.3

# 11.0 Benchmark Land Value (BLV)

## 11.1 Applicant's BLV

The applicant's surveyor has adopted a Benchmark Land Value of £6,310,000, equivalent to £1,232,421.88 per acre this is based upon reference to:

- Alternative Use Value as a car park or open storage land
- Market Transactional evidence with the greatest weight attached to the Globe Road transaction.

It appears the applicant has favoured comparable evidence for land values in respect of the former Yorkshire Post Site and Globe Road. However, we note there is no comprehensive analysis or workings for their conclusion regarding the benchmark land value.

Please also note that the applicant has not made any reference to the sites purchase price on 15 December 2021 when Glenbrook KR Limited purchase the site for £5,800,000 with extant consent which was fully policy compliant in respect of Section 106, CIL and affordable housing. The purchase price is equivalent to £1,132,812.50 per acre.

In forming my opinion of BLV I have followed the five-step process, which is detailed in RICS GN 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' (effective 1 July 2021).

#### 11.2 Existing Use Value (EUV)

Step one is to undertake a valuation to determine EUV.

The Applicant has not offered an opinion as to the EUV due to 'the lack of an existing use at the site'.

However, in my opinion it is not unreasonable to consider the EUV as a continuation of the sites former use as employment land recognising the site would suit use as open storage land.

To inform an appropriate value as open storage and industrial development land, we have had regard to transactional freehold evidence of open storage land within the Leeds vicinity which is summarised below.

**Access 26** – a site extending to 11.9 acres, it was acquired by Tungsten Developments in autumn 2021 at a price equivalent to £780,000 per acre, reflective of piling works required to facilitate development.

**Triangle 45** – located at Cross Green to the eastern fringe Leeds, it extends to 11.14 acres and was acquired by Chancergate for £725,000 per acre in July 2021.

**Gateway45** – the site extends to 43 acres and lies adjacent to Junction 45 of the M1 and a 5-minute drive from the M62. It was acquired by PLP in May 2019 for £500,000 per acre.

The above evidence is representative of prime, logistical locations with superior accessibility to the motorway network. They are also significantly larger and therefore a quantum adjustment is appropriate.

The subject site lies within a city centre location and its access is not ideal for large haulage vehicles, which would impact its marketability as open storage land. On balance, I therefore consider a rate of £600,000 per acre to be appropriate.

I therefore consider the EUV to be approximately £3.1m.

# 11.3 Alternative Use Value (AUV)

Step two is the assessment, where appropriate, of the AUV.

I have undertaken a residual valuation of the existing extant consent for 631 PRS apartments within six blocks. I have based my appraisal on the build costs recommended by RPP to £202.45 per sqft and adopted the Section 106 costs and the CIL and affordable housing obligations as set out in the signed Section 106 agreements. This has resulted in a residual land value of £6,529,587 which is equivalent to £1,275,310 per acre. However, the site was purchased in advance of significant market turmoil which has resulted in Bank of England interest rates increasing and impacting on development finance markets

## 11.4 Cross Sector Collaboration Evidence of BLV and Premium

The RICS GN explains that Step three is to assess a premium above EUV based on the evidence set out in PPG paragraph 016, which is 'the best available evidence informed by cross sector collaboration. which can include benchmark land values from other viability assessments' comparisons with existing premiums above EUV'.

I have first considered Other Benchmark Land Values (BLV) such as those adopted in local plan studies produced under public scrutiny to inform policy for viability purposes or those put forward by applicants and accepted by DVS, or those put forward by DVS and accepted by an applicant or as adopted and agreed between DVS and an applicant's advisor.

In terms of established benchmarks, the area study for city centre residential was agreed at £750,000 per acre as published by Avison Young on behalf of Leeds City Council.

I have also had regard to whether the site-specific costs would support a benchmark land value consistent with the evidence. The residual land value of the planning compliant scheme, based on 20% of units have discounted rents at 80% of market value rents, is minus £6,529,587m which is higher than the applicants benchmark land value. Therefore the implication is that the scheme is fully viable.

I have also considered a site where 783 Dwellings and 2,315 sqm of Commercial Uses. The site is also situated off Globe Road / Water Lane at the junction of the River Aire and Leeds to Liverpool Canal, and the Leeds to Manchester rail line.

The site is bounded by Globe Road and Whitehall Road with immediate road access to the A643, M621 and wider motorway network. The subject site lies outside the Holbeck Conservation Area but also within Flood Zones 2 and 3. The site comprises 2 parcels of irregular shaped brownfield land.

The site extends to 1.8 hectares (4.45 acres) and lies to the south of Globe Road, the west of Whitehall Road and to the north of the railway line. The comparable site had been cleared of all industrial buildings and comprised concrete slabs, retaining walls and fences and slopes around 3 metres from west to east.

The smaller parcel extends to 0.20 hectares (0.49 acres) and is bounded by the Leeds to Liverpool Canal to the north, and Globe Road and the railway line to the south. It comprises a redundant showroom and lies at a lower level to the larger site, broadly level with the canal.

The surrounding area is occupied by a variety of established employment uses to the south and east and new build office and retail uses to the north along Whitehall Road and Wellington Street.

The benchmark land value agreed with Cushman and Wakefield was equivalent to £581,983 per acre which supports the proposed BLV of £720,000 per acre for the subject site after an allowance for the relative locations and quantum.

I have also had regard to the agreed benchmark land value for a scheme at Tower Works comprising erection of 245 dwellings & partial demolition of existing structures

and the erection of two buildings ranging from five to eleven storeys, comprising PRS apartments.

The site extended to approximately 2.13 acres (0.86 hectares). The viability appraisal was agreed between DVS and the applicants consultant at £843,457 per acre.

It is my balanced and professional opinion having considered all of the above to place greatest weight to other benchmarks, and that a fair and reasonable BLV for this site would be between £750,000 to £1,150,000 per acre. However, I have also considered the sites recent purchase price on 15 December 2021 and refer to my comments below.

# 11.5 Purchase Price

The NPPG on viability encourages the reporting of the purchase price to improve transparency and accountability, however it discourages the use of a purchase price as a barrier to viability, stating 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.

The PPG does not, however, 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.

I understand that the purchase price on 15 December 2021 for a fully policy compliant scheme with a signed Section 106 agreement at £5,800,000. The purchase price late last year was equivalent to £1,132,812.50 per acre.

It should be noted that it is reasonably to assume that the applicant would not have paid £1,132,812.50 per acre in the knowledge that construction costs would increase for the current scheme from £103,119,078 in March 2022 to £113,743,000 in September 2022. Therefore, I have given less weight to the purchase price in December 2021.

## 11.6 Benchmark Land Value Conclusion

The reasonableness of the applicant's £6,310,000 Benchmark Land Value has been considered against:

- The EUV of £3,100,000
- EUV Premium £NIL due to current market uncertainty
- Alternative use value £6,529,587 based on the sites previous scheme
- Benchmark Land Values (BLV) adopted in the local plan study for this £3,840,000
- BLV adopted and agreed between DVS and an applicant's advisor, with greatest weight BLVs which delivered full policy as £5,888,000 listed above

The purchase price £5,800,000

It is my balanced and professional opinion having considered all of the above approaches and giving greatest weight to the Existing use value and the established planning policy benchmark derived from the area study for city centre residential was which agreed at £750,000 per acre as published by Avison Young on behalf of Leeds City Council.

In conclusion, I considered the benchmark land value is £3,000,000 or £585,937.50 per acre which reflects the impact of recent market uncertainty and build cost inflation.

# 12.0 DVS Viability Assessment

## 12.1 DVS Viability Appraisal 1 Policy Compliant Scheme

My viability review assessment has been produced using Argus Developer software.

Appraisal 1 can be found at **Appendix (i)** which contains my viability conclusion setting out on site Affordable housing and CIL/. It also confirms the scheme cannot support any s.106 contributions costs based on a developer's profit of 8% and a BLV at £3,000,000.

It is my independent conclusion a planning policy compliant scheme is not viable.

## 13.0 Sensitivity Analysis

- 13.1 Further to mandatory requirements within the RICS Professional Statement 'Financial viability in planning: conduct and reporting', sensitivity tests are included to support the robustness of the viability conclusion described above.
- 13.2 I have varied one of the most sensitive appraisal inputs relating to base construction costs. I have adjusted these in upward and downward steps of £1.5 per sq ft from the base appraisal assumption, and the output is the profit, which can be compared to the BLV Target Developers Profit of 8%.

## 13.3 **Sensitivity Test**

Table of Profit on Cost% and Profit Amount									
Construction: Rate /ft²									
-6.00 /ft²	-4.50 /ft²	-3.00 /ft²	-1.50 /ft²	0.00 /ft²	1.50 /ft²	3.00 /ft²	4.50 /ft²	6.00 /ft²	7.50 /ft²
10.966%	10.209%	9.462%	8.725%	7.998%	7.281%	6.573%	5.875%	5.185%	4.505%
14,290,622	13,395,389	12,500,157	11,604,924	10,709,691	9,814,458	8,919,226	8,023,993	7,128,760	6,233,527

13.4 The base conclusion is shown in the centre of the results table (white cell). The green cells indicate the impact on profit if build costs reduce by £1.50 per sqft increments, and the red cells illustrate an unviable scheme if costs increase by increments of £1.50 per sqft.

#### 14.0 Recommendations

Summary of key issues and recommendations.

## 14.1 Viability Conclusion

Following the above testing work it is my considered conclusion that the proposed development is not able to support full planning policy requirements

I have appraised the scheme to establish what level of contributions the scheme can reasonable support and conclude it can provide 1 (one) affordable apartment, a CIL contribution of £308,082.25 and no contributions to section 106 costs.

## 15.0 Engagement

- 15.1 The DVS valuer has not conducted any negotiations with the applicant or any of their other advisors.
- 15.2 Should the applicant disagree with the conclusions of our initial assessment; we would recommend that they provide further information to justify their position. Upon receipt of further information and with your further instruction, DVS would be willing to review the new information and reassess the schemes viability.
- 15.3 If any of the assumptions stated herein this report and / or in the attached appraisal are factually incorrect the matter should be referred back to DVS as a re-appraisal may be necessary.
- 15.4 Following any new information and discussions a Stage Two report may then be produced, however if the conclusion is unchanged, a redacted version of this report including refence to the discussions will be provided.

#### 16.0 Disclosure / Publication

- 16.1 This initial review report is not for publication.
- 16.2 The report has been produced for Leeds City Council only. DVS permit that this report may be shared with the applicant and their advisors CBRE as named third parties only.
- 16.3 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 (named or otherwise) who may seek to rely on the content of the report.
- 16.3 Planning Practice Guidance for viability promotes increased transparency and accountability, and for the publication of viability reports. However, it 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.
- 16.4 As stated in the terms, 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.
- 16.5 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.

The DVS valuer assume that all parties will restrict this report's circulation as appropriate, given the confidential and personal data provided herein.

If the parties do not wish to discuss or contest this report, a redacted version suitable for publication can be issued following your formal request.

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



RICS Registered Valuer Principal Surveyor

DVS

Date: 14th October 2022

# Reviewed by:

(Hons) MRICS

**Principal Surveyor RICS** Registered Valuer DVS

Date: 14th October 2022

# 17.0 Appendices

Appraisal 1 Alternative Use Residual Value based on Extant Consent (i)

- (ii) Appraisal 2
- (iii) Information to support inputs e.g. abnormals review /BCIS extract/ GDV comps
- (iv) Redacted TOE

# APPRAISAL SUMMARY

# **VALUATION OFFICE AGENCY**

87-89 Kirkstall Road, Leeds % AH (1 unit) @ 20% DMR

Summary Appraisal for Merged Phases 1 2 3 4 5

Currency in £

REVENUE

Rental Area Summary					Initia	Net Ren	t Initial	Net MRV
•	Units	ft <sup>2</sup>	Rent Ra	ate ft²	MRV/Uni			at Sale
Car Parking	219				1,700		,	335,070
Block A: Commercial Unit	1 41	3,832		15.00 20.01	57,480			57,480
Block A: 1 Bed Apartments Block A: 2 Bed Apartments	41 6	21,387 3,978		20.01	10,438 14,321			320,964 64,444
Block A: 2 Bed Apartments Block A: 2 Bed Apartments	42	27,930		21.59	14,357			452,257
Block A: 2 Bed Apartments	9	6.498		21.36	15,422			104.098
Block A: 2 Bed Apartments	15	10.905		21.34	15,514			174,535
Block A: 2 Bed Apartments	12	8,784		21.32	15,606			140,456
Block A: 1 Bed Apartments (DMR)	1	522		16.01	8,352			6,264
Block B: 1 Bed Apartments	60	31,260		20.01	10,425			469,134
Block B: 1 Bed Apartments	24	12,528		20.01	10,445			188,014
Block B: 2 Bed Apartments	12 24	8,724		21.34	15,514			139,628
Block B: 3 Bed Apartments Block D: 1 Bed Apartments	4	21,528 2.076		21.73 20.02	19,492 10,390			350,853 31,171
Block D: 1 Bed Apartments	62	32.302		20.02	10,390			484,772
Block D: 1 Bed Apartments	6	3.354		19.56	10,934			49,203
Block D: 2 Bed Apartments	4	2,648		21.60	14,299			42,898
Block D: 2 Bed Apartments	6	3,984		21.59	14,336	64,51	1 86,015	64,511
Block D: 2 Bed Apartments	10	6,650		21.59	14,357		143,574	107,680
Block D: 2 Bed Apartments	12	8,520		21.41	15,201			136,810
Block D: 2 Bed Apartments	10	7,350		21.31	15,663			117,471
Block D: 3 Bed Apartments	8 38	8,072		21.00 20.01	21,189			127,134
Block E: 1 Bed Apartments Block E: 1 Bed Apartments	8	19,798 4,304		19.98	10,425 10,749			297,118 64,495
Block E: 2 Bed Apartments	16	10,640		21.59	14,357			172,288
Block E: 2 Bed Apartments	10	6,660		21.58	14,372			107,792
Block E: 2 Bed Apartments	16	11.712		21.32	15,606			187,275
Block E: 2 Bed Apartments	10	7,790		21.15	16,476			123,569
Block E: 3 Bed Apartments	8	7,352		21.58	19,832			118,992
Block E: 3 Bed Apartments	2	1,864		21.50	20,038			30,057
Block F: 1 Bed Apartments	33	17,193		20.01	10,425			258,024
Block F: 1 Bed Apartments	11	5,742		20.01	10,445			86,173
Block F: 1 Bed Apartments	11 9	5,918 5,715		19.98 18.30	10,749 11,621			88,681 78,438
Block F: 1 Bed Apartments Block F: 2 Bed Apartments	18	11,970		21.59	14,357			193,824
Block F: 2 Bed Apartments	11	7.326		21.58	14,372			118,571
Block F: 2 Bed Apartments	18	13,176		21.32	15,606			210,684
Block F: 2 Bed Apartments	11	8,569		21.15	16,476	135,92	181,234	135,926
Block F: 3 Bed Apartments	9	8,109		21.70	19,552			131,974
Block F: 3 Bed Apartments	11	10,131		21.57	19,866			163,894
Totals	838	396,801				6,532,62	8,616,544	6,532,623
Investment Valuation								
Car Parking								
Current Rent	335,070	Y	/P @	4.5	000%	22.2222	7,446,000	
Block A: Commercial Unit								
Market Rent	57,480		/P @		000%	14.2857		
(2yrs Rent Free)		PV 2y	rrs @	7.0	000%	0.8734	717,218	
Block A: 1 Bed Apartments			/D O		0000/		7 400 500	
Current Rent	320,964	Y	/P @	4.5	000%	22.2222	7,132,529	
Block A: 2 Bed Apartments			/D O		0000/			
Current Rent	64,444	Y	/P @	4.5	000%	22.2222	1,432,080	
Block A: 2 Bed Apartments	450.057		/D O		0000/	00 0000	0.050.445	
Current Rent	452,257	Y	/P @	4.5	000%	22.2222 1	0,050,145	
Block A: 2 Bed Apartments	404.000		/D O		0000/	00 0000	0.040.000	
Current Rent	104,098	Y	/P @	4.5	000%	22.2222	2,313,288	
Block A: 2 Bed Apartments Current Rent	174 525		/D @	A.E	000%	22.2222	2 979 545	
	174,535	Y	/P @	4.5	000%	22.222	3,878,545	
Block A: 2 Bed Apartments Current Rent	140 456	V	/D @	4 5	000%	22.2222	3 121 249	
Block A: 1 Bed Apartments (DMR)	140,456	Y	/P @	4.5	000%	22.222	3,121,248	
Current Rent	6,264		/P @	A.E	000%	22.2222	139,198	
Current Nent	0,204	1	L W	4.0	00070	22.222	139,190	

APPRAISAL SUMMAR	Y			٧	ALUATION	ON OFFICE AGENCY
87-89 Kirkstall Road, Leeds						
% AH (1 unit) @ 20% DMR						
Block B: 1 Bed Apartments Current Rent	469,134	YP @	4.5000%	22.2222	10,425,210	
Block B: 1 Bed Apartments Current Rent	188,014	YP@	4.5000%	22.2222	4,178,088	
Block B: 2 Bed Apartments Current Rent	139,628	YP@	4.5000%	22.2222	3,102,836	
Block B: 3 Bed Apartments Current Rent	350,853	YP@	4.5000%	22.2222	7,796,724	
Block D: 1 Bed Apartments Current Rent	31,171	YP@	4.5000%	22.2222	692,692	
Block D: 1 Bed Apartments Current Rent	484,772	YP@	4.5000%	22.2222	10,772,717	
Block D: 1 Bed Apartments Current Rent	49,203	YP@	4.5000%	22.2222	1,093,404	
Block D: 2 Bed Apartments Current Rent	42,898	YP@	4.5000%	22.2222	953,280	
Block D: 2 Bed Apartments Current Rent	64,511	YP@	4.5000%	22.2222	1,433,576	
Block D: 2 Bed Apartments Current Rent	107,680	YP@	4.5000%	22.2222	2,392,892	
Block D: 2 Bed Apartments Current Rent	136,810	YP@	4.5000%	22.2222	3,040,220	
Block D: 2 Bed Apartments Current Rent	117,471	YP@	4.5000%	22.2222	2,610,475	
Block D: 3 Bed Apartments Current Rent Block E: 4 Bed Apartments	127,134	YP@	4.5000%	22.2222	2,825,200	
Block E: 1 Bed Apartments Current Rent Block E: 1 Bed Apartments	297,118	YP@	4.5000%	22.2222	6,602,633	
Current Rent	64,495	YP@	4.5000%	22.2222	1,433,232	
Block E: 2 Bed Apartments Current Rent Block E: 2 Bed Apartments	172,288	YP@	4.5000%	22.2222	3,828,627	
Current Rent Block E: 2 Bed Apartments	107,792	YP@	4.5000%	22.2222	2,395,380	
Current Rent Block E: 2 Bed Apartments	187,275	YP@	4.5000%	22.2222	4,161,664	
Current Rent Block E: 3 Bed Apartments	123,569	YP@	4.5000%	22.2222	2,745,975	
Current Rent Block E: 3 Bed Apartments	118,992	YP@	4.5000%	22.2222	2,644,269	
Current Rent Block F: 1 Bed Apartments	30,057	YP@	4.5000%	22.2222	667,933	
Current Rent Block F: 1 Bed Apartments	258,024	YP @	4.5000%	22.2222	5,733,866	
Current Rent Block F: 1 Bed Apartments	86,173	YP@	4.5000%	22.2222	1,914,957	
Current Rent Block F: 1 Bed Apartments	88,681	YP @	4.5000%	22.2222	1,970,694	
Current Rent Block F: 2 Bed Apartments	78,438	YP @	4.5000%	22.2222	1,743,075	
Current Rent Block F: 2 Bed Apartments	193,824	YP @	4.5000%	22.2222	4,307,205	
Current Rent Block F: 2 Bed Apartments	118,571	YP @	4.5000%	22.2222	2,634,918	
Current Rent Block F: 2 Bed Apartments	210,684	YP @	4.5000%	22.2222	4,681,872	
Current Rent Block F: 3 Bed Apartments	135,926	YP @	4.5000%	22.2222	3,020,572	
Current Rent Block F: 3 Bed Apartments	131,974	YP @	4.5000%	22.2222	2,932,755	
Current Rent	163,894	YP @	4.5000%	22.2222	3,642,095 144,609,287	
NET REALISATION				144,609,287		
OUTLAY						
ACQUISITION COSTS Fixed Price (5.12 Acres 585,937.50	pAcre)		3,000,000	3.000.000		

3,000,000

## APPRAISAL SUMMARY

#### VALUATION OFFICE AGENCY

87-89	Κi	rksta	II F	toad,	Leeds
% AH	(1	unit)	@	20%	DMR
Cton			_		

139,500 Agent Fee 1.00% 30,000 0.50% 15,000 Legal Fee

184,500

CONSTRUCTION COSTS

Construction Block A: Construction Costs ft<sup>2</sup> Build Rate ft<sup>2</sup> Cost 108,834 96,735 21,590,000 20,310,000 198.38 209.96 Block B: Construction Costs 95,702 92,763 207.52 19,860,000 19,770,000 Block D: Construction Costs Block E: Construction Costs 125,959 519,993 Block F: Construction Costs 198.95

25,060,000 106,590,000 106,590,000

1,503,000 5,650,000 Demolition & Remediation Externals Contingency 0.50% 568,715 CIII 302,082 Education Contribution Greenspace Offsite Contribution Bus Shelter Off Site Highways Contribution Travel Plan Monitoring Fee Sustainable Travel Fund

S106 8,023,804

Other Construction Amenity FF&E 65,000 Apartment FF&E 618 un 2,000.00 /un 1,236,000 1,301,000

PROFESSIONAL FEES

7.30% 7,890,789 7.890.789

MARKETING & LETTING Letting Agent Fee Letting Legal Fee 10.00% 5,748 5.00% 2.874

8,622 DISPOSAL FEES

0.25% 361,175 Sales Agent Fee Sales Legal Fee 0.10% 144,470 505,645

Additional Costs
Purchaser Project Monitoring/Insure 760,000 760,000

Debit Rate 5.000%, Credit Rate 0.000% (Nominal)

5.635.235 Total Finance Cost

TOTAL COSTS 133,899,596

PROFIT

Performance Measures Profit on Cost%

8.00% Profit on GDV% Profit on NDV% 7.41% 7.41% Development Yield% (on Rent) 4.88% Equivalent Yield% (Nominal) Equivalent Yield% (True) 4.51% 4.64% IRR 12.86% 1 yr 8 mths Rent Cover Profit Erosion (finance rate 5.000) 1 yr 7 mths 10,709,691



# (ii) <u>Information to support inputs e.g., abnormals review / BCIS extract / GDV comps</u>

PRS Schemes	Gross to Net Leakage (%)	Revenue Per Parking Space	Furniture Allowance	Capitalisation Yield	Professional Fees Construction	Benchmark Land Value/acre	Finance	Advisors Fees	Purchasers Costs	Build Cost Contingency	Agreed Profit on Cost (%)	Notes
17-20 storeys comprising 463 residential units 102 parking spaces	23.78%	£1,800	£1,700	4.80%	7%	£1.328m	6%	0.55% Funding £255,000 Freehold Monitoring	0.50%	3%	8.04%	Previous consent for Office Developme nt
349 Apartments, 53 car parking spaces	23%	£1,500	NIL	4.50%	6.2%	£1.011m	5%	2%	1.72%	3% £1740.09	8.0%	Site current occupied by modern industrial buildings
322 Apartments across 3 blocks on two sites intersected by the public highway	25%	1500	£2000	4.65%	6.4%	£375,000	5%	0.75% Agent 0.25% Legal	1.75%	3%	8.08	3 Blocks on two separate sites
783 Units across 8 blocks of apartments with in excess of 30,000 sg ft of commercial space	25%	£1,800	£2,000	4.5%	8%	£581,000	5%	0.25 Agent 0.1 Legal	0.25	3%	8.055	8 blocks ap bocks and large area of public realm
SOYO B	23.5%	£1,500	£2,000	4.5%	Inc	£812,000	4.5%	0.5% + 0.25%	0.5 Agent 0.25 Legal	3%	8% on cost	Extant consent for Offices
410 units BTR York	23.5%	n/a	Reflected in build	4.5%	7%	£140,000 gross	5.5% debit / 0.5% credit	1% Agent 0.5% Legal	1.8%	5%	8% on GDV	Former gas works high abnormals.
375 Apartments & 55 Parking Spaces	23.5%	£1,700	Reflected in build	4.45%	8%	£720,000	5%	0.5% Agent 0.25% Legal	0.5%	2.5%	8% on cost	Blank



# (iii) Redacted TOE



Principal Planner Central Team Planning Services, City Development Leeds City Council



Valuation Office Agency 7 Wellington Place Leeds LS1 4AJ

Our Reference: 1798302

Your Reference: 87-89 Kirkstall Road

Please ask for : Tel :

E Mail: @voa.gov.uk

Date: June 2022



# **Independent Review of Development Viability Assessment**

Proposed Development	618 Build to Rent Apartments – 1, 2 and 3
	bed apartments, 1 ground floor retail units,
	resident amenity and 231 car parking spaces
Subject of Assessment:	87-89 Kirkstall Road, Leeds, LS3 1HS
Planning Application Ref:	PP-11130674
Applicant / Developer:	Glenbrook RIL Limited
Applicant's Viability Advisor:	CBRE

I refer to your instructions dated 13<sup>th</sup> April 2022 and 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, as part of the VOA 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 this 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. A redacted copy of these terms will be included as an appendix to our final report.

#### 1. Client

This instruction will be undertaken for Leeds City Council and the appointing planning officer is yourself, Richard Smith.

# 2. Subject Property and Proposed Development

The land or property (properties) subject to the review is 618 residential Build to Rent Apartments, 1 ground floor retail units, resident amenity and 231 car parking spaces at 87-89 Kirkstall Road, Leeds, LS3 1HS.

It is understood that the development has:

- a site area of 5.12 acres
- a total GIA of 519,993 sqft
- the proposed schedule of accommodation is as follows:

Property Type	Number	NIA Sqft	Total NIA Sqft
1-bed	308	526	162,097
2-bed	248	701	173,825
3-bed	62	920	57,050
Retail Unit	1	3,832	3,832
Car Parking	231	Blank	Blank

# 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.
- 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 One 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 Two report.

#### 4. Date of Assessment

The date of the assessment is to be 21st July 2022.

# 5. Confirmation of Standards to be applied

The DVS viability assessment review will be prepared in accordance with the following statutory and other authoritative requirements:

## Mandatory provisions

- 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 is recognised as the
  'authoritative requirement' by the Royal Institution of Chartered Surveyors (RICS).
- RICS Professional Statement 'Financial viability in planning:
   conduct and reporting' (effective from 1 September 2019) which provides the
   mandatory requirements for the conduct and reporting of valuations in the viability
   assessment and has been written to reflect the requirements of the PPG.
- RICS Professional Standards PS1 and PS2 in the 'RICS Valuation –
   Global Standards'.

## Best Practice provisions

Regard will be had to applicable RICS Guidance Notes:

- RICS GN 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' (effective 1 July 2021)
- RICS GN 'Valuation of Development Property'
- RICS GN 'Comparable Evidence in Real Estate Valuation'

Measurements stated will be 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).

Valuation advice, where applicable, will be prepared in accordance with the professional standards, in particular VPS 1 to 5 of the RICS Valuation – Global Standards' and with the 'UK National Supplement', which taken together are commonly known as the RICS Red Book. Compliance with RICS Professional Standards and Valuation Practice Statements (VPS) gives assurance also of compliance with the International Valuations Standards (IVS).

# 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 /planning 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. 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) but best practice and they will therefore be applied to the extent not precluded by your specific requirement.

#### 7. Bases of Value

## **7.1 Benchmark Land Value (BLV):** Paragraph 014 of the NPPG for Viability states that:

"Benchmark Land Value should:

- be based upon <u>existing use value</u>
- 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)."

## **7.2** Existing Use Value (EUV): Paragraph 015 of the NPPG for viability states that:

"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."

## 7.3 Alternative Use Value (AUV): Paragraph 017 of the NPPG for viability states that:

"For the purpose of viability assessment alternative use value (AUV) refers to the value of land for uses other than its existing use. AUV of the land may be informative in establishing benchmark land value. If applying alternative uses when establishing benchmark land value these should be limited to those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan. Where it is assumed that an existing use will be refurbished or redeveloped this will be considered as an AUV when establishing BLV.

Plan makers can set out in which circumstances alternative uses can be used. This might include if there is evidence that the alternative use would fully comply with up-to-date development plan policies, if it can be demonstrated that the alternative use could be implemented on the site in question, if it can be demonstrated there is market demand for that use, and if there is an explanation as to why the alternative use has not been pursued. Where AUV is used this should be supported by evidence of the costs and values of the alternative use to justify the land value. Valuation based on AUV includes the premium to the landowner. If evidence of AUV is being considered the premium to the landowner must not be double counted."

# **7.4 Gross Development Value (GDV) i**s defined in the Glossary of the RICS GN 'Valuation of Development Property' (February 2020) as:

"The aggregate Market Value of the proposed development on the special assumption that the development is complete on the date of valuation in the market conditions prevailing on the date. Where an income capitalisation approach is used to estimate the GDV, normal assumptions should be made within the market sector concerning the treatment of purchaser's costs. The GDV should represent the expected contract price."

# **7.5** Market Value (MV) is defined by RICS VPS 4, paragraph 4 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."

# **7.6** Market Rent (MR) is defined by RICS VPS 4, paragraph 5 as:

"The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

## 8. Special Assumptions

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.

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

- That the proposed development is complete on the date of assessment in the market conditions prevailing on the date of assessment.
- That your Council's Local Plan policies, or emerging policies, including for affordable housing are up to date.
- That the applicant's abnormal costs, where adequately supported, are to be relied upon to determine the viability of the scheme, unless otherwise stated in our report and/ or otherwise instructed by your Council and that are no abnormal development costs in addition to those which the applicant has identified.

# 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 Local plan policy requirement such as CIL / S106 / S278 planning obligations. In particular whether the applicant's assumptions on

these matters are correct, if they are incorrect then please provide the correct details.

- c) Details of any extant or elapsed consents relating to permitted Alternative Use.
- d) 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.
- e) If the applicant has applied vacant building credit, a statement as to whether this is agreed by your Council, if not the appropriate figure.
- f) A copy of the applicant's financial viability appraisal dated March 2022 prepared by CBRE.

## 10.2 Information from the applicant

## Site access

It is understood that the site is accessible or can be sufficiently viewed from the roadside) 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

The applicant should provide sufficient detail to enable DVS to assess their contention that the scheme would not be viable if the Policy requirements in the Local Plan were met.

The applicant's Viability Assessment is expected to meet the authoritative requirements of the NPPF and NPPG for Viability. Where completed by a member the RICS, it is also expected that the applicant's report will comply with RICS Professional Standards PS 1 and PS 2 and the RICS Professional Statement 'Financial Viability in planning: conduct and reporting'. In all cases the applicant's viability report is expected to include:

- a) A schedule of accommodation which accords with the planning application.
- b) A plan showing the respective boundaries and the site area
- c) An appraisal compliant with the policy requirements of the Local Plan.
- d) A report with text and evidence in support of the:
  - (i) Gross Development Value adopted
  - (ii) Benchmark Land Value, with reference to EUV and premium.
  - (iii) Gross Development Costs including any Abnormal Costs
  - (iv) Profit assumptions.
  - (v) Finance assumptions.
  - (vi) Cash flow assumptions.

#### 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

I confirm I have in my possession a copy of the applicant's viability report / appraisal and to complete the assessment I require the following:

From your council:

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

DVS will contact the applicant's viability advisor directly for this information.

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 be Brian Maguire 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. Resignation of Independent Expert

In the rare event of the independent expert becoming ill or otherwise incapable of conducting the determination, or where for any reason it would be improper to continue, then they may have no alternative but to resign. In these circumstances, DVS would seek agreement with

the parties as to the best way forward, such as through the appointment of another suitably qualified DVS surveyor. It is agreed that permission for this would not be unreasonably withheld by the parties in such special circumstances.

# 14. Description of Report

A side headed written 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. The DVS report will be referred to as a viability review assessment.

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

Further to the requirements of the PPG a redacted version of the DVS viability review assessment detailing the final or agreed position will be supplied for transparency purposes.

## 15. Report Date

It is my intention to submit my review assessment by 22<sup>nd</sup> August 2022.

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 23<sup>rd</sup> June 2022.

## 16. Validity Period

The report will remain valid for 6 (six) months unless circumstances change, 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.

#### 17. 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.

# 18. 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.

#### 19. Fee Basis

## Fixed fee quote

19.1 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 **£** plus VAT in order to complete the work set out above.

The personnel involved in this assessment will be as follows:

Personnel	Role	Task
	Principal Surveyor /	Viability review Report and
	Registered Valuer /	Appraisal(s)
	Consultant	Research and Valuation

- 19.2 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.
- 19.3 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.

Role	Task	Hourly Fee Excluding VAT
RICS Principal Valuer	Report, valuation and viability assessment, discussions, advice appeal work	
RICS Senior Valuer	Report, valuation and viability assessment, discussions	

RICS Graduate Surveyor	Research, valuation	
Quantity Surveyor	Cost estimates, advice	
RICS Principal Valuers	Formal case review / Quality Assurance	
Administration	Typing/ Research	

19.4 **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 DVS minimum fee is £200 unless agreed otherwise as part of a contract or SLA.

# 20. Currency

All prices and values are stated in pounds sterling.

## 21. 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.

#### 22. 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.

## 23. 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 complaint 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.

#### 24. Freedom of Information

We take our duty of confidentiality very seriously and will keep any information gathered or produced during this instruction confidential unless you tell us otherwise.

Also, we will advise you of any Freedom of Information Act (FOIA) and / or Environmental Information Regulation (EIR) requests we receive in regard to information we 'hold' relating to this instruction.

The VOA, as part of HM Revenue and Customs, is subject to the Freedom of Information Act 2000. 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 FOIA request. However, the VOA reserves the right to comply with its statutory obligations under the Act in such manner as it deems appropriate. If we receive a FOIA request that relates to you or a named member of your staff (legal or actual person) or they can be deduced from the disclosure of the information sought, we must have regard to section 18 (1) of the Commissioners for Revenue and Customs Act (CRCA) 2005 and apply the exemption at section 44 of the FOIA due to section 23 of the CRCA (as amended).

However, outside of FOIA we will seek your views about whether you wish to put the information sought in the public domain or authorise us to disclose it on your behalf.

In turn, 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 which you receive for information provided to you by the VOA.

LDG31 (05.22)
Private and Confidential

The VOA is subject to the Environmental Information Regulations (EIR) 2004. We will apply the same legal thought process as FOIA but will also need to seek your views on where the greater public interest lies and it may necessitate, upon request, the disclosure of information provided by you unless an exemption can be sustained.

# 25. 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.

#### 26. 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

Principal Surveyor RICS Registered Valuer DVS

Based in Leeds Valuation Office