



Report of the Chief Planning Officer

CITY PLANS PANEL

11th April 2024

Application for planning permission for demolition of existing buildings; repositioning of Skinner Street; and erection of a mixed-use multi-level development comprising a 46 storey building providing Use Class C3 Build to Rent apartments with amenity space and flexible Class E at ground floor level; two buildings for Use Class E Offices with flexible Use Class E space at basement and ground floor level; with associated infrastructure and basement car parking, hard and soft landscaping and public open space, on land west of Lisbon Street, north of Wellington Street, east of Cropper Gate and south of Westgate/A58M, Leeds.

Applicant – McLaren (34 Lisbon Street) Ltd

Reference - 23/00608/FU

Date valid – 31st January 2023

Target date – 12th April 2024

Electoral Wards Affected:

Little London & Woodhouse

Yes Ward Members consulted

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

RECOMMENDATION: DEFER and DELEGATE to the Chief Planning Officer for approval subject to the specified conditions set out in Appendix 2 (and any amendment to these and addition of others which he might consider appropriate), the completion of an acceptable Road Safety Audit and receipt of an acceptable peer review of the detailed wind mitigation proposals and subject to the completion of a Section 106 agreement to include the following obligations (all contributions to be index linked):

- On-site affordable housing provision (16 discount market rent Build to Rent units)
- Off-site greenspace contribution £100,000
- Off-site highway improvements contribution £200,000
- Residential Travel Plan Fund contribution £40,000
- Travel Plan Review fee £28,234
- Leeds City Bikes contribution £32,000
- Off-site signal timing modifications contribution £20,000

- Car club trial contribution £13,505
- Loss of Pay and Display bays £14,895 per bay (21) £312,795
- Traffic Regulation Order changes contribution £10,000
- Legible Leeds wayfinding contribution £12,000
- Provision of two Leeds City Council Car Club provider parking spaces with an Electric Vehicle Charge point
- Compliance with Travel Plan measures
- 24 hour public access through the site
- Local employment and training initiatives
- Overage clause
- Section 106 monitoring fee

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

1.0 Introduction

- 1.1 Members will be aware of significant ongoing development at the western end of Wellington Street on the former Yorkshire Post site, Bridge House / Compton House, Castle House, Brotherton House and on the former International Pool site. The redevelopment of this site currently comprising seven, largely vacant, low-rise buildings would complete the 'West End' proposals, collectively providing substantial investment and delivering significant improvements to townscape, public realm and connectivity in the area and wider economic benefits including meaningful employment and housing opportunities.
- 1.2 City Plans Panel received a pre-application presentation of the emerging redevelopment proposals on 6th October 2022 (PREAPP/21/00431) following a site visit earlier that day. Members were generally supportive of the massing and design of the buildings. With regard to the emerging landscape proposals Members felt that there needed to be more emphasis on adequate facilities for families and for young people and children in particular (perhaps in conjunction with improved links to neighbouring sites where such facilities are planned or provided).
- 1.3 Since the City Plans Panel meeting the scheme has been refined and matured in response to Members' and other stakeholder's comments. Planning permission is now sought for the demolition of all existing buildings; repositioning of Skinner Street; erection of a mixed-use development comprising a 46-storey building providing 464 apartments; two multi-level office buildings, hard and soft landscaping and public open space linking up with ongoing works which will deliver public realm and connectivity improvements to the east and the west of the site.
- 1.4 The application is brought to City Plans Panel for determination due to the significance of the proposals, Panels' previous interest and comments on the development and also as the applicant has submitted a viability case asserting that the development cannot meet all the Council's planning obligation requirements and full affordable housing policy requirements in this case.

2.0 Site and surroundings

- 2.1 The site is located at the west end of Wellington Street which is currently experiencing an intensive period of redevelopment having previously been the subject of a series of proposals dating back almost 25 years. The site itself comprises and combines two neighbouring parcels of land containing seven buildings; firstly, to the south between

Wellington Street and Skinner Street and, secondly, to the north between Skinner Street and Westgate which runs alongside the Inner Ring Road.

- 2.2 The southern parcel comprises three office blocks dating from the 1980's and 1990's. These three, four and five storey buildings are constructed around a central, hard-surfaced courtyard situated over a basement car park with an open, soft landscaped frontage, onto a section of Skinner Street. The southern parcel has an essentially rectangular plan form and is bordered by public highway on all four sides. Grove Street on the southern side, running parallel to Wellington Street, is laid out as part of the City Connect cycle route. A narrow soft landscaping strip containing trees and bus stops separates Grove Street from Wellington Street. Lisbon Street runs north from Wellington Street along the eastern edge of the site. Skinner Street runs along the northern boundary of this parcel connecting Lisbon Street with Cropper Gate to the west.
- 2.3 The northern parcel comprises three similar, three-storey, red brick and pitched slate roof office buildings which resemble 1980's versions of domestic-scale properties in the streets around Park Square to the east. However, their form is unremarkable and they have limited visual merit. The buildings are grouped to form three sides of a courtyard primarily used for parking and access to a basement car park. Ebor Court, running inside the western boundary to the site, is a three-storey flat-roofed building of a similar age effectively forming the fourth side to the courtyard. As a collection, these buildings appear significantly under-scaled when viewed alongside the scale of the Inner Ring Road and surrounding highway infrastructure immediately to the north. As a corollary they appear diminutive in comparison with more recent and emerging buildings within the City Centre alongside the Inner Ring Road and also buildings such as Castle House to the east of Lisbon Street.
- 2.3 The West One / Castle House offices which are currently being refurbished rise up to 14 storeys. Development is underway on the former site of the International Pool located to their north and east of Lisbon Street with emerging buildings set to rise up to 22 and 33 storeys. Leeds City Centre conservation area is situated to the east of Queen Street 170m to the east of the site whilst Park Square is situated more than 300m north-east of the site.
- 2.4 Land beyond Cropper Gate to the west of the site, at the end of Wellington Street, was cleared several years' ago and is now being redeveloped. That residential development will ultimately be 31 storeys in height. Beyond that site there is a major highway intersection, including an elevated section of the A58M. Redevelopment of the former Yorkshire Post site on the southern side of Wellington Street, a 5 lane highway at this point, is also underway with the first building, The Headline, having opened to residents in 2022.

3.0 Proposals

- 3.1 The development involves the demolition of all existing buildings on the two parcels of land either side of Skinner Street which would be realigned to run directly from its junction with Cropper Gate to Lisbon Street at its junction with Castle Street. A new raised table would be formed at the newly formed crossroads. The route would be designed to allow vehicles to drive in an anti-clockwise direction from Lisbon Street to Cropper Gate. As a one-way route the new Skinner Street carriageway would be 3.5m wide enabling enhanced footway widths in Cropper Gate whilst limiting the width of the highway running through the heart of the site. The new Skinner Street would accommodate a layby to provide servicing space for the proposed new office buildings to the south. A layby would be formed on the west side of Lisbon Street to service the

proposed residential building to the north of Skinner Street. Towards the southern edge of the site Grove Street, which is currently used as a cycle path and narrow pavement with a combined width of 5.8m, would be remodelled to provide a 3.1m wide cycle route, 2.0m wide footway, alongside a 4.6m wide pedestrian colonnade which would run across the front of the new development.

- 3.2 Two new buildings (plots 1a and 1b) would be constructed on the southern half of the site. A basement area would extend across both plots providing facilities including cycle stores, gyms, tank rooms, plant areas and flexible commercial space. The basement would be accessed through the lift/stair cores and also a 6.1m wide cycle access ramp running centrally between the two plots. Plot 1a, to the west, would be 15 storeys (circa 61.0m) in height to parapet including mezzanine level and plant floor, with a gross floor area of 24,235sqm. The eastern building, Plot 1b, would be 16 storeys (circa 65.0m) in height with a gross floor area of 25,658sqm. Whilst the primary function of the buildings would be office space, the lowest levels and basement areas could include other commercial uses such as café / restaurant, co-working space, medical or health services and other appropriate uses in a commercial, business or service environment. The ground and mezzanine floors on the northern side of Plot 1b would be set back 5.7m from Skinner Street to form a two-storey colonnaded space close to the entrance to the site from Lisbon Street. Similarly, a two-storey colonnaded walkway would run along the southern frontage of the two buildings between Cropper Gate and Lisbon Street such that the lowest two levels of the buildings (itself a double height space) would be set back 4.6m from the adopted highway whereas the main body of the buildings would oversail this colonnaded space. Upper levels on the south-facing elevations would be stepped, with three roof terraces providing landscaped external amenity space for the occupiers.
- 3.3 Plots 1a and 1b could be constructed independently and would have independent lift/stair cores facing each other. The buildings would, however, share an identical approach to architectural design and materiality. Fluted, glazed, terracotta rainscreen panels would be utilised as the facing material between each of the levels. The terracotta would have a red tone for the lower levels, with increasingly lighter tones utilised for each step in the building mass. The continuous ribbon of glazing at each level would incorporate electronically operable windows at high level to enable fresh air into the workspace and natural cooling. These windows would sit above a 300mm deep fin which would provide shading and reduce glare entering the office space. The corners of the office buildings would be curved to soften the visual impact and to create additional visual interest. Both office buildings are targeting BREEAM Outstanding certification under the BREEAM 2018 New Construction Scheme.
- 3.4 The northern segment of the site would accommodate a 46 storey (circa 140m) residential building containing 464 build to rent apartments (plot 2). A basement located under the building would extend southwards beyond the building footprint but would terminate north of the realigned Skinner Street. The basement would provide 21 parking spaces for residents, including two accessible spaces, all of which would be fitted with electric vehicle charging points. Vehicular access would be via a car park ramp located at the northern end of Lisbon Street and running inside the north-west perimeter of the building. The basement would also accommodate cycle stores for residents accessed by a dedicated cycle lift and plant areas.
- 3.5 Ground floor level would contain a double height amenity area for residents (256.9sqm), together with a flexible space (146.7sqm), potentially to be used as a commercial food and beverage unit. It would also house plant and back of house spaces. A mezzanine level above part of the ground floor would contain further areas of plant. A residents' roof garden (264.8sqm) would be located on the podium roof

extending south-west of the principal structure. The roof garden would sit alongside the first floor of the building, adjacent to resident amenity spaces (274.1sqm). This level would also house 4 accessible (M4(3)) apartments.

- 3.6 The building would house a variety of apartment types and sizes on each floor accessed from a centrally located dual lift and stair core. 249 apartments would be 1-bed (54%) of which 165 would be designed to accommodate two people; 168 apartments would be 2-bed (36%) of which 85 would be designed for three people and 83 designed for four people; and 47 apartments would be 3-bed (10%), of which 4 would be designed for four people, 42 would be designed for 5 people and 1, a penthouse apartment, potentially accommodating 6 people. A sky lounge at the top of the building would provide additional amenity space for residents (293sqm) as part of the overall total of 823sqm of internal amenity space provided for residents.
- 3.7 From first floor upwards, the residential building would have a pure hexagonal form, each facet approximately 18m long. In common with the office buildings, the building would have curved corners and utilise a similar palette of materials. Here, a light material tone would be utilised for the terracotta panels to respect its classic, elegant, proportions and to contrast with the proposed office buildings to the south and the emerging red brick tower on the site to the west. The crown of the building would be marked by an enhanced storey height and deeply recessed glazing to the sky lounge and penthouse level.
- 3.8 A central, landscaped, space containing a lawn surrounded by ornamental shrubs and tree planting would be situated between the newly aligned Skinner Street, the proposed residential building and the eastern flank of the off-site development currently being constructed to the west. The eastern corner of the space would include a safety surface accommodating children's play equipment. A variety of seating options would be provided looking into the central space and benches would also be provided around the periphery of the space. Street trees and trees in raised planters are proposed along this street and around the peripheries of the new buildings. 9 new trees would be planted to the front of Plots 1a and 1b in Grove Street where an underground soil cell system would also be introduced to benefit existing trees. 5 new trees would be planted in Cropper Gate. A new avenue of trees and green buffer would also be planted either side of the pedestrian and cycling route which is to be improved on the northern edge of the site to link with pedestrian and cycle routes to the east and west. In total, 61 new trees are proposed within the public realm.
- 3.9 The application is also supported by the following statements and technical reports:
- Affordable housing statement
 - Air quality assessment
 - Arboricultural survey and report
 - Construction environmental management plan
 - Design and access statement including Statement of Community Involvement
 - Ecological impact assessment, bat report and Biodiversity Metric
 - Energy and sustainability statement and BREEAM pre-assessment
 - Financial viability assessment
 - Fire Statement
 - Flood Risk Assessment and Drainage Strategy
 - Geoenvironmental risk assessment
 - Heritage impact assessment
 - Housing Needs Assessment
 - Landscape management plan

- Noise report
- Planning statement
- Transport Assessment
- Travel Plan
- Wind report

4.0 Relevant planning history and proposals

- 4.1 The current scheme was the subject of a pre-application presentation to City Plans Panel on 6th October 2022 following a site visit by Members earlier that day (PREAPP/21/00431). A full copy of the minutes of that meeting is attached as Appendix 1.
- 4.2 Following the pre-application presentation the primary changes to the scheme have been the addition of 5 storeys to the proposed residential tower (from 41 to 46 storeys) and a consequent increase in the number of apartments (from 410 to 464); drawing back of the footprint of Plot 1b at ground floor/mezzanine level to create more public space; and alterations to the basement to form two separate, smaller, basements neither of which would extend beneath the realigned Skinner Street.
- 4.3 Planning permission was previously granted for the redevelopment of the southern parcel of land subject of this proposal. The scheme comprised the demolition of the existing office buildings and redevelopment to provide 17 storeys of offices (B1) with a flexible range of supporting uses at ground level (A1-A4, D1 and D2), with new access to double basement with cycle and car parking, high level terraces and improvements to the public realm at land bounded by Wellington Street / Grove Street, Cropper Gate, Skinner Street and Lisbon Street, Leeds LS1 4LT (19/04905/FU). The application was approved on 1st September 2020 but not commenced.
- 4.4 City Plans Panel considered pre-application proposals for redevelopment of the land to the north of Skinner Street at Lisbon Square for two residential buildings (part 21 and 24 storey, and part 10 and 15 storey) on 25th October 2018 (PREAPP/18/00239). An outline application for that proposal was not progressed (18/07209/OT).
- 4.5 Planning permission for the redevelopment of the site to the west with a 31 storey residential building, ancillary amenity space and landscaping was approved on 13th February 2023 (22/02970/FU). That development is now well underway.
- 4.6 A hybrid planning permission on the former International Swimming Pool site east of Lisbon Street for the erection of one building for residential accommodation rising to 22 and 33 storeys (Class C3) with two ground floor commercial units (Class E) and basement car parking; one 24 storey building containing student accommodation (Class Sui Generis); one building for hotel accommodation (Class C1) and co-working office accommodation (Class E); hard and soft landscaping; creation of a new public square; demolition and construction of new stairs and ramp access to existing pedestrian/cycle bridge; new pedestrian and vehicular access; external bike storage, substation, servicing; and modifications to existing vehicular, cycling, and pedestrian infrastructure and for the erection of one building for office accommodation (Class E), including basement car parking, access, landscaping was approved on 27th April 2022 (21/05142/FU). Construction of the student accommodation at the west end of the site close to Lisbon Street is ongoing.

- 4.7 Planning permission for the conversion of Brotherton House and the construction of a linked 14 storey building to form student accommodation was granted on 1st February 2021 (20/02021/FU). The development works are ongoing.
- 4.8 Planning permission for the development of the remainder of the Yorkshire Post site for residential and student accommodation buildings between 25 and 42 storeys was granted on 27th September 2023 (22/04895/FU).

5.0 Public comments / local response

- 5.1 Site notices advertising the application were erected on 3rd March 2023 and the application was advertised in the Yorkshire Evening Post on 24th February 2023.
- 5.2 1 letter of support has been received commenting that the location of the proposal is suitable for a development of this scale as it sits amongst other existing and proposed tall buildings at this western gateway location along the inner ring road. The development would be appropriate and beneficial for a city of growing stature and should positively enhance the Leeds skyline. The provision of the additional housing and grade A office space is also to be welcomed.

The general appearance of the architecture and finishes of the residential tower and the office development both look to be a good standard and will rely on officers to ensure the type and mix of the apartments and surrounding landscaping is satisfactory.

- 5.3 Two letters of objection have been received.
- 5.3.1 Leeds Civic Trust (LCT) objects to the application on the following grounds:

The location of any very tall building will have a highly significant impact on the appearance of the city centre and therefore needs to have some meaning in the urban landscape, marking a nodal point, important destination or topographical feature. The location of the tower has been arbitrarily selected and does not relate to those or any other point of significance. The proposed tall building on the adjacent site at the corner of the inner ring road and Wellington Street is such a location and that should be the main feature building (and the tallest) in this group of development sites.

Response – see paragraph 9.2.5.

The external amenity space is inadequate for the number of people needing to use it and is not in an attractive location: in shadow most of the year (there are no sun-studies available), and subject to road noise. On a hot sunny Sunday afternoon, a considerable number of the possible 726 residents may well be wanting to make use of outdoor greenspace, as may a few thousand office workers during the week. The development is simply too cramped, with too little outside breathing space.

Response – see paragraph 9.3.4.

Skinner Street is intended to be a main east-west pedestrian route, yet all the vehicular traffic is designed to cross it to the underground access at the furthest possible point of the site. That access should be at the south end of Lisbon Street under one of the office buildings.

Response – Since submission of the application the extent of the basement has been significantly reduced and physically separated into two areas. As a consequence, the

proposed extent of basement parking has significantly reduced (including the removal of all office parking) with a consequent reduction in vehicular traffic. Additionally, it would not be acceptable to the Local Highway Authority for the basement to extend directly beneath the adopted road such that an access located closer to the southern end of Lisbon Street would not be feasible.

The city centre target mix proposed in the Core Strategy is being ignored. The Housing Needs Assessment included with the application has no analysis of need and is only a statement of perceived demand in an area where no alternatives are on offer.

Response – see paragraphs 9.5.4 – 9.5.7.

Although the design has some merit, LCT's view is that it is too vertically repetitive, accentuating its height with every floor picked out. There is no sense of a finite building with a base, middle and top. Ideally the tower will not be as high when approved, but even so, if the block was broken up by incorporating an occasional segment as a double height amenity space with planting and some open area, this would not only provide some visual variety but also provide more amenity space for residents closer to their own flat and address some of the concerns about lack of amenity space at ground floor level.

Response – see paragraphs 9.2.8 – 9.2.10.

In summary, LCT believe the scheme is over-intensive, with buildings occupying too much of the plot area, and the tower is too tall and needs more visual variety. The amount of external amenity space is insufficient for the numbers likely to want to use it and it would not be attractive due to overshadowing and noise. LCT feel that, without considerable improvements, the scheme is not a good example of place-making and does not fulfil the ambitions of paragraph 130 of the NPPF for creating attractive and welcoming places.

- 5.3.2 One of the joint owners of part of the land objects on the basis that no agreement has been reached to sell the property nor has the applicant offered any alternative accommodation for their tenant once the development is completed.

Response – an applicant is not required to own the land for which they are seeking planning permission but, in submitting the application, the applicant served notice to accord with the Town and Country Planning (Development Management Procedure) (England) Order 2015. Further, the applicant would subsequently need to acquire rights over the land in order to implement the planning permission. Similarly, the applicant is not required to offer existing tenants' accommodation in the proposed development. The replacement of existing uses is addressed at paragraph 9.1.4.

6.0 Consultation responses

6.1 Statutory

- 6.1.1 LCC Highways Transport Development Services – A proposed stopping up of highway plan ref.: 3761-100-P-005 Rev B has been provided showing the areas of adopted highway to be stopped up, areas of new highway and areas of highway to be improved. The plan is acceptable. The stopping up of adopted highway should proceed under s.247 of the Town & Country Planning Act 1990 (or s.116 of the Highways Act 1980). Once the details have been agreed, including land dedication and adoption of the realigned Skinner St, the applicant should progress the Stopping Up Order prior to any development taking place on the current adopted highway.

The realigned Skinner Street will have to be built to adoptable standards and be offered for adoption under Section 38 of the Highways Act 1980. The speed limit for the proposed realigned route should be 20mph in accordance with the Transport SPD. For the avoidance of doubt the cost of road markings, signage and appropriate speed limit Orders will be fully funded by the developer (inclusive of staff fees and legal costs). Any resurfacing within the adopted highway will also need to be agreed with the highway authority. The realigned Skinner Street must be secured through the S106 agreement.

The site is in an accessible location and is located within a 10-minute walk of Leeds Railway Station along well-defined routes. The developer has agreed the contribution of £12,000 towards expanding the existing 'Legible Leeds' wayfinding system. This will be secured via S106 Agreement.

A revised engineering layout has been provided which shows the forward visibility along the two bends within the re-aligned Skinner Street. This is acceptable.

The revised swept path analysis plan demonstrates that refuse and fire tenders can reverse within the adopted highway without encroaching the land parcel on the eastern side of Lisbon Street. This is acceptable. An additional disabled bay has been added to the basement car park as requested. This is acceptable. The applicant has indicated that they intend to undertake two weekly refuse collections. The applicant is advised to liaise with LCC Waste Management to understand if this is possible- if not, an alternative solution may be required. A Car Park and Service Management Plan will be secured by condition.

The submitted technical note states that doors to access the substation at Plot 02 do not open over the public highway and therefore, they do not conflict with pedestrians / cycle movements. Whilst this particular location may have low impact to pedestrians/cyclist, there are other doors opening outwards which need to be revised to open inwards.

An additional 10 cycle parking spaces have been provided for the long stay cycle parking for Plot 02. On balance, this is considered to be acceptable in this instance. A mark-up of the landscape masterplan ref.: HWS Mark-up 01 310124 has been provided and shows the proposed short stay cycle parking. Short stay cycle parking is shown to be distributed across the site.

HWS Mark-up 03 310124 shows the proposed location for the Leeds City Bikes docking station. The location is acceptable. The docking station will need to be at least 450mm from the carriageway edge.

The EVCP specification should comply with the requirements stated in the Transport SPD. EVCP to be 7kW with Type 2 connections, Mode 3 (on a dedicated circuit). The accessible EVCP should comply with PAS 1899-2022. These details can be secured via planning condition.

The vehicle trip distribution for the residential development has been undertaken using Census data, this is acceptable. The vehicle distribution for the office development has been undertaken based on the consistent approach for city centre sites. This is also acceptable. The assessment shows 24 two way trips on the AM Peak and 25 two way trips on the PM Peak through the A58. The development will therefore have a cumulative impact on the A65/A58 Inner Ring Road and Armley Gyratory, both of which are identified as congested junctions. A contribution is therefore required in

accordance with the Transport SPD. In addition, the assessment shows 19 two way trips on the AM Peak and PM Peak through Wellington St/Lisbon St Junction. Given the congestion at this junction at peak times, following closure of City Square and other highway changes in the city centre, the additional traffic generated by this development may be of concern, a contribution of £20,000 is therefore required to allow signal timing modifications to mitigate the impact of the development. A Construction Management Plan is required and will be conditioned to any planning approval.

A wind microclimate report addendum provides an assessment of the wind impacts without taking any soft landscaping in consideration. The plan included within this report shows multiple screens within the adopted highway. It is not clear from the addendum if these screens will be required temporarily or for the full life of the development. The applicant must clarify. Wind mitigation measures cannot be contained within highway land or obstruct pedestrian/cycle routes within the site.

Alterations to the adopted highway will be subject to a S278 Agreement. The revised General Arrangement plan ref.: 3761-100-P-001 Rev. E shows the off-site highway works including the raised table at the junction between Lisbon St/ Castle St and the re-aligned Skinner St and two car club bays. The proposed stopping up of highway plan is acceptable. A land dedication plan should also be provided. A Road Safety Audits (RSA) Stage 1 brief has been provided. Subject to the RSA, the proposals are not considered to be detrimental to highway safety.

The following contributions are required:

Payment of loss of pay and display bays £14,895 per bay.

TRO alterations £10,000

Legible Leeds wayfinding contribution £12,000

Leeds City Bikes Scheme contribution £32,000 and space within the development

Signal timing modifications £20,000

Cumulative Impact/other Highway contribution £268,000

Revised plans and documents are still required.

6.1.2 Health and Safety Executive (Fire)(HSE) - HSE is content with the fire safety design to the extent it affects land use planning considerations.

6.2 **Non-statutory**

6.2.1 Architectural Aerodynamics (peer wind review on behalf of LCC) – the proposed wind mitigation screens show that wind safety issues should not arise whilst the addition of soft landscaping will help to provide more comfortable conditions.

6.2.2 LCC Children's Services – The proposed development is predicted to give a yield of approximately 11 primary pupils in total or 1.5 primary pupils per year group (10.75 ÷ 7). The site is situated in the Holbeck primary planning area and is close to the Hyde Park/Headingley, Armley/Wortley and Woodhouse primary planning areas. The nearest primary schools to the proposed development are Rosebank, Castleton and Blenheim with Rosebank Primary School being located closest at approximately 0.6 miles (straight line distance) from the centre of the site. In total there are six primary schools within 1 mile of the site. The nearest secondary school to the site is the Ruth Gorse Academy.

Current projected demand and available capacity in nearby schools indicates that there will be sufficient capacity available across the local area to meet an increase in demand for school places from the Wellington Square site.

- 6.2.3 LCC Climate Change and Energy – the application is supported subject to conditions with regard to the provision of Standard Assessment Procedure (SAP) reports prior to construction and following completion of the residential building; the submission of a BRUKL report following completion of each of the office buildings; details and locations of the proposed air source heat pumps and photovoltaic panels; evidence of water usage; BREEAM certification.

Response – conditions proposed.

- 6.2.4 LCC Conservation - The evaluation of Heritage Impact Assessment is that the proposed development will have a neutral effect on the setting of the City Centre Conservation Area which is agreed with. The visual impact on Park Square is mitigated in part by the design of the scheme and is considered to represent a low level of less than substantial harm to the significance of the Conservation Area. This impact will be significantly reduced to negligible or nil following the development of the former international swimming pool site. Along Park Place, the linear form of the street and the canyoning effect of the back-of-pavement development to either side would effectively channel views towards the proposed tower and the proposed development will provide a fitting terminus which is considered to be a minor enhancement. This assessment of the effects of the proposed development can be extended to the impact on the settings of listed buildings within the conservation area, including the Town Hall and St Paul's House.

The proposed development would bring the application site into the setting of the Woodhouse and Hanover Square Conservation Areas and the grade I Denison Hall. The proposed tower would be experienced alongside existing taller buildings beyond the established ridgeline of buildings on the south side of Woodhouse Square and Hanover Square Area boundary but, contrary to the evaluation of the impact assessment, it is considered that this would not be fully mitigated and would cause minor harm to the conservation areas and the settings of the listed buildings in Woodhouse Square and Denison Hall. The proposed development will have multiple effects, mostly neutral after the mitigating effect of the proposed development on the former swimming pool site, some beneficial and it is considered to cause less than substantial harm to Hanover Square and Woodhouse Square and some listed buildings within. NPPF Paragraph 208 requires less than substantial harm to be weighed against the public benefits of a development proposal including heritage benefits.

- 6.2.5 LCC Contaminated Land Team – The proposed development includes sensitive land uses. The Phase 1 Desk Study Report recommends a Phase 2 (Site Investigation) Report and Remediation Statement may also be required.

Response – conditions requiring the relevant reports are proposed.

- 6.2.6 LCC District Heating - This development is close to the Leeds PIPES network, and the proposed further extension of 'phase 3' will mean the main transmission line is even closer. All three buildings can be connected, though it is understood that an alternative solution for heat and domestic hot water has been arranged for the residential block.
- 6.2.7 LCC Environmental Protection Team - As outlined in the applicant's supporting acoustic assessment, noise from road traffic is significant at this location necessitating

the use of acoustic glazing and windows closed to attain satisfactory internal conditions. With that in mind, details of a ventilation strategy that complies with the Acoustics, Ventilation and Overheating Guide, and Building Regulations Approved Document O should be provided via a pre-commencement planning condition to ensure that future occupants have suitable ventilation and room comfort when windows are closed to mitigate noise intrusion.

The design targets for fixed plant including standby generators as discussed in the acoustic report are acceptable and a condition to secure details demonstrating compliance is recommended.

Response – conditions added regarding details of a sound and ventilation strategy to mitigate environmental noise and room overheating; and limiting plant and machinery noise.

- 6.2.8 LCC Environmental Studies Transport Strategy - agree with the methodology and findings of the Planning Noise Report (PNR) and concur that by installing the recommended glazing specification in conjunction with the recommended ventilation system, internal noise levels should meet those recommended within BS8233. However, as the PNR notes more detailed calculations need to be carried out once the ventilation strategy has been finalised a Grampian condition is recommended.

Response - a condition requiring the submission and approval of a noise and ventilation package (with a breakdown of the noise reduction values that will be achieved) prior to construction is proposed.

- 6.2.9 LCC Flood Risk Management (FRM) – following consideration of the Flood Risk Assessment and the drainage strategy a condition is recommended that the development is undertaken in accordance with those details.

Response – condition added.

- 6.2.10 LCC Influencing Travel Behaviour (ITB) - The Travel Plan should be included in the Section 106 Agreement along with the following:

- a) Leeds City Council Travel Plan Review fee of £28,234.
- b) provision of 2 Leeds City Council Car Club provider parking spaces with an Electric Vehicle Charge Point (EVCP). The spaces will need to be lined and signed and protected for sole use of the Leeds City Council car club operator prior to initial occupation of the development. A Sheffield stand is required adjacent to the car club spaces.
- c) Contribution of £13,505 free trial membership and usage of the car club by office occupiers of the development. If the contribution is not spent on car club trial for the office occupiers, the site wide travel plan co-ordinator can use the contribution for other sustainable travel measures for the employees e.g. public transport tickets, hire bikes.
- d) provision of a Residential Travel Plan Fund of £120,569.24.
- e) should the developer fail to provide the monitoring report for a continuous period of 11 months the Council may undertake its own surveys and monitoring of the implementation of the Travel Plan and recover reasonable costs from the developer.

Response – the identified requirements are captured in the draft section 106 agreement.

- 6.2.11 LCC Landscape – the latest design update is acceptable subject to conditions in respect of arboricultural supervision and tree protection; submission of landscape

details including roof gardens and their irrigation and details of trees in hard landscaped areas; replacement of any plant failures; and a landscape management plan.

Response – conditions added.

- 6.2.12 LCC Nature Conservation – the figures provided in the Ecological Impact Assessment Report and the Biodiversity Metric 3.1 indicate the scheme will result in an uplift of 0.81 Biodiversity Habitat Units equivalent to a biodiversity net gain of 25.76% and an uplift of 0.39 Biodiversity Hedgerow Units. The Biodiversity Net Gain complies with Policy G9 and is acceptable to Nature Team.

The Bat Report did not record any use of the buildings by roosting bats. The submitted bat survey report is acceptable. Conditions recommended with regard to a Construction Environmental Management Plan; provision of integral bat roosting and integral bird nesting facilities; and control of Cotoneaster, a non-native invasive plant species.

Response – suggested conditions added.

- 6.2.13 West Yorkshire Archaeology Advisory Service – there is no known archaeological impact and there are no comments to make.
- 6.2.14 West Yorkshire Police – a planning condition is requested to provide details of security measures.

Response – security condition added.

- 6.2.15 Yorkshire Water – No objection in principle to the revised details, including the planter details designed to prevent root ingress. It is essential that infrastructure is taken into account in the design of the scheme. A condition is recommended regarding the water supply to prevent any obstruction 3m either side of the water main. Conditions are also recommended requiring that there be no obstruction 3m either side of the public sewer; no obstruction 4m either side of the public combined water sewer; the provision of a separate system of drainage on and off site; and completion of surface water drainage works before piped discharges from the site.

Response – conditions added.

7.0 Policy

7.1 Development Plan

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

- The Leeds Core Strategy 2014 (as amended by the Core Strategy Selective Review 2019)
- Saved UDP Policies (2006), included as Appendix 3 to the Site Allocations Plan
- The Natural Resources & Waste Local Plan (NRWLP, Adopted January 2013) including revised policies Minerals 13 and 14 (Adopted September 2015)
- Site Allocations Plan (as amended) (Adopted 2024)

7.2 Leeds Core Strategy (CS)

7.2.1 The Core Strategy sets out the strategic level policies and vision to guide the delivery of development and the overall future of the district. Relevant Core Strategy policies include:

- Spatial Policy 1 prioritises the redevelopment of previously developed land in a way that respects and enhances the local character and identity of places and neighbourhoods.
- Spatial Policy 3 seeks to maintain and enhance the role of the City Centre as an economic driver for the District and City Region by (iv) Comprehensively planning the redevelopment and re-use of vacant and under-used sites and buildings for mixed use development and new areas of public space.
- Spatial Policy 8 supports a competitive local economy including through the provision of a sufficient supply of buildings for B class uses through enterprise and innovation in housing, leisure and tourism; job retention and creation, promoting the need for a skilled workforce, educational attainment and reducing barriers to employment opportunities.
- Spatial Policy 9 supports the provision of offices and other opportunities for employment land and premises.
- Spatial Policy 11 includes a priority related to improved facilities for pedestrians to promote safety and accessibility and provision for people with impaired mobility.
- Policy CC1 outlines the planned growth within the City Centre including at least 655,000sqm of office floorspace. Part B encourages residential development, providing that it does not prejudice town centre functions and provides a reasonable level of amenity for occupiers.
- Policy CC3 states new development will need to provide and improve walking and cycling routes connecting the City Centre with adjoining neighbourhoods and improve connections within the City Centre.
- Policy H2 indicates new housing will be acceptable in principle on non-allocated sites providing the number of dwellings does not exceed the capacity of transport, educational or health infrastructure.
- Policy H3 states that housing development should meet or exceed 65 dwellings per hectare in the City Centre.
- Policy H4 states that developments should include an appropriate mix of dwelling types and sizes to address needs measured over the long-term taking into account the nature of the development and character of the location.
- Policy H5 identifies affordable housing requirements.
- Policy H8 states developments of more than 49 dwellings should include support for Independent Living.
- Policy H9 refers to minimum space standards in new dwellings.
- Policy H10 identifies accessible housing standards.
- Policy EC3 safeguards existing employment land, stating that the loss of an existing Class B use in an area of employment shortfall will only be permitted where the loss of the premises can be offset sufficiently by the availability of existing general employment land and premises in the surrounding area.
- Policy P10 requires new development to be based on a thorough contextual analysis to provide good design appropriate to its scale and function, delivering high quality innovative design and that development protects and enhance the district's historic assets in particular, historically and locally important buildings, skylines and views.
- Policy P11 states that the historic environment and its settings will be conserved, particularly those elements which help to give Leeds its distinct identity.

- Policies T1 and T2 identify transport management and accessibility requirements to ensure new development is adequately served by highways and public transport, and with safe and secure access for pedestrians, cyclists and people with impaired mobility.
- Policy G2 supports the protection of existing trees and the increase in tree cover.
- Policy G5(iii) requires mixed use development on sites over 0.5 hectares in the City Centre to provide the greater area of either 20% of the total site area, or a minimum of 0.41 hectares per 1,000 population of open space.
- Policy G9 states that development will need to demonstrate biodiversity improvements.
- Policies EN1 and EN2 set targets for CO² reduction and sustainable design and construction, and at least 10% low or zero carbon energy production on-site.
- Policy EN4 states that where technically viable major developments should connect to district heating networks.
- Policy EN5 identifies requirements to manage flood risk.
- Policy EN6 requires developments to demonstrate measures to reduce and re-use waste.
- Policy EN8 identifies electric vehicle charging infrastructure requirements.
- Policy ID2 outlines the Council's approach to planning obligations and developer contributions.

7.3 **Saved Unitary Development Plan Review policies (UDPR)**

7.3.1 Relevant Saved Policies include:

- Policy GP5 states that all relevant planning considerations are to be resolved.
- Policy BD2 requires that new buildings complement and enhance existing skylines, vistas and landmarks.
- Policy BD4 relates to provision for all mechanical plant on and servicing of new developments.
- Policy BD5 requires new buildings to consider both amenity for their own occupants and that of their surroundings including usable space, privacy and satisfactory daylight and sunlight.
- Policy N19 requires new buildings adjacent to conservation areas to preserve or enhance the character or appearance of the relevant areas.
- Policy LD1 sets out the criteria for landscape schemes.

7.4 **Natural Resources & Waste Local Plan (NRWLP)**

7.4.1 The NRWLP identifies where land is needed to enable the City to manage resources, like trees, minerals, waste and water and identifies specific actions which will help use the natural resources in a more efficient way.

7.4.2 Relevant policies include:

- Air 1 states that all applications for major development will be required to incorporate low emission measures to ensure that the overall impact of proposals on air quality is mitigated.
- Water 1 requires water efficiency, including incorporation of sustainable drainage
- Water 4 requires the consideration of flood risk issues
- Water 6 requires flood risk assessments.
- Water 7 requires development not to increase surface water run-off and to introduce SUDS where feasible.
- Land 1 requires consideration of land contamination issues.

- Land 2 requires that development conserves trees where possible and the need to introduce new tree planting as part of creating high quality living and working environments and enhancing the public realm.

7.5 **Site Allocations Plan (SAP)**

- 7.5.1 The Site Allocations Plan 2019 (as amended 2024) was adopted by the council on the 17 January 2024.
- 7.5.2 The site is not identified in the SAP.

Other material considerations

7.6 **National Planning Policy Framework (NPPF) 2023**

- 7.6.1 The NPPF was updated in response to the Levelling-up and Regeneration Bill: reforms to national planning policy consultation on 19 December 2023 and sets out the government's planning policies for England and how these are expected to be applied.
- 7.6.2 Paragraph 11 states that decisions should apply a presumption in favour of sustainable development. Permission should be granted unless the application of policies in the Framework provides a clear reason for refusing the development; or any adverse impacts of granting permission would significantly and demonstrably outweigh the benefits, when assessed against the Framework as a whole.
- 7.6.3 Chapter 5 identifies guidance for the delivery of a sufficient supply of homes. Paragraph 64 states that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless: a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and b) the agreed approach contributes to the objective of creating mixed and balanced communities.
- 7.6.4 Chapter 6 refers to Building a strong, competitive, economy. Planning decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.
- 7.6.5 Chapter 7 relates to measures to ensure the vitality of town centres stating that decisions should support the role that town centres play by taking a positive approach to their growth, management and adaptation. A suitable mix of uses should be allowed recognising that residential development often plays an important role in ensuring the vitality of centres.
- 7.6.6 Chapter 8 promotes healthy and safe communities aiming to achieve healthy, inclusive and safe places. Decisions should promote social interaction, for example through mixed use developments; should be safe and accessible; and enable and support healthy lifestyles (paragraph 96). Decisions should promote public safety and take into account wider security requirements (paragraph 101).
- 7.6.7 Chapter 9 identifies measures to promote sustainable transport. Paragraph 109 prescribes, for the purpose of promoting sustainable transport, that significant development should be focused on locations which are or can be made sustainable, through limiting the need to travel and offering a genuine choice of transport modes. Paragraph 110 states that appropriate opportunities to promote sustainable transport

modes should be taken up; safe and suitable access provided for all users; and any significant impacts on the highway mitigated. Paragraph 116 identifies that priority should be given to pedestrian and cycle movements; the needs of people with disabilities and reduced mobility addressed; creation of safe, secure and attractive spaces; allow for the efficient delivery of goods; and be designed to enable use by sustainable vehicles.

- 7.6.8 Chapter 11 promotes the effective use of land in meeting the need for homes and other uses. Decisions should give substantial weight to the value of using suitable brownfield land and promote and support the development of under-utilised land and buildings (paragraph 124). Local planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to use retail and employment land for homes in areas of high housing demand (paragraph 127).
- 7.6.9 Planning decisions should support development that makes efficient use of land taking account of the need for different forms of development and the availability of land suitable for accommodating it; local market conditions and viability; the capacity of infrastructure and services; the desirability of maintaining an area's character or of promoting regeneration and change; and the importance of securing well-designed places (paragraph 128).
- 7.6.10 Chapter 12 identifies the importance of well-designed places and the need for a consistent and high quality standard of design. Paragraph 135 states that decisions should ensure that developments:
- a) will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
 - b) are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;
 - c) are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);
 - d) establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
 - e) optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
 - f) create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.
- 7.6.11 Paragraph 136 states that trees make an important contribution to the character and quality of urban environments, and can also help mitigate and adapt to climate change. Planning policies and decisions should ensure that new streets are tree-lined, that opportunities are taken to incorporate trees elsewhere in developments (such as parks and community orchards), that appropriate measures are in place to secure the long-term maintenance of newly-planted trees, and that existing trees are retained wherever possible.
- 7.6.12 Chapter 14 identifies the approach to meeting the climate change challenge. 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 (paragraph 157). New development should avoid increased vulnerability to the range of impacts arising from climate change and should be planned so as to help reduce greenhouse gas emissions, such as through its location, orientation and design (paragraph 159).

7.6.13 Chapter 15 identifies guidelines for conserving and enhancing the natural environment. Paragraph 180(b) states the natural and local environment should be contributed to and enhanced by recognising the benefits of trees and woodlands. Paragraph 180(e) states that new and existing development should not be put at unacceptable risk or be adversely affected by unacceptable levels of soil, air, water or noise pollution. Paragraph 189 states decisions should ensure that a site is suitable for its proposed use taking account of contamination. Paragraph 191 states new development should be appropriate to its location taking account of the likely effects of pollution on health and living conditions; and that potential adverse effects of noise be mitigated.

7.6.14 Chapter 16 refers to the historic environment. Paragraph 203 states that:

In determining applications, local planning authorities should take account of:

- a) the desirability of sustaining and enhancing the significance of heritage assets and putting them to viable uses consistent with their conservation;
- b) the positive contribution that conservation of heritage assets can make to sustainable communities including their economic vitality; and
- c) the desirability of new development making a positive contribution to local character and distinctiveness

Paragraph 205 states that:

When considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation (and the more important the asset, the greater the weight should be). This is irrespective of whether any potential harm amounts to substantial harm, total loss or less than substantial harm to its significance.

7.7 **Supplementary guidance**

- Accessible Leeds SPD
- Building for Tomorrow Today: Sustainable Design and Construction SPD
- Neighbourhoods for Living SPG
- City Centre Urban Design Strategy SPD
- Tall Buildings SPD
- Transport SPD
- Innovation Arc SPD

7.8 **Other Relevant Legislation**

Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 reads:

“In considering whether to grant planning permission [or permission in principle] for development which affects a listed building or its setting, the local planning authority or, as the case may be, the Secretary of State shall have special regard to the

desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses.”

7.9 Under section 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990 when granting planning permission for developments which are in a conservation area special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area.

8.0 Key issues

- Principle of the development
- Townscape, heritage and design
- Landscape, public realm and biodiversity
- Transportation and sustainable travel
- Housing and amenity
- Accessibility, equality and inclusion
- Climate Change and sustainability
- Wind
- Flood risk
- Safety and security
- Planning Obligations, Viability, and Community Infrastructure Levy (CIL)

9.0 Appraisal

9.1 Principle of the development

9.1.1 There has been a significant shift in the focus of new office accommodation towards the west side of the City Centre into areas such as Wellington Place to the south of Wellington Street. At the same time there has been a loss of more established office space north of Wellington Street, especially to residential conversions. Members may recall that planning permission was granted in 2020 for redevelopment of the existing office buildings located between Grove Street and Skinner Street which form the southern half of the site (19/04905/FU). This development would have provided 46,000sqm of new Grade A office accommodation in a single building but has not been delivered due to the extensive size of the floorplate of the building not meeting potential tenant needs.

9.1.2 The revised format of the office development comprising two independent buildings is intended to provide the highest levels of sustainably-designed workspace in order to attract and retain occupiers so as to ensure delivery. The office buildings would be linked at basement level, sharing the same cycle access ramp and could potentially be joined by upper level bridge links if there was a demand from occupiers. In combination, the buildings would provide approximately 49,893sqm (GEA) of grade A office accommodation in a sustainable City Centre location. The office space would represent a significant contribution to meeting the City Centre growth target of at least 655,000sqm of office floorspace identified by Core Strategy policy CC1 and would help to replace some of the office space lost elsewhere, together with that removed by way of demolition in the proposed development. The provision of office development in this location would also accord with a number of other policies, including Core Strategy spatial policies 2 and 3 which direct office development to City Centre locations.

9.1.3 The site is located within the designated City Centre. CS policy CC1(b) encourages residential development in City Centre locations providing that the development does

not prejudice the functions of the City Centre and that it provides a reasonable level of amenity for occupiers (see paragraph 9.5.10 – 9.5.13) and does not exceed the capacity of transport, educational or health infrastructure (CS policy H2). The development would deliver 464 residential apartments which would represent a meaningful contribution towards the Core Strategy's aim to provide 10,200 new homes within the City Centre over the plan period.

- 9.1.4 The buildings would be capable of accommodating other Class E uses within areas at basement and ground floor of Plots 1a and 1b and the ground floor of Plot 2. These uses could potentially include small shops, restaurants, medical or health services in the office buildings whilst the residential tower could house a food and beverage unit (146.7sqm). The proposed buildings could also potentially accommodate some of the uses displaced by the redevelopment of the site. The introduction of Class E uses would encourage pedestrian activity and general vitality and vibrancy around the development and also provide an amenity for both residents and office workers. The uses would also complement the neighbouring Wellington Street local convenience shopping centre.
- 9.1.5 Consequently, subject to the detailed considerations set out below, the proposed uses are acceptable in principle and respond positively and significantly to the growth targets set out in the CS.

9.2 Townscape and heritage considerations

- 9.2.1 The site currently comprises a collection of undistinguished buildings constructed between 20 and 30 years ago. The relatively small scale of the buildings west of Castle House is such that, in combination with the previously cleared site to the west of Cropper Gate, for many years the townscape was dominated by the expansive highway infrastructure around the junction of the Inner Ring Road and Wellington Street. However, beyond the A58 there are a number of taller buildings with a variety of architectural styles, such as the Ibis Hotel and Liberty Park on Marlborough Street, and the iQ student accommodation development at Marsden House. Further, a 31 storey building is now being constructed beyond Cropper Gate immediately to the west of the site (22/02970/FU) whilst development is ongoing on the former site of the International Pool located to the east of Lisbon Street with buildings rising up to 33 storeys (21/05142/FU). The scale of buildings on the southern side of Wellington Street opposite the site is also increasing significantly. The first phase of the redevelopment of the former Yorkshire Post site, an 18 storey building named The Headline opened in 2022, whilst proposals for buildings rising up to 42 storeys on the northern edge of that site have recently been approved (22/04895/FU).
- 9.2.2 Reflecting its location adjacent to major highway infrastructure at a key gateway into the City Centre the site is located in an area where the adopted Tall Buildings SPD identifies a potential opportunity for a string of tall buildings. As noted, planning permission was previously granted for a single 17 storey office building on the southern half of the application site and the current proposals bring forward a pair of buildings of a slightly lower height; a 15 and a 16 storey building with a singular approach to design but dissected by a 6m cut between the two and extending further north than previously proposed. The mass of these buildings, further fragmented by their stepped form on the southern elevation facing Wellington Street, would respect the existing and emerging mass of buildings in the area whilst also responding positively to the scale and width of nearby roads.
- 9.2.3 The office buildings would have a classical tripartite order with a clear base, middle and top, emphasised by setting back the upper floors of the buildings to create south

facing terraces. The double height base to the buildings, set back behind colonnades on the southern and northern elevations, would be extensively glazed providing lightness to the form and activation of the facades at street level. The materiality of the upper levels of the office buildings draws inspiration from the local context of red masonry buildings on the northern side of Wellington Street. A scalloped terracotta rainscreen façade would be utilised with matching 230mm deep cills and soffit detail. A gradual change in colour tone and terracotta profile at each set-back level up the buildings would create further interest, similar to many historic buildings which have a finer detail at the uppermost floors. A continuous ribbon of glazing between the terracotta panels would be enhanced by deep (300mm) horizontal fins which would have the added benefit of providing shading and reducing glare. Electronically operable windows above this fin would enable fresh air and natural cooling within the office spaces, controlled by the building management system. The corners of the buildings, both terracotta and glazing, would be curved to deliver a soft, but clean, continuity of materials around the elevations, providing a contemporary and high-quality design with references to the 'streamline moderne' forms of the art deco period.

- 9.2.4 The proposed residential building (Plot 2) positioned towards the northern end of the site at the junction of Lisbon Street and Westgate would be 46 storeys (circa 140m) in height. LCT have commented that the location of the tower has been arbitrarily selected and does not relate to the urban landscape, mark a nodal point, destination or any other point of significance. LCT add that the proposed tall building on the adjacent site at the corner of the inner ring road and Wellington Street is such a location and that should be the main feature building (and the tallest) in this group of development sites.
- 9.2.5 Lisbon Street historically terminated at the junction with West Street (and later Westgate) but from the interwar period onwards the highway network, and surrounding landholdings, has been radically reorganised. Most significantly, the formation of the Inner Ring Road resulted in a change of levels between Lisbon Street and Westgate with Lisbon Street becoming a dead end. As noted, the scale of the highway infrastructure dominates the site. Emerging tall buildings flanking the route of the Inner Ring Road either side of the site will be 31 to 33 storeys in height with the building to the west sweeping round and returning onto Wellington Street. Within this context, the taller Plot 2 tower would reinforce the string of tall buildings whilst appearing as a distinctive landmark building which would complement this key gateway into the City Centre.
- 9.2.6 The main body of the tower would be hexagonal as a direct response to the geometries of neighbouring roads and routes. Whilst a large structure, through a combination of its height, form and materiality, Plot 2 would present elegant proportions atypical of other more conventional buildings in the group emerging alongside the Inner Ring Road. It is considered that this contrast, with a unique and distinctive form whilst providing a consistent appearance when viewed from all locations across the city, would enhance the immediate townscape and be a positive landmark element in the evolving cityscape.
- 9.2.7 Plot 2 would have classical tripartite ordering in response to both the function of the building and the way the building engages with the context. The double height base of the building would accommodate resident amenity areas and a flexible space that could accommodate a food and drink outlet. Externally, it would include large-format openings, with the glazing line set back within the façade to create depth and a sense of grandness at street level. Reveals and soffits to the openings would be lined with terracotta cladding to maintain the same material language as the main facade. A light-coloured glazed terracotta cladding is proposed as the primary material for the

ground floor areas. A larger format and deeper profiled tile is proposed to provide visual interest at street level. A secondary material of dark metal is proposed to create a visual connection between the base of the building and the main body of the tower. This has been proposed for doors and areas of screening that are required for ventilation. A continuous light coloured concrete upstand would run around the perimeter of the building to create a robust base detail to deal with the level changes around the building perimeter. This upstand would only be interrupted at points of access into the building. Where the glazing is recessed, the concrete upstand would create an opportunity for people to sit and engage with the building.

- 9.2.8 The ground floor internal arrangement has also been carefully considered to maximise active frontages whilst also consolidating back of house uses to less prominent elevations towards the north. The ground floor extends to the west beyond the footprint of the tower above along the southern elevation fronting the new public space. This arrangement has been designed to create a sense of enclosure to the new public space, shielding the space from both traffic noise and wind; to create an opportunity to provide a garden space for residents at first floor, and also; to create a human scale to the building frontage facing the new public space. Overall, the effect of a 'pavilion' in the new public space would be produced.
- 9.2.9 In common with the office buildings the main body of Plot 2 is characterised by its horizontality which can be broken down elementally into a 'glazing band' and a 'terracotta band'. The horizontality is emphasised by a 300mm reveal 'cill and soffit' detail which takes the form of deep projections defining the separation between the two façade elements. The curved corners provide 'soft' corners to the building edges further emphasizing the horizontality. Within the glazing band the number of components has been kept to a minimum along with a consistent façade rhythm to create a visually simple and elegant facade. The components include a fixed glazed window, an opening window with a perforated mesh screen detail, and solid spandrel elements to conceal party walls, partitions and corner columns. The dark metal colour would be recessive and conceptually reinforce the idea of a glazed band. A perforated mesh screen would be located in front of the opening windows, primarily for resident safety. This detail would result in varying levels of transparency along the glazing band, creating a dappled light effect across the façade at night-time. The same metal mesh pattern is continued on to the solid spandrel elements to both the main elevations and the corner detail. This approach would ensure a consistency of detail. A consistent low cill height is proposed, reinforcing the horizontal emphasis of the façade. This detail conceals furniture at low-level, provides residents clear views out when seated within the apartments and also minimises overheating issues associated with full height glazing. Vertical format glazed terracotta rainscreen tiles would be used in the terracotta band. These would be off-white in colour and profiled to provide visual interest and detail to the façade. The terracotta tiles would radiate around the corner maintaining a consistency of detail.
- 9.2.10 The proposed crown to Plot 2 continues the horizontal emphasis and materiality from the main body of the building below. Similarly, the curved corners are maintained at the top of the building for visual consistency. The proportions of the top floor have, however, been stretched with an increased floor to ceiling height breaking the rhythm of the layers below. Further, the fully glazed façade would be deeply recessed to create visual interest, depth and shadow. This recessed façade would place emphasis on the soffit to the crown of the building which is intended to be used as a light reflector when viewed at night as part of the lighting strategy to create a soft glow to the crown of the building. Consequently, the top of the building is clearly defined and would create a strong termination to the building which would act as a city marker and a gateway to the City Centre.

9.2.11 It was originally intended that the highest level of the building would solely accommodate a sky lounge for residents. However, it is now proposed that this level would accommodate both the sky lounge (293sqm) and also a three-bedroom apartment (131sqm) which would be located across the northern side of footplate. There would be no access to the roof terrace at this level other than for maintenance purposes.

9.2.12 In summary, the three buildings in the development would comprise intentional and bold architectural forms. They would have a unified architectural language with horizontal layering, soft curved corners and continuity of materials and terracotta detailing. As such, the buildings would be complimentary to each other as a family of buildings yet being a positive response to the existing and emerging context within the West End.

9.2.13 Given the scale of the buildings special attention needs to be paid to the heritage context of the development. Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (the 'Listed Buildings Act 1990') provides:

"In considering whether to grant planning permission for development which affects a listed building or its setting, the local planning authority or, as the case may be, the Secretary of State shall have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses."

And Section 72 provides:

"In the exercise, with respect to any buildings or other land in a conservation area... special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area."

9.2.14 The western edge of Leeds City Centre conservation area which accommodates a number of listed buildings is situated 170m to the east of the site and Park Square is situated more than 300m to the north-east. Hanover Square-Woodhouse Square conservation area is located on higher ground a similar distance due north of the site. However, it is recognised that setting of such assets may be more extensive than their curtilage. In response, the application is supported by a Heritage Impact Assessment (HIA) which considers these matters in detail, comparing existing, emerging and proposed views towards the site from 9 viewpoints to the north, north-east and east.

9.2.15 Officers concur with the HIA that the proposed development will have a neutral effect on the setting of the City Centre Conservation Area. Whilst Plot 2 would be a prominent feature rising well above the established roofline on the west side of Park Square, the visual impact on the square would be mitigated in part by the materiality of the visible elements of the development which would contrast with the predominantly brick-built buildings in the square. The resulting impact is considered to represent a low level of less than substantial harm to the significance of the Conservation Area. This impact will be reduced to negligible or nil following the completion of the development on the former international swimming pool site given that those intervening buildings will be positioned on a direct line of sight and effectively screen views of the proposed development. The uppermost part of Plot 2 would be visible from Millennium Square alongside the rooftops of other peripheral buildings. This limited neutral impact would be reinforced in the cumulative view with the international swimming pool buildings. The proposed development would be

barely visible when viewed from closer to the Civic Hall such that it would have no visual impact from this position.

- 9.2.16 Victoria Square to the south of the Town Hall is a key part of the setting of the Grade I listed building and an important open space in the Conservation Area. A large proportion of Plot 2 would be visible from within Victoria Square rising above Mansio Residence and other buildings on the south side of the Headrow / Westgate. The location of the tower means that it is unlikely to be experienced in direct conjunction with the Town Hall and will not affect north-facing views of the principal elevation. It would, however, bring the site into the wider setting of the Town Hall and contribute to the experience of the listed building within its immediate setting. In views from Victoria Square, the proposed tower would be experienced as a background element set beyond a row of predominantly modern buildings on the south side of The Headrow and Westgate.
- 9.2.17 While the tower would be a prominent background feature when viewed from the front of the Town Hall, it would not materially alter the character of the view, which already comprises a mixture of modern and historic buildings. The contemporary form and light-coloured materiality of the tower would ensure it contrasts with the predominantly red brick buildings of this part of the Conservation Area. As a result of perspective, the perceived height of the tower would appear broadly commensurate with the heights of existing buildings in this area, including 1 Headrow Court and Grade II listed Oxford Place Church. However, views of Plot 2 tower would be largely obstructed by proposed buildings on the international swimming pool building site.
- 9.2.18 Along Park Place, the linear form of the street and the canyoning effect of the back-of-pavement development to either side would effectively channel views towards the proposed tower and the proposed development will provide a fitting terminus which is considered to be a minor enhancement, albeit this effect will be lessened in the cumulative scenario. Whereas the upper elements of Plot 1b and Plot 2 would be visible when viewed from York Place, given the proportions of that street and the mixture of modern and historic buildings along it, it is considered that the effect is likely to be neutral. The development would not be visible from City Square such that it would have no effect on the character or appearance of this part of the Conservation Area.
- 9.2.19 The proposed development would bring the application site into the setting of the Hanover Square-Woodhouse Square conservation area and the grade I Denison Hall. The proposed Plot 2 tower would be experienced alongside existing and emerging taller buildings beyond the established ridgeline of buildings on the south side of Woodhouse Square and Hanover Square. The HIA considers that due to the separation and contrast in materiality the development would preserve this part of the conservation area. However, contrary to the evaluation of the HIA, it is considered that this impact would cause minor harm to the conservation area and the settings of the listed buildings in Woodhouse Square and Denison Hall.
- 9.2.20 The proposed development will have multiple effects, mostly neutral, after the mitigating effect of the emerging development on the former swimming pool site, some beneficial whilst it is considered to cause less than substantial harm to Hanover Square - Woodhouse Square conservation area and some listed buildings within. NPPF Paragraph 208 requires less than substantial harm to be weighed against the public benefits of a development proposal including heritage benefits.
- 9.2.21 The less than substantial harm identified with regard to heritage assets in Hanover Square - Woodhouse Square is outweighed by the public benefits of the development

proposed including the regeneration of the site and the enhancement to a key gateway into the City Centre; the provision of 464 residential apartments; the creation of new office space with the associated direct and indirect economic benefits including employment opportunities; and enhancement to the public realm and routes through it.

9.2.22 The development proposals would make more effective and efficient use of this sustainably-located brownfield site and provide high quality, contemporary architecture of an appropriate scale and mass which would respond appropriately to the existing and emerging context, positively marking the gateway location into the City Centre. It would also represent a highly efficient re-use of brownfield land in a sustainable, City Centre location. As a consequence, the development would also accord with CS policies P10 and P11, saved UDPR policies BD2 and N19 and the NPPF.

9.3 Landscape, public realm and biodiversity

9.3.1 The scale of the proposals dictates the need for high quality landscaping around the development to produce a suitable setting for the buildings, an attractive entrance to this part of the City Centre, and improved connections around the site (CS policies SP11, T2 and CC3). Existing trees fronting Wellington Street and Westgate also need to be protected and incorporated into the landscape scheme. Further, as the site exceeds 0.5 hectares in area CS policy G5(iii) requires the mixed use development to provide the greater area of either 20% of the total site area, or a minimum of 0.41 hectares per 1,000 population, of open space within the site. Principle IA 6 of the Innovation Arc SPD also requires that the development proposals support an accessible green network, creating connections to existing and proposed green and blue infrastructure, recognising that there are opportunities to increase public accessibility to the existing spaces in the area. At pre-application stage Panel commented that there needed to be more emphasis on adequate facilities for families and for young people and children in particular (perhaps in conjunction with improved links to neighbouring sites where such facilities are planned or provided).

9.3.2 A central, landscaped, space would be provided at the heart of the development. The space would feature a small urban lawn (circa 150sqm) and, directly to its east, a children's play area (circa 70sqm) which would include a safety surface and play equipment. An area of spill-out space is intended closest to plot 2 which could be used by a food and beverage operator. The central space would be surrounded by ornamental shrubs, hedges and tree planting. Footways would be provided around the perimeter of this area providing routes into the neighbouring buildings and links with surrounding spaces around the development and beyond.

9.3.3 The newly aligned Skinner Street would be designed as a shared surface with materials complementing the surrounding footways. Areas of tree planting would be provided in raised planters on the southern side of the street together with new footways. At the eastern end of Skinner Street, the two lowest levels of plot 1b would be set back 5.7m to form a two-storey colonnaded space to enhance the pedestrian entrance into the site from Lisbon Street. The eastern edge of plot 1b would also be pulled in by 1.3m from the current position of existing buildings on Lisbon Street so as to allow the footway on the west side of the street to be widened. Consequently, whilst the Skinner Street highway would be used by service vehicles visiting the offices in plots 1a and 1b or the residential development being constructed to the west, the wider space between the buildings would be visually cohesive and be a predominantly pedestrian focused space.

- 9.3.4 Due to the central location of the proposed public space, surrounded by buildings on all sides, it is inevitable that it would be in shadow for much of the day unless proposed and emerging neighbouring buildings were very much lower. Alternatively, the footprints of the buildings would need to be significantly reduced to produce a similar result. Such a form would also open up the potential for adverse effects from traffic noise from Wellington Street and the Inner Ring Road. Both these alternative scenarios would not be in the best interests of making effective and efficient use of City Centre brownfield land such that, on balance, the arrangement is acceptable.
- 9.3.5 The existing buildings on the site abut a footway which runs between the buildings and Westgate / Inner Ring Road. The position of these buildings prevents intervisibility along the footway and the lack of visibility has historically enabled anti-social behaviour whilst deterring people from using the route. The proposed development pulls the building line back from this edge, widening and opening up the route. A 4m wide shared pedestrian and cycling route would be formed which will link directly with the route to the east and west which will be improved as part of those developments. At the same time, pulling back the building line allows a new avenue of tree planting to be established, carefully designed to ensure that visibility along its length is maintained. This new northern buffer will also help to filter views of the highways beyond when viewed from the central space to the south to which it would be directly linked.
- 9.3.6 The existing narrow landscape strip to the south of plots 1a and 1b will be supplemented and extended to the east and west with 9 new trees provided within new areas of low level planting in existing hardsurfaced areas to help deliver a physical and visual separation from Wellington Street. An underground soil cell system would also be installed within Grove Street to enable existing trees which are limited by the width of the existing landscape strip to grow to their potential. The existing and proposed trees along this route would combine with those to the front of West One to the east side of Lisbon Street to produce a much stronger green edge to this part of Wellington Street. The ground and first floor of plots 1a and 1b would also be set back 4.6m across their full length between Cropper Gate and Lisbon Street to form a two-storey colonnaded walkway which would augment the adopted footpath located forward of this line.
- 9.3.7 In common with the environmental benefits secured around Skinner Street by redesigning it to operate as a narrower, one way, route the eastern constricted (1.6m) footway within Cropper Gate at the west edge of the site would be widened to 4.3m. It would accommodate a minimum footway width of 2.5m and 4 trees planted in a soft landscape / rain garden strip. In combination with works to be delivered by the development on the west side of Cropper Gate the western footway would also be widened and a street tree accommodated. In total, 61 new trees are proposed within the public realm utilising a combination of street trees, focal trees, feature trees, buffer trees and multi-stem trees along with significant enhancements made to public spaces and routes through and around the site.
- 9.3.8 In addition to the areas of public realm each of the buildings would provide external landscaped spaces for their residents and staff. The stepped form of the southern elevations of plots 1a and 1b enables the provision of roof terraces for these buildings. As such, levels 06, 10 and 12 of plot 1a and levels 08, 11 and 13 of plot 1b would be provided with a mix of hard and soft landscaped spaces creating places for outdoor working, informal meetings and social activities. The roof terrace (264.8sqm) extending to the west and south of plot 2 would be directly accessed from within the residential building. The northern edge would be likely to contain raised planters and shrub planting to limit views of Westgate and the Inner Ring Road to the north whilst

it would be more open on the southern edge to enable more open views of the public space. A variety of spaces would be formed to provide the opportunity for residents to gather in small groups or more intimate gatherings.

9.3.9 Paragraph 5.5.18 of the CS recognises that high density developments found in town centres may generate requirements for open space that cannot be delivered on site with the residual being provided off-site or in the form of a commuted sum. Such is the case in this development where, according to CS policy G5 calculations, 38% of the site should be provided as open space. In essence, this would equate to the entirety of the area north of the realigned Skinner Street being provided as open space such that plot 2, and the housing provision it would entail, would not be deliverable. As set out above, the development would provide a combination of spaces and improved pedestrian and cycle routes throughout. It would also provide improved links with neighbouring sites to the east and west in the form of a raised table on Lisbon Street and a narrow, shared surface, carriageway providing direct links to the development to the west. Further, in response to policy G5, a contribution of £100,000 would be provided towards off-site open space in lieu of full on-site provision.

9.3.10 CS policy G9 requires an overall biodiversity net gain, although there is an aspiration of achieving a 10% biodiversity net gain (BNG) within the completed development to reflect recently adopted national requirements for planning applications made from 12th February 2024. The application was supported by an Ecological Impact Assessment report and Biodiversity Metric 3.1 which reviewed in detail the existing habitats on site and the impact of the development upon them. The landscape works described above would result in an uplift of 0.81 Biodiversity Habitat Units equivalent to a biodiversity net gain of 25.76% and an uplift of 0.39 Biodiversity Hedgerow Units. Integral bird nesting and bat roosting features are also sought in buildings around the development. The proposed Biodiversity Net Gain surpasses the requirements of CS Policy G9 and also requirements for new planning applications.

9.3.11 In summary, the landscape, public realm and provisions for improving the biodiversity of the development accord with CS policies G5, G9 and P12 and Saved UDPR policies G5 and LD1.

9.4 Transportation and sustainable travel

9.4.1 The site is located in a highly sustainable, City Centre, location. The site is accessible by a range of sustainable transport modes. The railway station is a 10 minute walk directly along Wellington Street; there are existing bus stops directly outside the site and the City Connect cycle route runs along the site frontage. The developer has also agreed the contribution of £12,000 towards expanding the existing 'Legible Leeds' wayfinding system.

9.4.2 Skinner Street would be realigned and redesigned as a one-way route restricted for servicing only so as to give priority to pedestrians. The stopping up of adopted highway would be done under S247 of the Town & Country Planning Act 1990. The realigned Skinner Street will have to be built to adoptable standards, land dedicated and be offered for adoption under Section 38 of the Highways Act 1980

9.4.3 A new raised table at the junction of Lisbon Street / Castle Street / Skinner Street would help to change the character of the street and aid pedestrian movement across the street thereby improving pedestrian links into the former International Pool development site to the east. Servicing of the office buildings would be from a layby on this street whereas the residential tower would be serviced from a new layby on the west side of Lisbon Street adjacent to the building. A space for two car club

vehicles with an electric vehicle charging point would also be provided on the west side of Lisbon Street south of Skinner Street. Use of the car club vehicles would be supported by a contribution of £13,505 for free trial membership for occupiers of the development. Alterations to the highways around the development would result in the loss of pay and display bays for which a contribution of £14,895 per bay is sought towards lost revenue. Additionally, a contribution of £10,000 has been agreed towards alterations to Traffic Regulation Orders.

- 9.4.4 The residential tower would include a basement car park accessed from the northern end of Lisbon Street. The basement would provide 21 car parking spaces for the residential development including two spaces designed for disabled people. All parking spaces would be fitted with electric vehicle charging points. As a whole, the development would have a cumulative impact on the A65/A58 Inner Ring Road and Armley Gyratory, both of which are identified as congested junctions. The developer has offered a contribution of £200,000 towards offsite highway improvements/connectivity improvements to mitigate such impact. Additionally, a contribution of £20,000 has been agreed to enable signal timing modifications at the Wellington Street / Lisbon Street junctions.
- 9.4.5 Whereas the office development would not have any dedicated parking provision, a range of facilities are proposed to ensure that the development prioritises safe, healthy and sustainable travel options. The basement of the residential tower would provide two cycle stores providing a range of secure cycle storage facilities for 260 bicycles. A dedicated cycle lift from the basement up to the ground floor would be provided for cyclists (in addition to the lifts and stairs which would be provided to this level in the core). The basement below plots 1a and 1b would provide two cycle stores able to accommodate a total of 224 bicycles, accessed by a 1:10 ramp situated between the two office buildings. 17 additional Sheffield stands would be provided in this area. The cycle storage facilities would be supported by four shower and locker rooms.
- 9.4.6 In addition to the long-stay cycle storage facilities short stay cycle parking is shown to be distributed around the site. Additionally, space would be provided for the installation of a Leeds City Bikes docking station adjacent to the realigned Skinner Street, together with a contribution of £32,000 towards provision of the docking station and bicycles.
- 9.4.7 As confirmed at 9.3.5, a 4m wide shared pedestrian and cycling route would be formed along the northern edge of the development directly linking with the routes to the east and west. Additionally, a segregated cycleway and footway would be provided along Grove Street directly to the south of the development enhancing the existing provision.
- 9.4.8 The sustainable travel measures are included within a Travel Plan which has been agreed with the Influencing Travel Behaviour team. A Residential Travel Plan Fund was sought to encourage the use of sustainable travel modes by residents to which the developer has offered a contribution of £40,000. The section 106 agreement would also secure a travel plan review fee of £28,234 to cover the costs of reviewing the Travel Plan.
- 9.4.9 Subject to completion of a satisfactory Stage 1 Road Safety Audit the detailed arrangements for access, parking and servicing are acceptable. A range of travel plan measures have also been agreed to support sustainable transport choices. As such, the development would accord with CS policies T1, T2 and CC3.

9.5 Housing and residential amenity

- 9.5.1 Plot 2 located on the northern section of the site would accommodate 464 Build to Rent apartments with a variety of apartment types and sizes on each floor.
- 9.5.2 CS policy H2 confirms that new housing development on non-allocated land such as this is acceptable in principle providing the number of dwellings does not exceed the capacity of educational, health and transport infrastructure, and should accord with Accessibility Standards. Children's Services has confirmed that projected demand and available capacity in nearby schools indicates that there will be sufficient capacity available across the local area to meet an increase in demand for school places from the development. Given that a flexible Use Class E permission is sought for the basement and ground floor of plots 1a and 1b this arrangement allows for the provision of medical or health services within the development should there be such a demand. The Council is intending to work with the Clinical Commissioning Group to undertake research to look at housing growth across the City Centre as a whole, with the intended output then being to ensure sufficiency of primary care capacity for all residents. Transport infrastructure and access proposals are considered in Section 9.4 above.

Density

- 9.5.3 CS Policy H3 requires housing developments in the City Centre to meet or exceed 65 dwellings per hectare so as to make effective use of land and to help support more frequent public transport services, car clubs and bike share schemes in the compact City Centre. The proposals identify 464 apartments on a total site area of 0.92ha thereby significantly exceeding the minimum policy requirement and making efficient use of brownfield land in a highly sustainable location.

Housing mix

- 9.5.4 Policy H4 of the Leeds Core Strategy aims to ensure that new housing delivered in Leeds provides an appropriate mix of dwelling types and sizes to address needs measured over the long-term taking account of preferences and demand in different parts of the City. With this in mind the policy is worded to offer flexibility. Due to the denser character of the City Centre, the policy states that the requirement for houses is not applicable. Targets for the number of bedrooms in flats ranges from 10% for one and four bedroom apartments, 30% for three bedroom apartments, up to 50% with two bedrooms.
- 9.5.5 The residential building would house a variety of apartment types and sizes on each floor. For example, on the most common layout which is repeated between the 3rd and 43rd floors, there would be six 1 bedroom; four 2 bedroom and one 3 bedroom apartment providing a mix of options and helping to promote a mixed community within the building. In total, 249 apartments would be 1 bedroom (54%) of which 165 would be designed to accommodate two people; 168 apartments would be 2 bedroom (36%) of which 85 would be designed for three people and 83 designed for four people; and 47 apartments would be 3 bedroom (10%), of which 4 would be designed for four people, 42 would be designed for 5 people and one, a penthouse apartment, potentially accommodating 6 people.
- 9.5.6 The proportion of one-bedroom apartments (54%) is marginally above the 0-50% preferred range identified in CS policy H4 whilst the ratio of three-bedroom apartments (10%) is lower than referred to in the preferred mix (20%). However, as noted, the policy allows for flexibility, and it is recognised that the development has no studio units and a good supply of two bedroom dwellings (36%) which would be designed to accommodate three or four people.

- 9.5.7 The submitted Housing Needs Assessment reports that the need for City Centre housing has and will continue to be skewed towards a demographic which requires 1 and 2 bedroom homes. Further, it states that the core target demographic for a Build to Rent scheme in Leeds such as this is young professionals. Notwithstanding, the reports reflects that similar housing mixes to that proposed have been accepted on several sites within the City Centre. Recognising the mix proposed, the location of the site next to two major highways and the density of development and with reference to the above comments it is considered that Policy H4 is satisfied.

Affordable housing

- 9.5.8 CS policy H5 sets a minimum target that 7% of new homes in major developments in this part of the City should be affordable housing with a mix of intermediate and social rents at benchmark rents. 464 apartments would generate the need for 33 affordable units based upon this policy. Alternatively, Build to Rent developments can provide either 20% (in this case 93) of the dwellings as “Affordable Private Rent” dwellings with rents 20% lower than market rents in the local area and agreement of eligibility criteria with secure arrangements that continue in perpetuity; or a commuted sum in lieu of on-site provision of affordable housing. Policy H5 does not outline a hierarchy or preferred approach, instead confirming that each of the three options are appropriate alternatives and accepted for developments of this nature. This offers full flexibility for the applicant to choose in the case of Build to Rent schemes whether to provide the affordable housing requirement on site or to offer an off-site contribution in lieu of on-site provision.
- 9.5.9 A financial viability appraisal has been submitted by the applicant. The DVS has subsequently confirmed that it is not viable for the development to provide any affordable housing (see section 9.11 below). However, the developer has offered to provide 16 discount market rent apartments on site (3.5% of the total number of units).

Space standards and residential amenity

- 9.5.10 CS policy H9 requires all new dwellings to comply with the identified minimum space standards so as to create a healthy living environment. All units will slightly surpass these requirements in most instances with individual units, such as the three-bedroom penthouse apartment (131sqm), significantly larger than the minimum requirement. Floor to ceiling heights within the apartments would also exceed the minimum so as to create more airy living spaces for residents.
- 9.5.11 In common with other Build to Rent developments, additional communal amenity space would be provided within the residential building for residents’ use to supplement private spaces in apartments. Double height lounge and amenity areas at ground floor (256.9sqm) would be supplemented by a concierge area, parcel room and management offices. The first floor amenity space (274.1sqm) would abut and provide access to the resident’s external roof terrace (264sqm) on the building podium. The roof terrace would overlook the new public space to its south whilst raised planters and feature shrubs along the northern edge would help to provide a visual buffer from Westgate and the Inner Ring Road beyond. Whilst there would be areas of flexible space, the terrace would also incorporate more intimate spaces and seated areas surrounded by planting. A sky lounge at the top of the building would provide additional amenity space for residents (293sqm) as part of the overall total of 824sqm of internal amenity space provided for residents.

9.5.12 Apartments would be located at first floor and above, each accessed from a centrally-positioned core which would contain two stairways and four lifts. Typically, there would be 11 apartments of varying sizes on each floor. At its closest point the building would be 12m from the northern corner of the proposed eastern office block (plot 1b) but, with the geometry of the hexagonal building, this distance increases to 18m closest to Lisbon Street enabling residents in the south-east facing apartments to enjoy comfortable outlooks and daylight levels. Eastward-facing apartments would have outlooks towards the former international pool site where the western corner of the nearest building ('Building 2') would be 15m away. However, that buildings' axis is close to east-west such that the mass of the building is at a greater distance from plot 1b with student bedroom windows facing north-south, such that the relationship would be acceptable. The tower would be located 27m from the north-east curved end of the emerging building to the west of Cropper Gate such that residents in apartments facing this direction would experience good levels of light and outlook. Apartments facing other directions would benefit from more open aspects and unrestricted views across the city.

9.5.13 Apartments located towards the eastern end of the emerging residential building to the west of the site would look north and south such that their amenities would not be affected by the proposed residential tower. However, it was previously recognised that those emerging off-site apartments facing south across Skinner Street and east across Cropper Gate would have more restricted outlooks and increased shading than the current conditions due to their relationship with the previously approved (though not implemented) office buildings on the application site. The proposed Plot 1a office building has a footprint which projects further to the north-east than previously approved but, given that the additional mass would project away from the neighbouring site, the impact would be similar to that previously reviewed when approving the development to the west. Notwithstanding, given the juxtaposition of the two buildings it is considered appropriate to control the outlook from the west-facing windows of the Plot 1a office building in order to ensure a reasonable level of privacy for the off-site apartments across Cropper Gate. Subject to such a condition, in the context of the grain and density of the City Centre, and subject to the provision of measures to protect privacy, the relationship is considered acceptable.

Noise and ventilation

9.5.14 Due to the proximity of busy highways to the residential element of the development a high level of acoustic attenuation, alongside whole house ventilation will be required to ensure that road noise is suitably-mitigated along the north-facing elevations and that apartments on the south-facing facades do not overheat.

9.5.15 The identified methodology for glazing specification, in conjunction with the recommended ventilation system, should ensure that the internal noise levels are acceptable. A CIBSE TM59 study has been carried out which demonstrates that potential overheating in the apartments can be acceptably controlled through the provision of a number of key elements including facade design and glazing performance, use of MVHR mechanical ventilation and operable ventilation vents. Common areas would be ventilated by the use of central air handling plant with heat recovery provision alongside a heat pump system providing heating and cooling. All systems would be designed in accordance with Building Regulations Part F and CIBSE guidelines and recommendations. As confirmation of the detailed proposals is needed, a condition requiring the submission and approval of a noise and ventilation package is proposed.

9.5.16 Ventilation to the office areas would be provided by two air handling units (AHU's) located at roof level. The fresh air intake and exhaust to these units will also be located at roof level to maximise air quality. To maintain a comfortable environment during the summer months and to minimise the use of mechanical cooling, night purge ventilation would be provided through a hybrid ventilation strategy (mechanical extract and actuated openable windows). Cold air would be drawn in through the openable windows which would remove heat from the building and cool down the exposed thermal mass in preparation for the next working day. During the day, the cool building mass would absorb heat from occupants, reducing the need for mechanical cooling whilst also providing a comfortable working environment. During the peak summer months and in areas with high internal heat gains, overheating will be avoided through the use of mechanical cooling. The internal environment will be conditioned in line with British Council Office (BCO) design standards.

9.5.17 In summary, the proposed development would provide 464 residential apartments which would represent a meaningful contribution towards the Core Strategy's aim to provide 10,200 new homes within the City Centre over the plan period. Good standards of amenity would be provided for all future occupants. As such, the development would accord with CS policies SP3, SP6, P10, H9, and saved policy GP5 of the UDPR.

9.6 Accessibility, equality and inclusion

9.6.1 Alongside the Accessibility SPD, CS policies P10(vi) and T2 require that developments are accessible to all users. Detailed landscape design should meet the standards set out in Approved Document Part M and British Standard (BS) 8300.

9.6.2 CS policy H10 requires that 30% of the new homes should be accessible and adaptable dwellings (Building Regulations standard M4(2)) and 2% of homes should be adaptable to wheelchair user standards (M4(3)). All floors in the residential building would be fully accessible with lifts running from basement level to the top of the building. Information submitted with the application confirms that the development would provide accessible apartments exceeding these requirements (208 M4(2) apartments, 44.61% of the total; and 10 M4(3) dwellings 2.16% of the total).

9.6.3 21 car parking spaces would be provided in the basement of the residential tower. 2 of these would be designed as spaces for disabled people with scope to provide an additional space if there is demand.

9.6.4 As noted, footways around the site will be widened so as to improve accessibility for all users. There will be shallow gradients throughout, for example a maximum of 1:25 across the central space. A range of seating options will be provided in the public realm, including spaces for wheelchair users. Whilst detailed landscape design will be secured by condition submitted details suggest that external spaces will be accessible and respond to the needs of all users.

9.6.5 Access into the office buildings would be at grade with the minor change in ground level between the front and rear of the buildings being accommodated by a step in the internal floor level at ground level. Within the building the step in levels would be provided for by both steps and 1:20 ramps. It is important that the principal entrance door design is accessible for all people and accordingly a condition is proposed in this respect.

9.6.6 Section 149 of the Equality Act 2010 requires local authorities to comply with the Public Sector Equality Duty. Taking into account all known factors and considerations, the

requirement to consider, and have due regard to, the needs of diverse groups to eliminate discrimination, advance equality of opportunity and access, and foster good relations between different groups in the community has been fully taken into account in the consideration of the planning application to date and at the time of making the recommendation in this report. The proposals are not considered to raise specific implications in these respects and as such a full Equality, Diversity, Cohesion and Integration Impact Assessment (EDCI) is not required.

9.7 Sustainability and Climate Change

- 9.7.1 The CS sustainable development policies are designed so that new development contributes to carbon reduction targets and incorporates measures to address climate change concerns following the Council's declaration of a climate emergency in 2019. Policy EN1 is flexible, allowing developers to choose the most appropriate and cost-effective carbon reduction solution for their site. Major developments also need to meet the BREEAM Excellent standard if feasible (EN2). Where technically viable, appropriate for the development, and in areas with sufficient existing or potential heat density, major developments should propose heating systems, potentially connecting to the emerging district heating network (EN4(i)).
- 9.7.2 The site has been developed incrementally over a number of years resulting in an inefficient building layout and use of City Centre land. Redevelopment of the existing buildings, as proposed, would involve far more effective and efficient use of land in a highly sustainable City Centre location, thereby reducing the need to travel by car and, in so doing, help to reduce greenhouse gas emissions. Prior to commencement of the demolition phase, a site waste management plan (SWMP) will be produced to limit the on and off-site environmental impacts of demolition and construction processes. The SWMP will detail recycled and secondary materials; waste reduction; waste segregation; waste recovery; and waste disposal. The scheme will promote the minimisation of waste arising and seek to maximise the use of recycled materials in construction and divert demolition and construction waste from landfill.
- 9.7.3 It is intended that the office element of the development provides the greenest workspace in the city, targeting BREEAM Outstanding, A-rated Energy Performance Certification (EPC) and NABERS UK Energy 5.5* design rating. In order to achieve these energy and sustainability ambitions, a holistic design approach has been taken which balances the energy strategy, building function and construction requirements. Services have been specified that exceed compliance with Part L 2021. This has been achieved through energy efficient lighting systems and controls, as well as efficient Heating, Ventilation and Air Conditioning (HVAC) technologies and Domestic Hot Water (DHW) plant and equipment. Air source heat pumps (ASHP), a heat recovery system, and mechanical ventilation with heat recovery would be utilised to further reduce energy consumption. By combining highly efficient plant with an optimised building façade with high levels of thermal performance whilst minimising the amount of concrete to be used, the office element of the development has minimised its CO₂ emissions to the atmosphere arising from the operations of and within the building.
- 9.7.4 In line with Policy EN4, an assessment was undertaken during the design stage to review the feasibility of connecting into the district heating network (DHN). At the current time the DHN does not extend into this area although plans to extend the network into the area have recently been confirmed. However, due to the uncertainty regarding the timescales of when the heat network will be extended to this area the development has been designed to be DHN ready by providing a future DHN plantroom within each block. This allows the proposed development to connect into the DHN in the future. Therefore, for the purpose of this application the hot water and

heating / cooling strategy will remain as a heat recovery (VRF) system generated from highly efficient ASHP's with hot water generated from a central high temperature air to water heat pump.

- 9.7.5 The project team for the residential building have explored various potential design solutions to deliver a sustainable and low energy building. It is intended that in addition to meeting or surpassing CS policy requirements the apartments will all achieve or exceed an EPC B-rating, a Home Quality Mark 4-Star rating (which measures the cost of running the home, the occupants' well-being, and the property's digital connectivity).
- 9.7.6 Passive design measures for the residential building include sustainable building fabric design which exceed minimum requirements. Along with the fabric improvements, the window design allows for a passively rather than mechanically cooled building. Apartments would be heated via direct electric panel radiators. As these do not rely on the storage or distribution of hot water there is no wasted heat and, as such, they provide a very energy efficient design solution in comparison to wet system (i.e. boiler system). There is also less embodied carbon associated with this solution, as there is far less material involved with the installation works compared to typical alternatives (e.g. central boiler system). The use of electric storage heaters is also currently under review as these have the capability of making use of night-time electricity, which has a lower carbon emission factor per kWh. It is proposed that each apartment is provided with a mechanical ventilation with heat recovery (MVHR) unit which would extract surplus heat from kitchens and bathrooms and use the heat to heat the incoming air supply. Low energy LED luminaires are proposed throughout whilst common areas would make use of lighting presence detectors and / or daylight dimming controls to keep lighting energy use to a minimum.
- 9.7.7 Once energy demand has been reduced to a minimum by implementing measures described above, additional renewable technologies are proposed to offset the site energy consumption. These could include the use of air to water heat pumps as part of the ventilation solution in conjunction with the provision of hot water. The use of an alternative technology which utilises phase change material is also under consideration, which has the advantage of making use of electricity supplied at night, for heating water during the day. The use of this Economy7 type tariff could result in lower carbon emissions and reduced operational costs for tenants. Offsetting the electricity demand with solar photovoltaics (PV) could also provide an effective solution which can be utilised throughout the year. Given the ongoing design development which seek to enhance sustainability credentials further conditions are proposed to ensure that the detailed proposals satisfy or surpass CS policy EN1 are agreed before commencement and, in common with the office buildings, verified following construction.
- 9.7.8 Sanitaryware for WC's, baths, showers and sinks will be selected to ensure that water consumption is less than the required minimum identified in CS policy EN2.
- 9.7.9 As noted in section 9.4, both the office and residential elements of the development propose extensive cycle storage facilities which will be directly accessible to the cycling network which will be improved on the northern and southern edges of the site in combination with improvements to each of the footways. Consequently, the development would promote sustainable travel measures whilst it is also located on Wellington Street, a key corridor on the bus network. Further, the development will provide space for two car club spaces and be supported by other travel plan initiatives thereby reducing reliance on private vehicles further. At the same time, all parking spaces will be provided with electric vehicle charging points thereby enabling carbon reduction and air quality benefits which accord with CS policy EN8.

- 9.7.10 New areas of soft landscaping are proposed within the development both at ground level and within the roof terrace areas proposed for both the office and residential buildings. Ecological enhancement is also a fundamental aspect of BREEAM where the proposed planting will increase biodiversity while also enhancing human wellness through biophilic design.
- 9.7.11 Consequently, subject to confirmation of details which will be secured by planning conditions the proposed development would accord with CS policies EN1, EN2, EN4, EN6 and EN9 and positively respond to the Climate Change Emergency.

9.8 Wind environment

- 9.8.1 Mindful of the height of the proposed buildings the applicant engaged FD Global (FDG) wind consultants at the commencement of the design process to provide advice regarding the safety and comfort of the wind environment associated with the development. The initial development of the massing proposals was informed through iterative Computational Fluid Dynamics (CFD) analysis which highlighted potential safety impacts at an early stage in the design development which led to subsequent massing adjustment and the inclusion of wind mitigation measures such as the lower level link between the two office buildings.
- 9.8.2 As design of the development progressed a combined CFD and wind tunnel testing approach has been undertaken by FDG to provide comprehensive quantitative analysis of the wind impacts of the development. In turn, the Council appointed Architectural Aerodynamics (ArcAero) to advise on the review process and ultimately to peer review the wind report findings.
- 9.8.3 At the time of drafting this report the peer review of the latest wind mitigation proposals, which avoid placing any wind mitigation structures within areas to be adopted as highway around the development, remained to be undertaken. Officers intend to verbally update Panel should the conclusions of this analysis be available by that stage.

9.9 Flood risk

- 9.9.1 The application site is primarily located within Flood Zone 2 as a result of fluvial flooding from the River Aire. The source of the fluvial flooding is both from the south and overland from the west. The site layout has adopted a sequential approach with the residential tower and the basement car park entrance (serving both the commercial and residential element) being located within Flood Zone 1 area to the northeast of the site where there is a lower risk of flooding.
- 9.9.2 The access level from Grove Street to the two office blocks is set at 29.70m AOD and consists of a frontage strip of lower ground floor area which would incorporate flood resilience measures. Demountable barriers would be utilised across the cycle access ramp threshold. Access to the main building ground floor (set at 30.50m AOD) would be via internal steps and ramps from the lower ground floor or directly from the realigned Skinner Street which is at the higher level. A Flood Evacuation Plan will be required to be put in place and provision of this information is proposed as a condition. The residential tower has a finished floor level of 31.050m AOD such that it would be above the required flood levels. Likewise the access ramp to the basement car park is located at the highest point of the site to avoid potential flooding.

- 9.9.3 The proposed surface water strategy for the site has been developed to utilise sustainable drainage systems (SuDS) to attenuate surface water at source and also to reduce the risk of downstream flooding to the Yorkshire Water surface water sewer within Lisbon Street. All of the surface water runoff that drains through the hard standing areas of the site will be attenuated within two below ground attenuation tanks providing a total of 393m³ of surface water attenuation. The surface water discharge flows have been agreed with the Flood Risk Management team. It is intended that the rainwater will be re used within the buildings except when heavy rainfall is forecast.
- 9.9.4 Subject to the identified mitigation measures the risk of flooding from all sources is considered to be low and the proposed development would not increase the risk of flooding elsewhere. Consequently, the development would accord with NRWLP Water policies and saved policy GP5 of the UDPR.
- 9.10 Safety and security
- 9.10.1 CS policy P10(v) identifies that developments should create safe and secure environments that reduce the opportunities for crime and the NPPF states that developments should be safe and accessible so that crime and disorder, and the fear of crime, do not undermine quality of life.
- 9.10.2 Many of the existing buildings have limited interaction with surrounding streets and are predominantly closed during evening and weekend periods. Several of the buildings have also been vacant for some time. Additionally, due to the alignment and continuous frontage of the existing buildings along the northern edge of the site there is no current intervisibility along the footway running to the north. This has historically resulted in some anti-social behaviour.
- 9.10.3 The proposed residential building would be set in from the existing building lines, 3.6m towards its western extent and 8.8m as it turns the corner from Lisbon Street towards the pedestrian route. The wider corridor would allow a 4m wide shared cycleway and footpath to be provided. Further, a new pedestrian route (minimum 6.6m wide) between the west end of the residential building and the development being constructed to the west would link the new central public space with the corridor to the north. Landscaping proposals for this area confirm that low level planting would be used to allow visibility through to the building and to remove hiding places. Consequently, as more open views along the corridor would be opened up by the development the route would be more inviting for pedestrians and cyclists.
- 9.10.4 The introduction of a residential use with apartment windows overlooking all directions would increase passive surveillance around the site, particularly during evening periods. The commercial ground floor element of the residential building may also attract additional pedestrian flows around the site. Works to improve the pedestrian corridor alongside the A58M on the former International Pool site to the east and on Cropper Gate site to the west by neighbouring developments will bring additional movement and activity. Cumulatively, all these proposals should reduce the fear of crime and enhance the environment.
- 9.10.5 The realigned Skinner Street would be designed as a pedestrian friendly environment, opening out towards the new central public space and towards the office buildings. The footways around the office buildings would be widened whilst the extensive use of double height glazing at lower levels would produce more overlooking and interaction. Detailed landscape design, including details of lighting and CCTV, will be secured by condition.

9.10.6 Consequently, subject to detailed design the development would accord with CS policy P10.

9.11 Planning Obligations, Viability and CIL

9.11.1 A legal test for the imposition of planning obligations was introduced by the Community Infrastructure Levy Regulations 2010 (as amended in 2019). These provide that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:

- (a) necessary to make the development acceptable in planning terms,
- (b) directly related to the development; and
- (c) fairly and reasonably related in scale and kind to the development.

9.11.2 The applicants submitted a viability assessment report that concluded that the scheme would not be viable, even without the provision of any affordable housing. This was reviewed by the District Valuation Service (the "DVS") on behalf of the Council. The DVS was advised by specialist cost consultants Rex Procter and Partner. The DVS's Stage 1 Report concluded that the whole scheme could deliver all planning policy requirements and remain viable. However, further to a detailed inspection of the existing properties within the site and revised inputs, the DVS issued a Stage 2 Report which concluded that the development is unviable with regards to a scheme including 20% discount market rent affordable housing, section 106 contributions and CIL. The Stage 2 Report further concluded that the scheme would remain unviable even if no affordable housing, section 106 contributions or CIL were included. A redacted copy of the DVS Stage 2 Viability Review Report is attached at Appendix 3.

9.11.3 Notwithstanding the current viability position which concludes that the development cannot viably support any affordable housing, section 106 contributions or CIL without jeopardising the derivability of the development, given funding pressures to move the scheme forward the applicants have taken a long-term view and offered the following contributions:

- Affordable housing – 16 (3.5%) discount market rent apartments at 80% of local market rents (the compliant CS policy H5 requirement would be 93 units (20%)).
- Off-site greenspace - £100,000 (fully compliant CS policy G5 requirement £142,232.04)
- Off-site highway improvements - £200,000 (against a calculated figure of £268,000 using the methodology as set out in the Transport SPD and applying consistency with sums secured for a nearby development)
- Residential Travel Plan Fund - £40,000 (against a calculated figure of £268,000 using the methodology as set out in the Transport SPD £120,569.34)

- Travel Plan Review fee - £28,234 (as requested)
- Leeds City Bikes - £32,000 (as requested)
- Signal timing modifications - £20,000 (as requested)
- Car club trial - £13,505 (as requested)
- Loss of Pay and Display bays £14,895 per bay (21) - £312,795 (as requested)
- Traffic Regulation Order changes - £10,000 (as requested)
- Legible Leeds wayfinding - £12,000 (as requested)

CIL, which is a non-negotiable payment, would amount to £2,647,149.02.

- 9.11.3 The section 106 agreement would also secure 24 hour public access through the site (to accord with CS policy CC3); compliance with agreed Travel Plan measures including provision of two Leeds City Council Car Club provider parking spaces with an Electric Vehicle Charge Point (to accord with the Transport SPD and CS policy EN8; local employment and training initiatives (to accord with CS Spatial Policy 8; and a Section 106 monitoring fee.
- 9.11.4 Whilst the full policy requirements would not be achieved, paragraph 58 of the NPPF states that “The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case...” In this case it is recognised that the scheme would offer many benefits including the regeneration of a sustainably located brownfield City Centre site; the delivery of a significant number of new homes; BREEAM Outstanding office accommodation in conjunction with high quality architecture and improved public realm and connectivity. Further, it would be intended to include an overage clause within the section 106 agreement which would require a review of costs and revenue at the completion of the development. Overage would apply to any developer’s profit above a pre-agreed amount, which excess sum would be divided 50:50 with the Council for use by it to provide affordable homes or other section 106 contributions where a shortfall from the policy compliant position is accepted, at the Council’s discretion.
- 9.11.5 This development will be liable to pay the Community Infrastructure Levy (CIL) £2,647,149.02 comprising £2,363,685.39 (commercial element) and £283,463.63 (residential element). Consideration of where any Strategic Fund CIL money is spent rests with the Council’s Executive Board and will be decided with reference to the Infrastructure Funding Statement at the time that decision is made.

9.12 Planning balance and conclusion

- 9.12.1 The proposals identify the potential to regenerate a sustainably located brownfield City Centre site which has been underutilised for a number of years. The development would deliver 464 new homes and 49,893sqm of BREEAM Outstanding office accommodation. Both the construction and operation of the development would provide significant employment opportunities which would make a major contribution to the local economy.
- 9.12.2 The development would entail high quality, contemporary, architecture which would respond appropriately to the existing and emerging context, positively marking the gateway location into the City Centre.
- 9.12.3 The proposals would create a new area of public realm, improved biodiversity and much enhanced connectivity and integration with emerging developments to the east and west of the site, supported by a range of sustainable travel initiatives.
- 9.12.4 Whereas the financial viability appraisal confirms that the development cannot viably support any section 106 contributions or CIL at the current time, the developer has offered contributions amounting to £768,534 in addition to 16 discount rent affordable units on site so as to help bring the development forward at this time. As a result, the development would accord with the Development Plan as a whole and, accordingly, it is recommended that the scheme should be deferred and delegated to the Chief Planning Officer for approval subject to the completion of an acceptable Road Safety Audit, receipt of an acceptable peer review of the detailed wind mitigation proposals, the conditions specified in Appendix 2 (including any amendment to the same or addition of further conditions as the Chief Planning Officer deems appropriate), and the completion of a Section 106 agreement.

Appendix 1 – Minutes of the City Plans Panel meeting of 6th October 2022

The report of the Chief Planning Officer informed Members about a pre-application proposal for the development of office buildings, residential space and new greenspace at Lisbon Street, Leeds.

Members attended the site prior to the meeting and site plans and photographs were displayed and referred to throughout the discussion of the proposals.

It was reported that the land was a key site on the Western gateway to the City Centre next to Lisbon Street and the former International Pool Site. There had been constructive discussions with the applicant throughout the development of the scheme and it was now felt appropriate to receive Members comments, particularly in relation to the scale and layout.

The applicant was invited to address the Panel. The following was highlighted:

- The site was between Wellington Street and the A58 and gave opportunity to connect this and other developments with the creation of public spaces.
- There had been meetings and workshops with council officers and adjacent landowners during the development of the proposals.
- There would be two office buildings and a residential building with associated public realm.
- The strategy for movement across the site focussed on pedestrians. There had been extensive consultation with highways for servicing arrangements and the scheme would include basement parking and provision for electric vehicle charging and cycle storage.
- CGI images of the proposals were displayed and pedestrian and cycle routes were highlighted.
- There would be double the amount of existing greenspace and over three and a half times the number of trees.
- Use of materials – sample materials were made available for the Panel to inspect. The use of glazed terracotta was proposed with different shadings on the office buildings and a lighter colour on the residential building.
- The residential building was designed for rental properties and would meet space standards. These would be highly energy efficient. There would be abundant amenity space including a sky lounge with panoramic views of the city.

A model of the proposals was displayed for Members to view.

In response to comments and questions, the following was discussed:

- More natural surveillance could be created on the northern edge with the use of more glazing and activity at ground floor level.
- Further to comments regarding the proposed white colour of the residential building, it was felt that the proposed “scalloped” detailing to the terracotta would ensure it does not look too bland and that a light colour would be more suitable in order to provide a contrast to the glazing (which would appear dark during the day) and to other nearby buildings which would be red terracotta and brick finishes.

- The cill levels of the windows would prevent any furniture being on display from the outside of the residential building.
- Work was ongoing with the Health and Safety Executive regarding fire safety and West Yorkshire Fire and Rescue Service would be consulted prior to the submission of a full application.
- The frontage to Wellington Street with the raised colonnade would provide an extra 6 metres of public realm which could provide opportunities for landscaping.
- The gap between the office buildings would be 6 metres and would give space for cycle ways and connectivity to cycle routes.
- The buildings would use electric power and energy efficiency was at the forefront of the plans including the use of renewable energy. It was suggested that further detail be brought to Panel at the full application stage regarding energy efficiency for the residential units.
- The proposed improvements to Wellington Street and provision of cycle routes were much needed.
- There would be an external terrace at first floor level for the use of all residents. Balconies in higher buildings tended to be under utilised (due to windy conditions and fear of heights) but there would be other amenity spaces.
- There would be greater amenity space due to the apartments being on a build to rent model.
- Concern regarding the cladding to be used on the lower floor of the residential building which gave an appearance of corrugated metal from the CGI images.
- Play area provision for young people – this would be considered.
- The Design Officer informed the Panel that the residential building would be an example of classic modernism and the design was supported by officers. With regard to balconies, they would undermine the architectural approach. However the colours and shading of the building could be reconsidered. Also further consideration could be given to the style of cladding at the bottom of the building.
- A suggestion that more glazing could be used on the ground floor of the residential building.
- Whether a walkthrough presentation of the proposals could be provided.
- The need to maximise greenspace and amenity space both for residents and the occupants of the office space.
- The promotion of active travel measures was welcomed.
- The need to take affordable housing policy into account for the residential units.
- In response to questions outlined in the report, Members were generally supportive of the massing and design of the buildings. With regard to the emerging landscape proposals it was felt that there needed to be more emphasis on adequate facilities for families and for

young people and children in particular (perhaps in conjunction with improved links to neighbouring sites where such facilities are planned or provided).

Appendix 2 - Draft 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 Schedule.

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

3 Prior to the commencement of any phase (including any demolition, site clearance, groundworks or drainage etc.) all existing trees to be retained within or adjacent to that phase of development site shall be fully safeguarded during the course of the demolition, building works and landscaping in accordance with the guidance of British Standard 5837 (Guide for Trees in relation to Construction), or with the particulars specified in details which shall first have been submitted to and approved in writing by the Local Planning Authority. NOTE Only the BS5837 default barrier with the scaffold framework shall be employed. Such measures shall be retained for the full duration of any demolition and/or approved works.

- (b) No works or development shall commence until a written Arboricultural Method Statement (AMS) in accordance with BS5837 for a tree care plan for that phase has been submitted to and approved in writing by the Local Planning Authority. The AMS shall include:
 - (i) a Site Supervision Schedule by the appointed arboriculturalist (i.e. a list of site visits and the operational specifics related to trees for the full duration of construction).
 - (ii) reporting back to the Local Planning Authority immediately after each site supervision intervention (written & photographic).

Works shall then be carried out in accordance with the approved AMS. NOTE item (b) cannot be discharged until the last supervision visit report for each relevant phase is submitted.

- (c) Evidence shall be submitted, such as a written appointment (including site specifics), that confirms that a qualified Arboriculturist/competent person has been appointed to carry out the Arboricultural monitoring/supervision for each relevant phase.
- (d) Seven days written notice shall be given to the Local Planning Authority that the protection measures for that phase are in place prior to demolition/ construction works commencing, to allow inspection and approval of the protection measures as implemented on site.
- (e) No equipment, machinery or materials shall be used, stored or burnt within any protected area. Ground levels within these areas shall not be altered, nor any excavations undertaken including the provision of any underground services/drainage, without the prior written approval of the Local Planning Authority.
- (f) The protective enclosure shall be retained in position until all equipment, machinery or materials for that phase have been removed from the site.

To ensure the protection and preservation of retained on and off-site trees during construction work.

4 Prior to the commencement of development a Construction Environmental Management Plan (CEMP:Biodiversity) shall be submitted to and approved in writing by the local planning authority. The CEMP (Biodiversity) shall put in place measures to retain and protect the 1.66 Habitat Units as identified in the On-site Habitat (A1), Baseline Units to be Retained and Enhanced in the The Biodiversity Metric 3.1 – Calculation Tool, submitted 12th February 2024 and include the following:

- (a) Risk assessment of potentially damaging construction activities
- (b) Identification of “biodiversity protection zones”
- (c) Measures to avoid or reduce impacts during construction
- (d) Location and timings of sensitive works to avoid harm to biodiversity features, including nesting birds
- (e) The times during construction when specialist ecologists need to be present on site to oversee works
- (f) The role of a responsible person (Ecological Clerk of Works) and lines of communication
- (g) Use of protective fences to BS 5837:2012, exclusion barriers and warning signs

The approved CEMP shall be adhered to and implemented throughout the construction period strictly in accordance with the approved details, unless otherwise agreed in writing by the local planning authority.

To ensure the protection of existing biodiversity features.

5 No works, including demolition works, shall take place between 1st March and 31st August inclusive, unless a competent ecologist has undertaken a careful, detailed check of the built structures and surrounding trees for active birds’ nests immediately before (within 24 hours) the works commence and provided written confirmation that no birds will be harmed and/or that there are appropriate measures in place to protect nesting bird interest on site. Any such written confirmation should be submitted to the Local Planning Authority within 3 days of such works commencing.

To protect nesting birds in built structures in accordance with the Wildlife & Countryside Act 1981 (as amended) and BS 42020:2013.

6 Prior to commencement of the demolition phase, a site waste management plan (SWMP) shall be submitted to and approved in writing by the Local Planning Authority to confirm measures to reduce and re-use waste to limit the on and off-site environmental impacts of construction. The SWMP shall include a forecast of waste to be produced and actions to reduce waste including detail recycled and secondary materials; waste reduction; waste segregation; waste recovery; and waste disposal. The SWMP scheme shall promote the minimisation of waste arising and seek to maximise the use of recycled materials in construction.

In the interests of sustainability and reducing wastes.

7 The approved Phase I Desk Study report indicates that a Phase II Site Investigation is necessary, and therefore development (excluding demolition) shall not commence until a Phase II Site Investigation Report has been submitted to and approved in writing by the Local Planning Authority.

Where remediation measures are shown to be necessary in the Phase II Report and/or where 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.

8 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.

9 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.

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

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

11 No works, including demolition works, shall begin until a Statement of Construction Practice for the relevant phase has been submitted to and approved in writing by the Local Planning Authority. The Statement of Construction Practice shall include full details of:

- (a) the construction vehicle routing, the means of access, location of site compound, storage and parking (including workforce parking), means of loading and unloading of all contractors' plant, equipment, materials and vehicles and associated traffic management measures;
- (b) the methods to be employed to prevent mud, grit and dirt being carried onto the public highway from the development;
- (c) measures to control the emissions of dust and dirt during construction;
- (d) how access will be retained during construction of the development to neighbouring sites; and
- (e) how this Statement of Construction Practice will be made publicly available by the developer.

The approved details shall be implemented at the commencement of the development 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 amenity and highway safety.

12 Unless otherwise agreed in advance in exceptional circumstances the hours of construction including deliveries and waste collection for each phase shall be restricted to 08:00 to 18:00 hours Monday to Friday, 08:00 to 13:00 hours Saturdays, with no construction activities on Sundays and Bank Holidays, unless otherwise agreed in writing in advance by the Local Planning Authority in exceptional circumstances.

In the interests of amenity.

13 No development, including demolition works, shall commence until a survey of the condition of Lisbon Street, Grove Street, Cropper Gate and Wellington Street between the A58M and Lisbon Street has been submitted to and approved in writing by the Local Planning Authority. Following completion of the relevant phase of development a survey of those highways shall be submitted identifying their condition, together with a schedule of remedial works to rectify damage identified as a result of construction traffic associated with the relevant phase of the development to the highway identified between the two surveys. The approved mitigation works shall be fully implemented prior to first occupation of the relevant phase of development. In the event that a defect is identified during other routine inspections of the highway that is considered to be as a result of construction traffic associated with the relevant phase of the development and a danger to the public it must be immediately made safe and repaired within 24 hours from the applicant being notified by the Local Planning Authority.

To ensure the free and safe use of the highway.

14 Notwithstanding the submitted information development above the ground floor slab of each phase shall not commence until typical detailed 1:20 scale (or other appropriate scale) working drawings of the following features for that phase have been submitted to and approved in writing by the Local Planning Authority:

- (a) ground level entrances and external entrance doors;
- (b) glazing details including reveal depths, framing and ventilation panels;
- (c) rainscreen cladding;
- (d) metal louvres;
- (e) material junctions;
- (f) car park entrance and shutters to residential tower;
- (g) external building lighting
- (h) parapet detail, rooftop balustrades;

- (i) rooftop plant and cleaning facilities.

For the avoidance of doubt, the reveal depths shall be no less than illustrated on drawings xxxx. The works shall be constructed in accordance with the approved details.

In the interest of visual amenity and in providing a high quality design accessible to all people.

15 Prior to the commencement of the above ground superstructure of each building within a phase details and samples of all external facing building materials for that phase shall be submitted to and approved in writing by the Local Planning Authority. The samples shall include the erection of a full-size mock-up panels on site or in an agreed location. The external surfaces of the buildings in that phase shall be constructed in accordance with the details thereby agreed.

In the interests of visual amenity.

16 Prior to the commencement of the above ground superstructure of Plot 1a details of proposals for the treatment of glazed elements of the western elevation of Plot 1a above ground level to prevent overlooking of the off-site residential apartments to the west of Cropper Gate shall be submitted to and approved in writing by the Local Planning Authority. The measures thereby approved shall be implemented prior to the occupation of Plot 1a and thereafter maintained as such.

In the interests of residential amenity.

17 Prior to the commencement of the above ground superstructure of Plot 1b details of proposals for the treatment of glazed elements of the northern elevation of Plot 1b above ground level to prevent overlooking of the proposed residential apartments to the north of Skinner Street shall be submitted to and approved in writing by the Local Planning Authority. The measures thereby approved shall be implemented prior to the occupation of Plot 1a and thereafter maintained as such.

In the interests of residential amenity.

18 Prior to the commencement of the above ground superstructure details of integral bat roosting and integral bird nesting features (for species such as House Sparrow and Swift) within each of the buildings shall be submitted to and approved in writing by the Local Planning Authority. Features that are not integral will only be considered for approval if an appropriately qualified ecologist provides assurance that, following discussions with the building architect, integral features are not possible. The agreed details shall show the number, specification of the bird nesting and bat roosting features and where they will be located, together with a timetable for implementation and commitment to being installed under the instruction of an appropriately qualified bat consultant. All approved features shall be installed prior to first occupation of the relevant building in which they are located and retained in the manner as approved thereafter.

To maintain and enhance biodiversity

19 Further to condition 18 prior to first occupation of a relevant building written confirmation of integral bat roosting and/or integral bird nesting features shall be submitted to the Local Planning Authority. This should include photographs of features in-situ and a written statement that all features have been installed as per the agreed specifications and locations.

To maintain and enhance biodiversity.

20 Prior to the commencement of development a Method Statement for the control and eradication of Cotoneaster (hereafter referred to as the Target Species) shall be submitted to and approved in writing by the Local Planning Authority. The Method Statement shall include post-treatment monitoring of the site to ensure a continuous 12- month period of time occurs where none of the Target Species is identified growing on the whole site. If any Target Species is identified as growing on-site during the 12-month monitoring period then treatment shall resume and continue until a continuous 12-month period with no Target Species occurs. The agreed Method Statement shall thereafter be implemented in full.

To control the spread of non-native invasive plant species in accordance with the Wildlife & Countryside Act 1981 (as amended) and BS 42020:2013.

21 Prior to the commencement of on and off-site hard and soft landscape works for each phase details of such works shall be submitted to and approved in writing by the Local Planning Authority. These details shall be designed to BS 8300:2009+A1:2010 Design of buildings and their approaches to meet the needs of disabled people and shall include:

- (a) proposed finished levels and/or contours;
- (b) boundary details, gates and railings;
- (c) pedestrian access and circulation areas;
- (d) hard surfacing areas, ramps and steps;
- (e) walls and retaining walls including to proposed planters;
- (f) minor artefacts and structures (e.g., street furniture including seating and bicycle anchor points, balustrades, bollards, directional signs, external lighting, CCTV and litter bins including recycling bins);
- (g) freestanding wind baffles;
- (h) proposed and existing functional services above and below ground (e.g. drainage, power cables, communication cables, pipelines etc., indicating lines, manholes etc.).

Soft landscape works shall include:

- (i) planting plans;
- (j) written specifications (including cultivation and other operations associated with plant and grass establishment);
- (k) tree pit and planter details in areas of soft landscape, hard landscape and above basements;
- (l) schedules of plants noting species, planting sizes and proposed numbers/densities;
- (m) details of interim landscaping for undeveloped phases;
- (n) details of proposals for the linear park which will be compatible with its relationship with the gas pipeline; and
- (o) implementation programme for each phase.

Temporary landscape works details shall include:

- (p) details of all temporary hard and soft landscaping proposals as set out at parts a-o of this condition for remaining areas of the site which have not been developed as part of the relevant phase of development.

To ensure the provision of amenity afforded by appropriate landscape design.

22(a) Further to condition 21 full details of the load bearing cell type rooting zone using proprietary structures for trees in hard landscape shall be submitted and approved in writing by the Local Planning Authority. The details shall be fully in accordance with Leeds City Council guidance on urban tree planting and shall be completed in accordance with the implementation programme. The details shall include:

- (i) Proprietary soil cell structures to support paving over extended sub-surface rooting areas;
- (ii) Soil cell volume /soil volume calculations;
- (iii) Specification of topsoil including additives and conditioners;
- (iv) Tree grilles and guards and means of anchoring root balls. Built-in Root Irrigation Pipe system with end cap and aeration system;
- (v) Passive and / or active irrigation distribution system and controls including directed use of grey water / roofwater or surface water infiltration to benefit planted areas;
- (vi) Drainage system for tree pits;
- (vii) Tree grill details; and
- (viii) Where applicable, details of protection measures for statutory utilities and drainage.

(b) To ensure full compliance, a brief report on the installation of the rooting zone structures, including supporting photographic evidence, shall be submitted to the Local Planning Authority when the works are still “open” to allow Local Planning Authority inspection prior to any surfacing works.

(c) A 3 year irrigation programme for the trees (in accordance with BS 8545-2014 Trees from Nursery to Independence) shall be submitted to the Local Planning Authority for approval in writing. Confirmation of irrigation compliance shall be submitted to the Local Planning Authority on a quarterly basis for the full 3 year programme period.

To ensure the provision of amenity afforded by appropriate landscape design and its cultural requirements are integrated into the development scheme.

23 Further to condition 21 prior to the commencement of the cladding of each building in each phase full details of the green roofs and roof garden shall be submitted and approved in writing by the Local Planning Authority. The details shall include:

- (i) Description and location plan
- (ii) Green roof type (i.e. extensive, biodiverse or intensive)
- (iii) The level of access and how this has affected design
- (iv) Written specifications (including soil depths, cultivation and other operations associated with plant and grass establishment),
- (v) Schedules of plants noting species, planting sizes and proposed numbers/densities. Mulching (bark mulch or sheeting system)
- (vi) Design considerations to include: waterproofing; drainage; fire control; irrigation system; and safety and access system.
- (vii) Installation of system components including protection sheets, drainage layers and filter sheets, substrate, vegetation layer and the installation of perimeter and penetration details.
- (viii) For the roof garden only, details of the layout, minor artefacts and structures including seating, ensuring that the design is accessible and usable for wheelchairs

The works shall be carried out in accordance with the approved details, approved implementation programme and British Standard BS 4428:1989 Code of Practice for General Landscape Operations and the latest version of The GRO Green Roof Code (Green Roof

Organisation). The developer shall complete the approved landscaping works and confirm this in writing to the Local Planning Authority prior to occupation.

To ensure the provision and establishment of acceptable landscaping

24 A report on the installation of the green roofs and roof garden, including photographic evidence, shall be submitted to the Local Planning Authority while they are being installed to allow inspection by the Local Planning Authority. Prior to the laying of the substrate/growing media layer, seven days written notice shall be given to the Local Planning Authority that the system components up to that point are in place to allow inspection and approval of them as installed.

To ensure the provision and establishment of acceptable landscaping.

25 All hard and soft landscaping works shall be carried out in accordance with the approved details, approved implementation programme and British Standard BS 4428:1989 Code of Practice for General Landscape Operations and BS 8300:2009 +A1:2010 Design of buildings and their approaches to meet the needs of disabled people. The developer shall complete the approved landscaping works and confirm this in writing to the Local Planning Authority prior to the date agreed in the implementation programme.

To ensure the provision and establishment of acceptable and accessible landscaping.

26 The relevant phase of development shall not be occupied until a plan, schedule and specification for landscape management for the lifetime of that phase of the development has been submitted to, and approved in writing by, the Local Planning Authority. This shall include reference to planting and hard landscaped areas, including paving, seating and other features. The schedule shall identify the frequency of operations for each type of landscape asset and reflect the enhanced maintenance requirement of planted areas.

To ensure successful establishment and aftercare of the completed landscape scheme.

27 If, within a period of five years from the planting of any trees or plants, those trees or plants or any trees or plants planted in replacement for them is removed, uprooted, destroyed or dies or becomes, in the opinion of the Local Planning Authority, seriously damaged or defective another tree or plant of the same species and size as that originally planted shall be planted at the same place in the first available planting season, unless the Local Planning Authority gives its written consent to a variation. If such replacements die within twelve months from planting these too shall be replaced, until such time as the Local Planning Authority agrees in writing that the survival rates are satisfactory.

To ensure the maintenance of a healthy landscape scheme.

28 The wind mitigation features identified in document xxxx shall be installed prior to the completion of the external facing materials for the building in the relevant phase of development. Any wind mitigation measures shall be retained as such thereafter or until such a time that wind studies confirm that the mitigation measures are no longer required.

In the interests of highway and pedestrian safety.

29 Notwithstanding the details shown on the approved Proposed Site Layout, the basement parking area shall not be laid out or be brought into use until a revised Proposed Site Layout demonstrating the provision of disabled car parking has been submitted to and approved in writing by the Local Planning Authority, (in accordance with current British Standard BS8300 unless otherwise agreed in writing). The agreed layout shall be implemented prior to occupation of the residential building and retained for the lifetime of the development.

To ensure the provision of disabled parking.

30 Plot 2 shall not be occupied until a Car Park Management Plan, including details of proposed parking provision, parking controls and management procedures to ensure that the car parking is only utilised by residents of the residential development within the development, has been submitted and approved in writing by the Local Planning Authority. The approved measures shall be implemented for the lifetime of the development and car parking spaces shall not be leased / sold to off-site users.

To ensure appropriate provision of car parking and as commuter car parking would be contrary to sustainable transport objectives.

31 The basement vehicular access gradient shall not exceed 1 in 40 (2.5%) for the first 15m and 1 in 20 (5%) thereafter, unless otherwise agreed in writing by the Local Planning Authority. The gradient of the pedestrian access shall not exceed 1 in 20 (5%).

To ensure the free and safe use of the highway, and in the interests of disabled access

32 No phase of development shall be occupied until the approved cycle parking and facilities for that phase of development have been provided. The approved facilities shall thereafter be retained for the lifetime of the development.

In the interests of highway safety and promoting sustainable travel opportunities.

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

To ensure highway and pedestrian safety.

34 The development shall not be occupied until all areas shown on the approved plans to be used by vehicles, including roads, footpaths, cycleways, loading and servicing areas and vehicle parking space 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.

35 No phase of development shall be occupied until a Servicing and Delivery Management Plan (including timescales and detailed loading bay proposals) for that phase has been submitted to and approved in writing by the Local Planning Authority. The plan shall be fully implemented and operated in accordance with the approved timescales.

To ensure the free and safe use of the highway, to protect the amenities of nearby residents and to ensure coordination with other operations.

36 The off-site highway works shown on drawing 3761-100-P-001 Rev. F comprising access, footway, cycleway and environmental improvements shall be implemented and completed prior to first occupation of the development unless otherwise agreed in writing by the Local Planning Authority.

In the interests of amenity, connectivity and to ensure the free and safe use of the highway

37 The development shall not be occupied until Electric Vehicle Charging Points have been provided in accordance with a scheme that shall have been submitted to and approved

in writing by the Local Planning Authority. The approved facilities shall thereafter be retained for the lifetime of the development.

In the interest of promoting low carbon transport.

38 No phase of development shall be occupied until 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 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 adequate measures for the storage and collection of wastes are put in place. In the absence of appropriate measures residential amenity could be adversely affected.

39 Prior to development above the ground floor slab of each phase a Security Plan for that phase shall be submitted to and approved in writing by the Local Planning Authority. The Security Plan, which shall be prepared in conjunction with advice from the RSES (Register of Security Engineers and Specialists) shall set out measures to control access to the relevant phase; to protect the structure and fabric of the buildings and also the public realm around the site following occupation. The measures thereby approved shall be implemented prior to first use of each phase of the development and shall thereafter be retained and maintained.

In the interests of safety and security.

40(i) Prior to the commencement of above ground works of Plot 2 an updated Sustainability Statement shall be submitted which will include a detailed scheme comprising details of water efficiency measures to meet the low water usage target 110 litres per person per day.

The development shall otherwise be implemented following the principles and measures set out within the xxx Energy & Sustainability Report and BREEAM Pre-assessment.

(ii) Within 6 months of the first occupation of the development a post-construction review statement and as-built report shall be submitted and approved in writing by the Local Planning Authority demonstrating compliance with Core Strategy policies EN1 and EN2.

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

To ensure the inclusion of appropriate sustainable design measures

41 The development shall be undertaken in accordance with the Meinhardt Flood Risk Assessment & Drainage Strategy 3049-MHT-CV-RP-0002 Issue P06 unless otherwise submitted and approved in writing by the Local Planning Authority. The works shall be fully implemented in accordance with the approved scheme before the development is brought into use, or as set out in the approved phasing details.

To ensure sustainable drainage and flood prevention.

42 Prior to first occupation of Plots 1a and 1b a Flood Evacuation Plan (FEP) should be submitted to and approved in writing by the Local Planning Authority. The FEP shall include details of demountable barriers would be utilised across the cycle access ramp threshold.

In the interests of safety during flood events.

43 No building or other obstruction including landscape features shall be located over or within 3 (three) metres either side of the centre line of the water main i.e. a protected strip width of 6 (six) metres, that enters the site. If the required stand-off distance is to be achieved via diversion or closure of the water main, the developer shall submit evidence to the Local Planning Authority that the diversion or closure has been agreed with the relevant statutory undertaker.

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

44 The site shall be developed with separate systems of drainage for foul and surface water on and off site. The separate systems should extend to the points of discharge to be agreed in writing by the Local Planning Authority.

In the interest of satisfactory and sustainable drainage.

45 There shall be no piped discharge of surface water from the development prior to the completion of surface water drainage works for that phase, details of which will have been submitted to and approved by the Local Planning Authority. If discharge to public sewer is proposed, the information shall include, but not be exclusive to the means of discharging to the public sewer network at a rate not to exceed 27 litres per second.

To ensure that no surface water discharges take place until proper provision has been made for its disposal.

46 No building or other obstruction including landscape features shall be located over or within 3 metres either side of the centre line of the 503mm public combined water sewer i.e. a protected strip width of 6 metres, that crosses the site. Furthermore, no construction works in the relevant area(s) of the site shall commence until measures to protect the public sewerage infrastructure that is laid within the site boundary have been implemented in full accordance with details that have been submitted to and approved by the Local Planning Authority. The details shall include but not be exclusive to the means of ensuring that access to the pipe for the purposes of repair and maintenance by the statutory undertaker shall be retained at all times. If the required stand-off or protection measures are to be achieved via diversion or closure of the sewer, the developer shall submit evidence to the Local Planning Authority that the diversion or closure has been agreed with the relevant statutory undertaker and that, prior to construction in the affected area, the approved works have been undertaken.

In the interest of public health and maintaining the public sewer network.

47 No building or other obstruction including landscape features shall be located over or within 4 metres either side of the centre line of the 531x381mm public combined water sewer i.e. a protected strip width of 8 metres, that crosses the site. Furthermore, no construction works in the relevant area(s) of the site shall commence until measures to protect the public sewerage infrastructure that is laid within the site boundary have been implemented in full accordance with details that have been submitted to and approved by the Local Planning Authority. The details shall include but not be exclusive to the means of ensuring that access to the pipe for the purposes of repair and maintenance by the statutory undertaker shall be retained at all times. If the required stand-off or protection measures are to be achieved via diversion or closure of the sewer, the developer shall submit evidence to the Local Planning Authority that the diversion or closure has been agreed with the relevant statutory undertaker and that, prior to construction in the affected area, the approved works have been undertaken.

In the interest of public health and maintaining the public sewer network.

48 Notwithstanding the submitted Planning Noise Report prior to development above the ground floor slab of the residential accommodation a noise and ventilation report (with a

breakdown of the noise reduction values that will be achieved) shall be submitted to and approved in writing by the Local Planning Authority. The residential building shall not be occupied until the works thereby approved have been implemented and such works shall thereafter be retained and maintained.

In the interests of residential amenity.

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

In the interests of residential amenity.

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

(i) Which and how many apartments within the development have satisfied M4(2)* accessible and adaptable dwellings standards *contained within Part M Volume 1 (Approved Document) of The Building Regulations 2010, or any such Approved Document or Regulations for the time being in force, including any modification, extension or re- enactment of the same and including all instruments, orders, regulations and directions for the time being made, issued or given under the Approved Document or Regulations (or deriving validity from the same).

The accessible apartments shall be provided in accordance with the agreed details prior to the occupation of the development and shall be retained and maintained for the lifetime of the development.

In the interests of people with disabilities and access for all.

51 Notwithstanding the provision of the Town and Country Planning (General Permitted Development) Order 1995 (or any Order revoking or re-enacting that Order with or without modification) planning permission shall be obtained before any change of use of any Use Class E premises to C3 residential accommodation, as detailed in the Town and Country Planning (Use Classes) Order 1987 (as amended) or any Order revoking or re-enacting that Order with or without modification.

In order that the Local Planning Authority can retain control over the mix of uses and in the interests of amenity.

52 Notwithstanding the provision of the Town and Country Planning (General Permitted Development) Order 1995 (or any Order revoking or re-enacting that Order with or without modification) the Use Class E comparison retail element within the development shall not exceed 465sqm..

In order to protect existing retail centres.

53 Prior to the commencement of the above ground superstructure of Plot 2, a medium intensity obstacle lighting scheme designed for the safety of air traffic shall be submitted to and approved in writing by the Local Planning Authority. The approved system shall be installed prior to first occupation of such buildings and thereafter maintained in accordance with the approved details.

In the interests of aircraft safety.

Appendix 3 – DVS Stage 2 Viability Review Report



Valuation Office
Agency

Stage 2
Viability Review Report
Land at Wellington
Square, Leeds,
LS1 4LY



Report for:

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

Prepared by:

[REDACTED]
Principal Surveyor
RICS Registered Valuer
DVS

Tel: [REDACTED]

[REDACTED]
Case Number: 1836309

Client Reference: 23/00608/FU

Date: 18 March 2024

Contents

- 1.0 Executive Summary 1
 - 1.1 Proposed Development Details.1
 - 1.2 Instruction.....1
 - 1.3 Viability Conclusion1
 - 1.4 Non-Technical Summary of Viability Assessment Inputs2
- 2.0 Instruction and Terms 3
- 3.0 Guidance and Status of Valuer 4
 - 3.1 Authoritative Requirements4
 - 3.2 Professional Guidance.....5
 - 3.3 RICS ‘Financial Viability in Planning Conduct and Reporting’5
 - 3.4 Most Effective and Efficient Development.....6
 - 3.6 Bases of Value6
- 4.0 Assumptions, and Limitations 6
 - 4.1 Special Assumptions6
 - 4.2 General Assumptions7
- 5.0 Proposed Development..... 8
 - 5.1 Location / Situation8
 - 5.4 Schedule of Accommodation/ Scheme Floor Areas10
 - 5.5 Planning11
 - 5.6 Policy Requirements for the Scheme.....12
 - 5.7 Planning Status13
- 6.0 Summary of Applicant’s Viability Assessment.....13
 - 6.1 Report Reference13
 - 6.2 Summary of Applicant’s Appraisal13
- 7.0 Development Period/ Programme14
- 8.0 Gross Development Value (GDV)14
 - 8.1 Market Value of PRS Apartments15
 - 8.6 Market Value of Commercial Units18
 - 8.5 Market Value of Car Parking.....25
 - 8.6 Total GDV.....26
- 9.0 Total Development Costs26
 - 9.1 Summary of Costs26
 - 9.6 Summary Main Cost Inputs27
- 10.0 Developer's Profit.....28
- 11.0 Benchmark Land Value (BLV).....28
 - 11.1 Applicant’s BLV28
 - 11.2 Existing Use Value (EUV).....29
 - 11.3 Alternative Use Value (AUV)33
 - 11.4 Cross Sector Collaboration Evidence of BLV and Premium.....33
 - 11.5 Residual Land Value33
 - 11.6 Adjusted Land Transaction Evidence.....34
 - DVS would welcome confirmation of the purchase price ahead of the final report.37
 - The development site is classified as a ‘gateway to the city’ site and the council do permit substantially higher buildings in these locations.37
 - 11.8 Benchmark Land Value Conclusion37
- 12.0 DVS Viability Assessment.....38
 - 12.1 DVS Viability Appraisal 1 Policy Compliant Scheme38
- 13.0 Sensitivity Analysis & Scenario Testing39
- 14.0 Commuted Sum Approach.....40
- 15.0 Recommendations41
 - 15.1 Viability Conclusion41
- 16.0 Engagement.....43

17.0	Disclosure / Publication.....	43
18.0	Appendices	45
(i)	Appraisal 1: All Phases Policy Compliant Residual Land Value	46
(ii)	Information to support inputs – Rents, BMLV, Yields & Professional Fees	48
(iii)	Redacted TOE.....	50
(v)	EUV Appraisal:.....	71

1.0 Executive Summary

1.1 Proposed Development Details.

This report provides an independent Stage 2 review of a viability assessment in connection with:

Proposed Development	Demolition of existing buildings and erection of a mixed-use multi-level development comprising a 45 storey building providing 464 build to rent apartments with amenity space and flexible Class E at ground floor level, two buildings for Class E Offices with Flexible Class E space at basement and ground floor level, with associated infrastructure and basement car parking, hard and soft landscaping and public open space
Subject of Assessment:	Land at Wellington Street, Leeds, LS1 4LY
Planning Application Reference:	23/00608/FU
Applicant / Developer:	McLaren (Wellington Square) Limited
Applicant's Viability Advisor:	[REDACTED] MRICS for Cushman & Wakefield

1.2 Instruction

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 Stage 1 site-specific viability assessment review has been undertaken and report to the client, dated 9 February 2024.

Further information has now become available, and an internal inspection of the property has been undertaken. The revised 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 Viability Conclusion

It is my considered and independent opinion that:

The above scheme assessed with regards to full planning policy requirement comprising 20 % affordable housing, S.106 contributions of £676,915 and/or CIL contributions of £2,493,793 is not viable.

A scheme assessed with regards to no affordable housing, S.106 contributions of £676,915 and CIL contributions of £2,493,793 is not viable.

1.4 Non-Technical Summary of Viability Assessment Inputs

Policy Compliant Inputs	Agent Policy Compliant	DVS Stage 2 Viability Conclusion Review	Agreed (Y/N)
Assessment Date	October 2023	March 2024	N
Scheme, Gross Internal Area, Site Area	464 units 364,261 sq ft Office 2.47 acres	464 units 364,261 sq ft Office 2.47 acres	Y
Development Period	8 month pre-construction, 27 months build period, 1 month sale period	8 month pre-construction, 27 months build period, 1 month sale period	Y
Gross Development Value	£300,811,727	£312,386,038	N
Comprising:			
Market Housing GDV	£93,243,633	£103,734,267	N
Affordable Housing GDV	£25,144,205	£26,191,881	N
Offices GDV	£181,701,866	£181,701,866	Y
Car parking	£722,022	£758,124	N
Affordable Housing	20%	20%	Y
CIL/Planning Policy / S.106 Total and £/sq. ft.	CIL £2,068,515 CIL £241,965 S106 £400,000	CIL £2,210,514 CIL £283,269 S106 £676,915	N
Construction Cost Total and £/sq. ft.	£98,080,049 (BTR) £125,513,435 (Office) £15,885,266 – Basement	£98,343,894 (BTR) £127,508,000 (Office) £16,059,237- Basement	N
Externals Total.	£3,000,000	£3,000,000 (Not checked by RPP)	N
Abnormal Cost Total	Included in construction cost	Included in construction cost	Y
Professional Fees %	6%	6%	Y
Contingency %	2%	2%	Y
Finance Interest and Sum	Debit Rate 6%	Debit Rate 6%	Y
Other Fees			
Marketing + Letting Fees	10% - agent fee 5% - legal fee	10% - agent fee 1.5% - legal fee	N
Sales Agent Fees	0.25%	0.25%	Y

Legal Fees	0.1%	0.1%	Y
Land Acquiring Costs	SDLT +1.5%	SDLT +1.5%	Y
Profit Target %	8%	8%	Y
Benchmark Land Value	£15,887,143	£8,342,305	N
EUUV	£13,072,619	£7,583,913	N
Premium	20% - £2,614,524	10% - £758,392	N
Purchase Price	Not Stated	Unknown	N
Alternative Use Value	Not Applicable	Not Applicable	N/A
Residual Figure Land Value	£1,041,198	£1,805,857	N
Viability Conclusion Full Policy Scheme	Not viable	Not viable	Y
Deliverable Scheme	Not Viable	Not Viable	N

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 the demolition of existing buildings and erection of a mixed-use multi-level development comprising a 45 storey building providing 464 build to rent apartments with amenity space and flexible Class E at ground floor level, two buildings for Class E Offices with Flexible Class E space at basement and ground floor level, with associated infrastructure and basement car parking, hard and soft landscaping and public open space.

2.3 The date of the Stage 2 viability assessment is 18 March 2024. Please note that values change over time and that a viability assessment provided on a particular date may not be valid later.

2.4 Instructions were received on 28th November 2023. It is understood that Leeds City Council require an independent opinion on the viability information provided by Cushman & Wakefield, 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 was inspected on 18th January 2024, by Archie Naylor. This was an external inspection for valuation purposes and does not constitute a building survey.

2.7 DVS/ VOA Terms of Engagement were issued on 29th November 2023, a redacted version is attached at **Appendix (iv)**

2.8 DVS issued our Stage 1 report on 9th February 2024 which gave the applicant to present a rebuttal. My stage 2 report supersedes the stage 1 report.

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).

(Note 1) 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.

The appointed valuer, [REDACTED] 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.

- d) 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.
- e) The DVS viability review assessment has been carried out with due diligence and in accordance with section 4 of this professional statement.
- f) 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 a mixed-use multi-level development comprising 464 build to rent Apartments and 2 buildings for class E Office use and has assessed the viability based upon an intention to retain the development as an investment. 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 effective and most efficient development.

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:

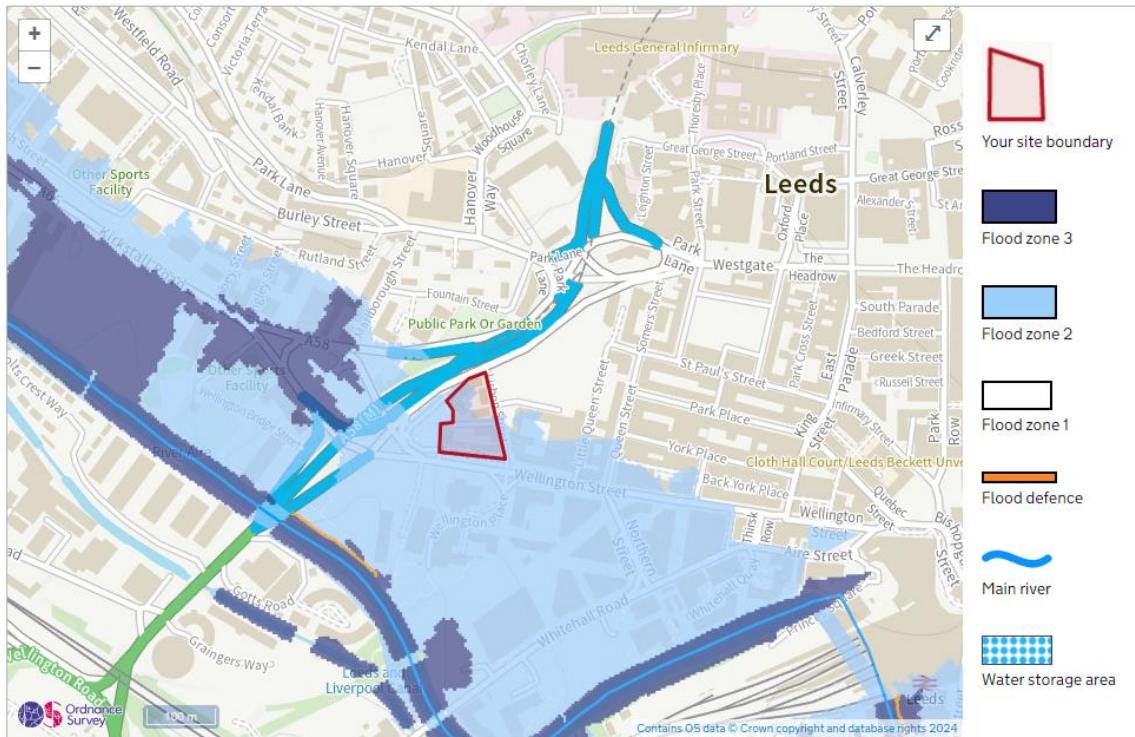
- That the proposed development is complete on the date of assessment in the market conditions prevailing on the date of assessment.
- That Leeds City Council's Local Plan policies, or emerging policies, including for affordable housing are up to date.
- That the applicant's abnormal costs, where adequately 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's and that are no abnormal development costs in addition to those which the applicant has identified.

4.2 General Assumptions

The site has been externally inspected. The below assumptions are subject to the statement regarding the limitations on the extent of our investigations, survey restrictions and assumptions, as expressed in the terms of engagement.

- a) Tenure - A report on Title has not been provided. The review assessment assumes that the site is held Freehold with vacant possession.
- b) Easements / Title restrictions - 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 –DVS have referred to the Environment Agency’s Flooding ‘flood risk assessment’ mapping tool which indicates that part of the site is in Flood Zone 2 and subject to a flood risk as indicated by the plan below.



Source: Environment Agency

- h) 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 extends to 2.47 acres and is situated within the Inner Ring Road of Leeds City Centre and lies around half a mile west from the Leeds Train Station and the city centre.

The site is situated at the junction of Leeds’s Innovation District and near both the traditional business district and recently developed office schemes, including Central Square and Wellington Place.

It is also set within a mixture of historic and proposed new development including the former Yorkshire Post site, recently developed as “The Headline” apartments and Crowne Plaza Hotel opposite the site on Wellington Street. Immediately to the east of the property is the West one office development owned by Burntwood

together with the former International Pool Site now benefiting from a consent for mixed use development.

The site benefits from the ease of access to the city centre and close to the main aerial routes serving the M621, M62 and M1.

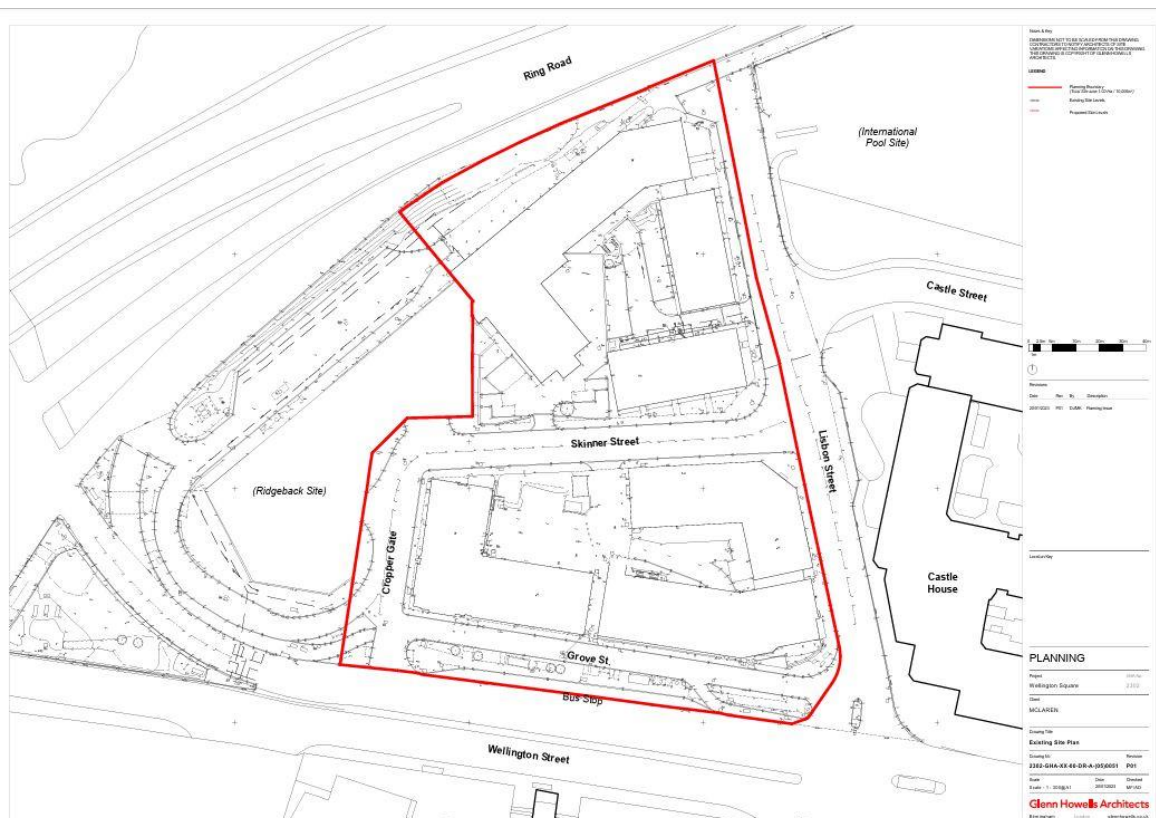
5.2 Description

The subject site is arranged broadly in a regular shape situated to the west of Lisbon Street, east of Cropper Gate South, north of Wellington Street and backing onto the A58 (Ring Road).

Currently on site are several terrace office units arranged triangularly around a central courtyard to the rear and 3 more larger offices blocks to the front. The site is approximately 2.47 acres in total.

5.3 Site Plan and Area

The site extends to 2.47 acres (1.0 Hectares).



Source : Leeds City Council Planning Portal

5.4 Schedule of Accommodation/ Scheme Floor Areas

The proposed scheme comprises mixed-use multi-level development comprising a 45 storey building providing a mix of 464 one, two and three bedroom build to rent apartments with amenity space and flexible Class E at ground floor level. Along with two towers of 12 and 13 storeys for Class E Offices with Flexible Class E space at basement and ground floor level, with associated infrastructure and basement car parking.

The scheme extends to a maximum of 45 storeys. The proposed development comprises three blocks, bound by Skinner Street, Lisbon Street and Wellington Street A58 inner ring road.

The scheme includes landscaped areas and public open space. The applicant has set out in their viability assessment that the Gross Internal Area (GIA) for the apartments equates to 405,189 sqft (291,806 sqft NIA) and the Net Internal Area for the offices equates to 364,361 sqft.

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

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

Apartments

Accommodation	No. of units	Avg. sqm	Hab Rooms	Avg.sqft	Mix (%)	Total NSA
1B1P	84	40	84	433	22.64	36,372
1B2P	165	50	330	540	44.47	89,100
2B3P	64	64	192	689	17.25	44,096
2B4P	53	70	159	755	14.29	40,015
3B4P	4	86	16	1,137	1.08	4,548
3B6P	1	131	4	1,412	0.27	1,412
	371		785		100	215,643

Accommodation	No. of units	Avg. sqm	Hab Rooms	Avg.sqft	Mix (%)	Total NSA
2B3P	21	64	63	689	22.58	14,467
2B4P	30	70	90	755	32.26	22,636
3B5P	42	86	168	930	45.16	39,060
	93		321		100	76,163

Source : Cushman & Wakefield

Offices

Plot 01A		Plot 01B
Floor	Size (Sq Ft)	
0	11,502	12,069
Mezzanine	10,686	10,471
1	14,965	14,647
2	14,965	14,650
3	14,968	14,650
4	14,968	14,658
5	14,965	14,651
6	12,960	14,658
7	12,870	14,651
8	12,875	12,906
9	12,875	12,906
10	10,745	12,906
11	10,745	11,215
12	4,266	11,215
13	-	3,654
Total	174,356	189,905

a
Source : Cushman & Wakefield

Measurements stated are in accordance with the RICS Professional Statement **'RICS Property Measurement' (2nd Edition)** and, where relevant, **the RICS Code of Measuring Practice (6th 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 (2nd 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 Strategy 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 Plan (SAP) was adopted on 10 July 2019. The subject site is not allocated for development.
- b) The site is identified within Zone 4 for the CIL charging Schedule which was implemented in 2015. Zone 4 currently requires a payment of £6.43 psm for

residential development. The current CIL charge for offices in the city centre is £45 psm. Affordable Housing policy is included within the Core Strategy, which was subject to selective review late 2019. The review, Policy H5 includes 3 options for PRS developments: i) 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 ii) 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 iii) a commuted sum in lieu of on-site provision of affordable housing of option ii).

- c) Developments are expected to meet the policy provision as prescribed in the Plan.

5.6 Policy Requirements for the Scheme

The local authority has not set out the Local Plan policy requirements at this stage of the viability process other than a requirement for 20% of the PRS accommodation should be Discounted Market Rental units with rents at 80% of market rental value.

The applicant has adopted the total sum of £2,310,480 in respect of CIL (Community Infrastructure Levy).

- CIL Resi - £241,965
- CIL Offices - £2,068,515

The LPA have confirmed the total sum of £2,493,793 in respect of CIL:

- CIL Resi - £283,279
- CIL Offices - £2,210,514

The applicant has adopted the sum of £400,000 (£150,000 BTR) in respect of section 106 costs.

The LPA have confirmed the total sum of £676,915.28 in respect of s106:

- off-site greenspace contribution - £142,232.04
- car club for office users - £13,505
- Residential Travel Plan Fund of - £120,569.24
- travel plan review fee - £28,234
- loss of pay and display spaces (25) - £372,375

Planning policy requirements should be factual and agreed between the LPA. 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, but there has been a previous planning application on the site.

Previous applications include:

Ref. Ref: 19/04905/FU

Received: 06/08/2029

Proposed Development At: Lisbon Court 116-120 Wellington Street Leeds LS1 4LT

Description: Full planning application for redevelopment to provide offices (B1) with a flexible range of supporting uses (A1-A4, D1 and D2) with new access to double basement with cycle and car parking, high level terraces and improvements to the public realm.

Status: Approved on 01/09/2020 now expired and not implemented.

6.0 Summary of Applicant's Viability Assessment

6.1 Report Reference

DVS refer to the Financial Viability Assessment prepared by Matthew Brear, Cushman & Wakefield dated October 2023 titled *Wellington Square, Leeds Financial Viability Assessment*, 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 Cushman & Wakefields' 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 provision, £2,310,480 (CIL) Policy requirements and £400,000 Section 106 costs produces a

Residual Land Value of **£1,041,198** for the entire scheme consisting of three blocks.

- The Benchmark Land Value is **£15,687,143** based upon an EUV+ approach (20% premium).
- A residual value of £1,041,198 is identified, this is below their opinion of the Benchmark Land Value and therefore the applicant seeks to demonstrate that no additional Affordable Housing / financial planning contributions are viable.
- The applicant's advisor concludes a scheme with no planning policy 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 for the entire scheme is 36 months. The applicant's appraisal comprises:

- 8 months pre-construction/ site preparation
- 27 months for construction
- 1 month for the sale upon practical completion

This is considered reasonable and has been compared to other similar sized mix use schemes in Leeds. I have adopted the same development period.

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 £300,811,727 in relation to the entire development which is summarised below:

Market Housing GDV	£93,243,633	371 dwellings
Affordable Housing GDV	£25,144,205	93 dwellings
Commercial Unit's GDV	£181,701,866	2 buildings
Car Parking GDV	£722,022	20 spaces

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 PRS Apartments

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

I have also researched two other BTR schemes in Leeds, The Junction on Whitehall Road and Tower Works on Globe Street.

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, whilst New York square delivers the most enhanced specification and on-site amenity.

The applicant has adopted the following rents for each apartment:

- 1B1P - £26 £/psf (pa)
- 1B2P - £26 £/psf (pa)
- 2B3P - £24 £/psf (pa)
- 2B4P - £24 £/psf (pa)
- 3B5P - £24 £/psf (pa)
- 3B6P - £24 £/psf (pa)

I have reviewed the rents for the above schemes and have reached a different conclusion after analysing the available data.

In the current market there has been significant increases in rental values for city centre properties. Leeds has one of the largest stocks of BTR apartments in the UK which according to Courtland Consult has doubled in size since the summer of 2022. With strong demographic fundamentals and a youthful and educated workforce Leeds BTR market is buoyant.

The Office of National Statistics are saying that in the 12 months to November 2023, rental prices for the UK, excluding London, increased by 5.9%; this is up from an increase of 5.8% in October 2023.

I have had regard to previous agreements with PRS / Build to Rent developers when determining rental values for this scheme and more prudently current market rents of the above comparable PRS schemes as seen in the below table:

	Old - Nov 2023	New - Jan 2024	% increase
1 bed	1021	1111	8.81
2 Bed	1315	1432	8.90
3 Bed	1851	2005	8.32

The above table outlines the % increase in rents across PRS schemes in Leeds between November 2023 and January 2024. These have been researched in line with viability appraisals carried out for LCC and updated in real time. An increase on average of 8.67% can be observed over the 3 bed types in the last 3 months.

I point out the applicant's appraisal was done in October 2023.

In light of the above market evidence of PRS apartment lettings alongside market data I have given most weight to the market rent averages due to the range in data across the sample. I have adopted the following gross rents for the current market value apartments within the Wellington Square Scheme:

- 1B1P - £30 £/psf (pa)
- 1B2P - £30 £/psf (pa)
- 2B3P - £25 £/psf (pa)
- 2B4P - £25 £/psf (pa)
- 3B5P - £25 £/psf (pa)
- 3B6P - £24 £/psf (pa)

8.3 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.

Scheme	1 Bed		2 Bed		3 Bed	
	Rent (pcm)	£/psf (pa)	Rent (pcm)	£/psf (pa)	Rent (pcm)	£/psf (pa)
Mustard Wharf	£1,095	£29.27	£1,495	£24.95	£2,065	£25.57
New York Square	£1,390	£35.64	£1,800	£28.57	£2,565	£32.00
The Headline	£1,075	£27.24	£1,315	£23.25	-	-
Leodis Square	£950	£29.23	£1,225	£23.22	£1,700	£22.37
Tower Works	£1,190	£25.85	£1,450	£22.49	£1,920	£22.59
The Junction	£1,080	£32.16	£1,400	£25.34	£2,000	£26.88
Average		£29.90		£24.64		£25.88

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 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 and management/ maintenance of communal areas.

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	23.5%

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

However further to agreements with other developers in Leeds where PRS viability appraisals have been submitted for multiple buildings within a scheme. I agree with the applicants adopted allowance and have accepted 23.5%. This allowance comprises:

Operation Voids	2.5%
Bad Debt	0.5%
Council Tax Voids	1%
Void Utilities	1.5%
Management Fees	9% inclusive of VAT
Other Operational Expenditure	9%
Total	23.5%

8.4 Capitalisation Yield

The applicant has adopted a Net Initial Yield (NIY) of 4.45% to the net revenue, which is considered by DVS to be correct, for a prime institutional grade asset of this type in Leeds City Centre.

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

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 advisors and agreed capitalisation yields as summarised below.

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 Development
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 sq ft of commercial space	25%	£1,800	£2,000	4.5%	8%	£581,000	5%	0.25 Agent 0.1 Legal	0.25% Agent 0.1% Legal	3%	8.055	8 blocks apt blocks 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 abnormal.
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
500 Apartments 60 Parking spaces 3 x Retail	23.5%	£1,700	£2,000	4.35%	7%	£750,000	5%	0.25 Agent 0.10 Legal	Nil	2.8%	8% on GDV	

DVS Reasoning and Conclusion

Based on my comments above, I have given greater weight to the agreed capitalisation yields for PRS scheme DVS have reviewed in Leeds City Centre alongside the applicants Leeds based evidence. Whilst I have given less weight to the Newcastle and Birmingham comparables due to their locality. The proposed scheme will be one of the most prestigious schemes at a gateway site to the city in close proximity to both the city centre, train station and the city's prime office district at Wellington Place.

I have therefore agreed with the applicants figure and adopted a yield of 4.45%.

8.5 Market Value of Affordable Housing Dwellings

Cushman & Wakefield have valued the affordable housing applying a 20% discount to their opinion of Market Rent.

Whilst this discount is agreed to be appropriate, by virtue of my difference of opinion regarding Market Rents the Affordable Private Rents (APR) are higher than those adopted by the applicant.

8.6 Market Value of Commercial Units

Offices

The applicant's consultant has undertaken market research into new and existing Grade A Office developments within the city center providing both rental and capital transactional evidence. The office space within the development is outlined below and consists of two buildings referred to as Plot 1a and Plot 1B:

Plot 01A		Plot 01B
Floor	Size (Sq Ft)	
0	11,502	12,069
Mezzanine	10,686	10,471
1	14,965	14,647
2	14,965	14,650
3	14,968	14,650
4	14,968	14,658
5	14,965	14,651
6	12,960	14,658
7	12,870	14,651
8	12,875	12,906
9	12,875	12,906
10	10,745	12,906
11	10,745	11,215
12	4,266	11,215
13	-	3,654
Total	174,356	189,905

In accordance with RICS and NPPG viability guidance I have undertaken detailed market research to support my conclusions regarding the rental and capital values for the commercial units in the scheme.

The applicant has based the office rental values at £32 per sq ft after an allowance for incentives and rent-free periods which I have replicated in my appraisal. The applicants comparable headline rents range between £27.00 and £36.00 per sq ft and can be seen in the table below:



Date	Grade	Location/ Scheme	Size (Sq Ft)	Tenant	Headline Rent	Term
Dec-22	A	3rd Floor, 1 East Parade	6,650	Appleyard Lees	£28.50	10 year lease, 5 year break
Dec-22	A	Part 5th Floor, Broad Gate	8,448	Kaplan	£29.00	10 year lease, 5 year break
Jan 23	A	1 Victoria Place	7,445	First West Yorkshire	£27.00	10 year lease, 5 year break
Mar – 23	A	2 Whitehall Quay	7,883	Stantec	£30.00	10 year lease, 5 year break
Mar – 23	A	12 King Street	7,702	Michael Page	£36.00	10 year lease, 5 year break
May 23	A	26 Whitehall Road	15,591	Mott McDonald	£28.00	10 year lease, 7 year break
June 23	A	Globe Point	4,290	SCC	£36.00	10 year lease

Leeds office take-up in 2023 was 20% higher than the 10-year average as stated by Knight Frank who also foresee headline rents of £40 per sq ft to be achieved in 2024.

The applicants consult has adopted the headline rate of £40 per sq ft for the accommodation with a net effective rent of £32 per sq ft. I have assumed the same rental levels within my appraisal for the office space and I have supported my conclusion with comparable evidence summarised below.

I have considered recent lettings for “standalone office buildings in both the city center and the edges of Leeds City Centre. I refer you to the table below where I have given particular weight to the lettings at Wellington Place as they are closest in proximity to the subject scheme and support the rental value adopted in my viability appraisal.

Table of Comparable Office Rents

	<ul style="list-style-type: none"> • City Square House – Wellington Street • 13,551 sq ft pre-let to Barnett Waddingham • 15 year lease from 05th Feb 2024 (signed Oct 23) • Grade A space – New Build • BREEAM excellent • Immediately adjacent to train station • Net Internal Area 13,551 sq ft • Headline Rent £37.00 per sq ft
	<ul style="list-style-type: none"> • Platform Leeds – 5th floor • 4,995 sq ft let to Hark Systems • 6 year lease from 26th September 2023 • Headline rent £34 per sq ft • Immediately above the train station • BREEAM excellent • Net Internal Area – 4,995 sq ft



- 4 Wellington Place
- 12,334 sq ft let to RELX
- Flexible lease terms – 13th Sep 2023
- Grade A space – New Build
- BREEAM excellent
- Distance from Leeds Station 504m
- Headline Rent £35 per sq ft



- 12 King Street
- 11,618 sq ft let to Azets
- 15 year lease term – 12th Sep 2023
- Grade A space
- BREEAM excellent
- Distance from Leeds Station 150m
- Headline Rent £37 per sq ft



- 4 Wellington Place
- 27,470 sq ft to Irwin Mitchell
- Sub-let until Dec 2030 (7yr term) – 11th Sep 2023
- Grade A space – New Build
- BREEAM excellent
- Distance from Leeds Station 504m
- Headline Rent £33 per sq ft



- 11-12 Wellington Place
- 124,400 sq ft to Lloyds Bank
- 10 year unbroken term
- Grade A space – New Build
- BREEAM excellent
- Distance from Leeds Station 600m
- Headline Rent £35 per sq ft

Capitalisation Yield

The applicant has adopted a Net Initial Yield (NIY) of 6% stating anecdotal evidence for what they believe are comparable schemes in Leeds and Bristol.

Applicants evidence

Whitehall Quay, Leeds - Centrally located circa 400m Southeast of the subject development offering 6-year income with longer term refurbishment opportunity. It is understood the opportunity went under offer in Q4 last year at a yield of circa 7.5%. I am of the understanding this was sold in April 2023 for £12,000,000 or £233.92 per sq ft representing a NIY of 8.40%. At the time of the sale the property was 100% let.

7 Park Row, Leeds - Located on the edge of the main retail area the property was launched in Q4 at a yield of 6.75%, it is understood that there has been limited interest with the agent advising that a potential purchase is looking possible at a yield of 9.5%. The adjustment is largely due to an awkward footprint and covenant strength of an occupying tenant. This remains unsold.

76 Wellington Street, Leeds - Located 250 meters from the subject development this multi let property was sold in June 2022 at an initial yield of 6.36%. The 35,951 sq ft property showed a WAULT of 4 years, with the price devaluing to £343psf. Experts do advise that the sale was prior to the market down brought about from various events including the war in Ukraine and Liz Truss's mini budget. Subsequently if sold in today's market it would be expected to show circa 7.5%.

Halo, Bristol - Whilst clearly in a different city, it is generally accepted that there are similarities between both marketplaces. The 116,000 sq ft Halo building currently shows a rent of £4,322,316 per annum with the property under offer at a figure of 5.55%.

I refer you to the table below which summaries several recent office investments sold in Leeds:

Comparable Yield Evidence Leeds

Property Address	Building S	Sale Price	Price Per	Sale Date	Sale Statu	Percent Leased	Net Initial Yield	Reamarks
1 Sovereign St	139,079	£38,500,000	276.82	29/08/2023	Sold	100.00%	7.00%	Strong Tenant covenant 100% leased to BT 12.5 year un expired term - Grade A close to station. Subject will be higher spec/more sustainable.
1 Whitehall Quay	51,300	£12,000,000	233.92	05/04/2023	Sold	100.00%	8.40%	100% leased to Mercer and BJSS T with 4 and 5 year un expired terms respectivley - Grade A close to station. Subject will be higher spec/more sustainable.
84 Albion St (Part of a 2 Pro	31,521	£9,400,000	298.21	23/06/2022	Sold	99.00%	7.70%	Albion Street provides 6 floors and 34,106 sq ft of fully refurbished office space that is 99% leased WAULT to first break of 1.2 years and 2.5 years to expiry. Part of portfolio purchase
76 Wellington St	35,951	£12,600,000	350.48	21/06/2022	Sold	92.46%	6.38%	Located 250 metres from the subject development this multi let property was sold in June 2022 at an initial yield of 6.36%. The 35,951 sq ft property showed a WAULT of 4 years.

As can be seen in the above evidence yields looked to have softened which could be attributed to the volatility in the market brought about by various events including the ongoing war in Ukraine and Liz Truss's mini budget. However, the proposed scheme will be one of the most prestigious schemes at a gateway site to the city near both the city centre, train station and the city's prime office district at Wellington Place.

Based on above evidence I agree with the applicant and have adopted a net initial capitalisation yield of 6% for the office accommodation.

Retail Unit

The applicants' viability consultant has not attributed any value to the flexible commercial space at ground level of the BTR accommodation nor at the basement and ground level of the office accommodation. I agree with the applicant's advisor that the space in the office accommodation is flexible amenity / communal workspace and the value for this is reflected in the headline rents for the office. However, I do believe there is some retail value in the ground floor space of the BTR accommodation outlined in red below.



Source: LPP

This area represents 1,579 sq ft of commercial space. I have adopted a headline rent based on comparable evidence at Wellington Place an office development with several bar/retail/leisure uses at ground floor level near the subject site and comparable convenience store evidence. The below table summarises the comparable evidence listed at Wellington Place.

DATE	ADDRESS	TENANT	AREA SQ FT	NET RENT	RENT/SQ FT
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
26-Oct-16	5 Wellington Place LS1 4AP	Veeno	2,357	£ 37,656	£ 15.98

Source: Costar

Wellington Place is an established centre for retail and leisure and the rents above indicate a “tone” of value of between £16 moving to £19 per sq ft. I have looked to the higher end of the range as although the evidence is historic I believe it is indicative of values the commercial space at Wellington Square will achieve.

I have considered the tenant mix in the proposed development and the scope of surrounding developments. Due to the scale of the proposed development with 464 apartments and 364,261 sq ft of offices the development will be attractive to a number of retailers.

I believe it is reasonable to assume that at the unit within the PRS scheme would appeal to a small convenience store or national retailer. The nearest convenience store which serves both office workers and residential properties is on Wellington Place. Therefore, I have specifically researched rent and yield evidence for convenience stores and summarise the rental and yield evidence below:

Cooperative store Sovereign Square Leeds

Demise: The Cooperative, Unit 4, 3 Sovereign Square

Passing Rent: £79,210 per annum

Lease Expiry: 25th December 2031

Analyses Rent: The Cooperative are currently paying £23.99 per square foot.

Cooperative store Merrion Centre, Leeds

A unit was let in 2020 at the Merrion Centre, to serve the emerging market in the immediate area of Student accommodation. The unit extended to 2,958 square feet and let in June 2020 for 15 years at £18.40 psf.

I have therefore adopted a headline rent of £20 per sq ft for the commercial (Class E) space in the BTR accommodation. I have adopted a 24 month rent free period which represents a void and incentive for tenants while the entirety of the scheme is constructed and occupied.

I have looked to comparable yield evidence such as a 4,453 sq ft Cooperative store at 2 Oldfield Road, Sheffield, which sold on 29th September 2020 for £1,050,000,

The premises is let to Co-operative Group Food Ltd, by way of assignment on a full repairing and insuring lease to Tesco Stores Ltd for a term of 20 years from July 2014, expiring 2034. The annual rent is £63,275 with a 5 yearly rent review in line with RPI (collared and capped at 1% & 4%) the next occurring on 15 July 2024 where the rent will rise to c. £73,354 per annum (£17.20 per sq ft) assuming RPI growth of 3% per annum. The tenant has the option to determine the lease on 15th July 2024, giving 6 months written notice. The premises provides a Net Initial Yield of 5.50 % NIY and an estimated reversionary yield of 6.38% projected for 2024.

The commercial space has been capitalised at an initial yield of 8% to reflect the uncertainty regarding tenant mix, covenant strength and the lack of available transactions in the market.

8.5 Market Value of Car Parking

In addition to the rental apartments and office space the scheme incorporates 20 residential parking spaces. As such the applicant's advisor has regarded that the parking spaces would be lettable at a rent of £175 per calendar month per space (£2,100 per annum).

I agree with their approach of adopting 100% take-up as there is likely to be a waiting list for spaces. As observed at schemes such as Mustard Wharf and The Junction.

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 agree with the applicants figure of £2,100 per parking space per annum. I understand from my enquiries that there is a substantial waiting list for parking spaces at Mustard Wharf, which is situated nearby to the subject site.

8.6 Total GDV

My total for GDV is £312,013,262 which is £11,201,535 more than the applicant.

9.0 Total Development Costs

9.1 Summary of Costs

The applicant’s viability consultant submitted costs in their viability appraisal dated October 2023. The report included a cost plan dated September 2023 which was prepared by Gardiner & Theobald. The base build costs adopted are as follows:

- BTR element: £242.30 per sq ft - £98,061,246
- Office (Plot 1A): £265 per sq ft - £60,405,533
- Office (Plot 1B): £267 per sq ft - £65,107,882
- The total cost of the basement has been costed at a total of £15,885,266.

Rex Procter and Partners (RRP) has been appointed by Leeds City Council to act as independent cost consultants.

BTR Total Cost

Having reviewed the costs RRP consider the base build construction costs to be reasonable based on other similar recent submissions and their own internal cost data, however they have not been able to interrogate them in detail due to a lack of information provided. When this was discussed with G&T, they explained that the costs had mainly been based on elemental rates per m² due to the stage of design.

The costs provided were issued in October 2023. RRP have reviewed BCIS tender data and there has been no significant uplift since that date, therefore the costs have not been subjected to any inflation. See Below:

- Applicants Submission = £98,061,246.00 + £5,012,091.00 (Basement)
- RRP Assessment = £98,325,805.00 + £5,012,091.00 (Basement)

Office Accommodation Total Cost

Having reviewed the costs RRP consider the base build construction costs to be reasonable based on other similar recent submissions and their own internal cost data, however they have not been able to interrogate them in detail due to a lack of information provided. When this was discussed with G&T, they explained that the costs had mainly been based on elemental rates per m² due to the stage of design.

RRP assessment of the costs associated with the scheme, based on the information provided is broadly in line with those provided by G&T however they have caveated that the costs provided exclude inflation and on that basis they believe costs should be subject to the current BCIS 'All-in Tender Price Index' percentage uplift which is currently 1.6%.

Based on the above adjustment for inflation RRP have rebased the costs provided as follows:

- Plot 1A – Original submission £60,400,000. Rebased costs £61,366,400.
- Plot 1B – Original submission £60,400,000. Rebased costs £66,141,600.
- Basement costs – Original submission £10,873,175. Rebased costs £11,047,146.

RPP have larger agreed with the applicants costs with marginal differences reflecting things such as time inflation. I have therefore adopted RRP's in my appraisal.

9.6 Summary Main Cost Inputs

The following cost inputs have been either accepted or changed in the DVS appraisal.

Cost	Agent	DVS	Comments
Contingency	2%	2%	Agreed - contingency is allowed for within the based build costs.
Professional fees	6%	6%	Agreed
Marketing + Letting Fees	10% - agent fee 5% - legal fee	10% - agent fee 1.5% - legal fee	Disagreed – 1.5% legal fee agreed on other mixed use schemes in Leeds.
Sales Agent Fees	0.25%	0.25%	Agreed
Legal Fees	0.1%	0.1%	Agreed

PRS Net to Gross Rental Adjustment	23.5%	23.5%	Agreed
Stamp Duty Land Tax	SDLT +1.5%	SDLT +1.5%	Agreed
Finance	6%	6%	Agreed for a mixed use scheme
Target profit Margin	8%	8%	Agreed

10.0 Developer's Profit

- 10.1 The applicant's advisor has adopted an approach which assumes a target profit of 8% profit on cost, whilst I feel this is on the low side I have accepted it for this appraisal.
- 10.2 To accord with the RICS Guidance Note '**Assessing viability in planning under the National Planning Policy Framework 2019**', I can report that the profit level I have adopted of 8% GDC is equivalent an Internal Rate of Return of 12.147%, please note this IRR is relative to the development period and finance rate adopted.

11.0 Benchmark Land Value (BLV)

11.1 Applicant's BLV

The applicant's advisor has adopted a Benchmark Land Value of £15,687,143, this comprises their opinion of the EUV is £13,072,619 plus a 20% premium.

The applicant states their calculation of the BLV has been arrived at by adopting the sites EUV which is based on a number of recent Grade B office transactions in the city centre minus estimated refurbishment costs. Justification summarised below:

Property	Size	ERV	Yield	Value	Refurb Cost/ Purchasers Costs	Current Value
1 Lisbon Square	2,067	£14.00	10%	£289,380.00	£9,178	£280,202
2 Lisbon Square	2,005	£14.00	10%	£280,700.00	£8,588	£272,112
3 Lisbon Square	2,002	£14.00	10%	£280,280.00	£8,559	£271,721
4 Lisbon Square	2,070	£14.00	10%	£289,800.00	£9,206	£280,594
5 Lisbon Square	2,227	£14.00	10%	£311,780.00	£10,701	£301,079
6 Lisbon Square	2,260	£14.00	10%	£316,400.00	£11,015	£305,385
7 Lisbon Square	2,228	£14.00	10%	£311,920.00	£10,711	£301,209
Lisbon Court	14,686	£17.00	10%	£2,496,620	£1,254,258	£1,242,362
Ebor Court	14,842	£17.00	10%	£2,523,140	£1,599,679	£923,461
116 Wellington Street	25,000	£19.50	10%	£4,875,000	£2,185,000	£2,690,000
34 Lisbon Street	22,700	£18.00	10%	£4,086,000	£690,476	£3,395,524
120 Wellington Street	17,158	£19.50	10%	£3,345,810	£536,840	£2,808,970
Total					CUV	£13,072,619

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 (EUUV)

Step one is to undertake a valuation to determine EUUV.

The Applicant's benchmark land value is £15,687,143 which is based upon assessing the existing use of the site on a comparable basis plus a premium.

To inform an appropriate EUUV as city centre office space, I have had regard to transactional market evidence below and previously agreed benchmark land values for Leeds city centre build to rent schemes. See appendix (iii).

	Sign Date	Address	City	Floor	Total SF Leased	Rent/SF	Term	Remarks
A	13/09/2023	34 St Pauls St	Leeds	4th	2,590	14.50	5 yrs.	Built 1992 - Refurbished close proximity to subject
B	12/09/2023	31 Park Sq. W	Leeds	BSMT	730	12.33	1 yr.	Lower ground floor short lease term but similar age + space at Lisbon square
C	12/09/2023	5 York Pl	Leeds	1st	670	10.00	3 yrs.	smaller less desirable
D	11/09/2023	Oxford Row	Leeds	1st	1,665	17.70	5 yrs.	Newly refurbished office accommodation - well located between court and town hall
E	01/08/2023	34 St Pauls St	Leeds	3rd	2,550	14.50	10 yrs.	Built 1992 - Refurbished close proximity to subject
F	22/08/2023	30 Park Sq.	Leeds	2nd, 3rd, 4th	1,509	14.58	Unknown	Newly carpeted and redecorated similar age + space
G	01/08/2023	Kilkenny House	Leeds	2nd	1,620	£12.54	5 Years	Similar specification - layout and location to Lisbon Square
H	03/04/2023	6 Grace St	Leeds	GRND,2-3	26,328	22.50	15 yrs.	Located in the heart of Leeds - high specification refurbishment - includes amenities such as on-site fitness studio showers and changing facilities. Leased and made and managed space
I	01/08/2022	Queens St	Leeds	1st	7,103	16.50	10 yrs.	Similar location to subject - refurbished office space
J	23/03/2022	27 King St	Leeds	2nd	13,551	12.50	Unknown	New lease assignment - on the market 9 months. Prominent location. Newly refurbished space

Currently on site there are a mix of large modern office space and smaller more traditional spaces.

At the front of the site sits the three largest and most desirable offices blocks:

34 Lisbon Street	22,700
120 Wellington Street	17,158
116 Wellington Street	25,000

I have given most weight to comparables H, I and J as these all represent larger office takes of refurbished space in Leeds City Centre. The values range from £12.50 to £22.50. At the top of the range is comparable H which delivers a more enhanced specification and greater on-site amenity than at the subject accommodation. I have given most weight to comparable 'I' as this is situated closest to the subject and occupies a more prominent position in comparison to the prime office pitch at Wellington Place and the city centre than the subject. This is a slightly older transaction yet is smaller in size. I have therefore adopted the £16.50 per sq ft for the larger office accommodation.

To the rear of the site lies 9 existing properties made up of:

1 Lisbon Square	2,067
2 Lisbon Square	2,005
3 Lisbon Square	2,002
4 Lisbon Square	2,020
5 Lisbon Square	2,227
6 Lisbon Square	2,260
7 Lisbon Square	2,228
Ebor Court	14,842
Lisbon Court	14,686

The two larger offices spaces are Ebor and Lisbon Court.

I have given most weight to the two recent transactions at 34 St Pauls Street (Carlton Towers) with respect to the two larger offices spaces at the rear Ebor and Lisbon Court. These represent recent transactions of refurbished office space of similar specification and location. Although these are smaller transactions than the space at the subject as a whole they are typical of the floor areas within. With respect to the Ebor and Lisbon Court I have adopted £14.50 per sq ft. The remaining office accommodation at the subject site as follows:

1 Lisbon Square	2,067
2 Lisbon Square	2,005
3 Lisbon Square	2,002
4 Lisbon Square	2,020
5 Lisbon Square	2,227
6 Lisbon Square	2,260
7 Lisbon Square	2,228

These are individual terrace office accommodation set over three floors. They consist of much smaller and less desirable floor space. I have given significant weight to the transaction at Kilkenny House with regard to the office space 1-7 Lisbon Square due to its similar location, building makeup and specification. I have adopted £12.50 per sq ft.

As discussed within the office GDV commentary we have adopted a 24 month rent free period for the proposed new grade A space in the scheme. I have subsequently adopted a rent-free/void period of 36 months for the existing accommodation as these are much less desirable and have sat empty for a prolonged period time in recent history.

The applicant has adopted a capitalisation yield of 10% of which I agree. See appendix (iii) for yield evidence.

I disagree with the values the applicant has adopted for both the market rents and BCIS refurbishment costs. See below my breakdown of the current makeup of the development site, market rents, BCIS refurbishment costs and yields.

Property	NIA (sqft)	EPC	Refurb cost (sq ft)	Price (sq ft)	Yield
1 Lisbon Square	2,067	E	£99.40	£12.50	10%
2 Lisbon Square	2,005	D	£99.40	£12.50	10%
3 Lisbon Square	2,002	D	£99.40	£12.50	10%
4 Lisbon Square	2,020	C	£99.40	£12.50	10%
5 Lisbon Square	2,227	E	£99.40	£12.50	10%
6 Lisbon Square	2,260	D	£99.40	£12.50	10%
7 Lisbon Square	2,228	G	£99.40	£12.50	10%
Ebor Court	14,842	D	£99.40	£14.50	10%
Lisbon Court	14,686	-	£99.40	£14.50	10%
34 Lisbon Street	22,700	B	-	£16.50	10%
120 Wellington Street	17,158	B	-	£16.50	10%
116 Wellington Street	25,000	D	-	£16.50	10%
Total	109,195				

Having had the opportunity to internally inspect the property on the 05/03/2024 I agree with the applicant that the 3 larger offices at the front of the site are in good lettable condition although they have stood empty since refurbishment in 2016. In line with the applicants EUV I have also proposed a refurbishment cost at Lisbon and Ebor Court.

I have however applied a further refurbishment cost to the other units at the rear of the site 1-7 Lisbon Square given most off this space has sat empty for some time.

The applicant has applied the BCIS lower quartile figure for refurbishment. I have consulted BCIS for Rehabilitation/Conversion costs for Leeds and have adopted the median £/m² gross internal of £1,070 (£99.40 per sq ft).

I appraised the EUV of the subject site on Argus Developer using the inputs below:

- Rent (sq ft)- £16.50 + £14.50 + £12.50.
- BCIS Refurbishment cost (sq ft)- £99.40
- Rent Free/Void period - 36 months.
- Yield – 10%
- Purchasers Cost – 5.8%
- Contingency – 5.0%
- Professional Fees – 10%

I have subsequently split the site into 4 sections and appraised these separately on Argus Developer to arrive at an appropriate EUV. I have used the same inputs as above with the appropriate rent for each section. See below the site break down:



Source – VMS

Separate Appraisals	Residual Land Value	Say	Premium	EUV+
Rear (1-7 Lisbon Square, Ebor and Lisbon Court)	-603,479	£0	£1	£1
120 Wellington Street	£2,003,657	£2,003,657	10%	£2,204,022.70
34 Lisbon Street	£2,650,835	£2,650,835	10%	£2,915,918.50

116 Wellington Street	£2,929,421	£2,929,421	10%	£3,222,363.10
Total		£7,583,913		£8,342,305.30

As can be seen above the appraisal for the rear of the site produces a negative land value whilst the blocks at the front produce a positive value. With respect to premiums the appraisal for the rear site shows no value so a nominal value of a £1 has been applied. In arriving at their BLV the applicant adopted a 20% premium to their EUV, I disagree with this figure and deem a 10% premium more appropriate for the three office blocks at the front of the site.

This gives way to an overall EUV of £7,583,913 and an EUV+ of £8,342,305.30.

11.3 Alternative Use Value (AUV)

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

An Alternative Use Value approach is not considered applicable in this case.

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*. Such evidence includes a schedule of agreed benchmark land values in Appendix iii:

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 in 2018.

11.5 Residual Land Value

Step four is to determine the residual value of the site or typology, assuming actual or emerging policy requirements, and this assessment of land value can be cross checked against the EUV+.

Adopting the inputs described herein this report, the residual land value of the proposed scheme with full policy requirements is £1,805,495.

Which compared to the EUV+ of £8,342,305 would give way to a reverse premium of £6,536,448.

I have considered whether this is reasonable compared to the existing premium evidence reported above, and the additional evidence, reported below.

11.6 Adjusted Land Transaction Evidence

Step five is to cross-check the EUV+ approach to the determination of the BLV of the site by reference to (adjusted) market land transaction evidence and can also include other BLV of compliant schemes (or adjusted if not compliant).

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.

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 £1,805,857 which is lower than the applicants benchmark land value.

I comment on the benchmark land value comparable evidence below:

Comparable 1- Former Yorkshire Post HQ, Wellington Street, Leeds

I have considered a site on the opposite side of Welling Street known as the former Yorkshire Post HQ which had planning consent for the construction of private rented apartments within Phase 1 which has recently been completed.

The site was originally purchased, without planning permission, by the current developer/owner some time ago in 2014 for £2,125,000. For a site extending to 1.90 hectares (4.69 acres) and the sale price was equivalent to £456,000 per acre. Phase 1 of the regeneration project was granted consent in early 2017 and it was reported that a block of 242 build to rent apartment units have been forward sold to Grainger, the UKs largest residential landlord and build to rent specialist. I regard the transaction as informative but historic. Although it does mirror the subject sites circumstances as they both were occupied by substantial buildings when they were both sold.

Comparable 2 Monk Bridge, Whitehall Road, Leeds

I have also had regard to Monk Bridge, Whitehall Road, Leeds where a policy compliant reserved matters planning consent was obtained for a scheme of 663 apartments plus commercial and car parking. The 4.44 acre site was purchased by a developer/PRS operator for £15,400,000 in March 2019. The purchased equated to £3,500,000 per gross acre. The site density is 149 apartments per acre.

The site was subsequently the subject of a planning application for 17-20 storeys comprising 463 residential units and 102 parking spaces and a viability appraisal

which concluded the benchmark land value was equivalent to £1,328,000 per acres.

Comparable 3 87-89 Kirkstall Road, Leeds

I have also had regard to a policy compliant scheme, which sold in December 2021 at 87-89 Kirkstall Road where an extant consent existed with a signed Section 106 Agreement for full policy requirements. The scheme comprised 631 apartments across 6 blocks on a site of 5.12 acres and sold for £5,800,000 exclusive of VAT in December 2021. This is equivalent to £1,133,000 per acre. The site density is 123 apartments per acre.

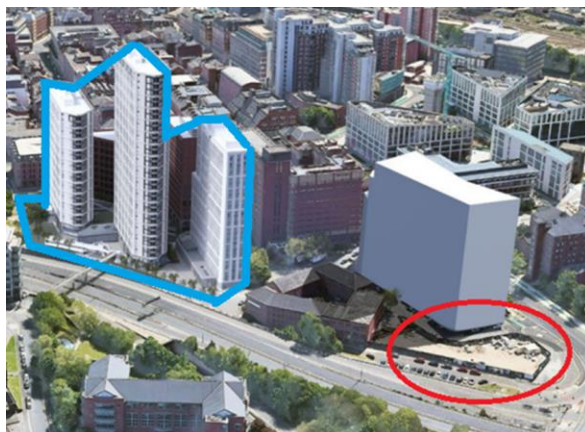
Comparable 4 Skinner Street, Leeds

I have also had regard to skinner Street which bounds the subject site to the west. I believe it is also important to consider the (Skinner Street) sale price in July 2014 for £2,300,000 when it was occupied by redundant office building. The sale price in 2014 was equivalent to £5,348,000 per acre. I consider the difference in values on a per acre basis, when compared to other city centre sites, is attributable to the substantial difference in the site areas, Skinner Street is 0.43 acres and possibly that the purchaser of the site in 2014 believed the property benefitted from an extant planning permission for up to 30 storeys, although it was subsequently found to have lapsed. The site density for the proposed scheme is much higher than comparable site at 928 apartments per acre.

Comparable 5 Quarry Hill, Leeds

We have completed a viability review of a scheme at Quarry Hill, Leeds where consent was granted for 331 units on a site which also had an extant consent for an office development. In that instance we agreed a Benchmark Land Value of £1,897,332 per acre. The site density was 200 apartments per acre, although there was also a large proportion of public realm included in the application.

Comparable 6 Former Olympic Swimming Pool, Lisbon/Castle Street Leeds



We have also identified a neighbouring site, on Lisbon Street, which is outlined blue on the computer generated image above. The subject site is in-between with Skinner Street also circled in red. The former Olympic Swimming Pool site on Lisbon Street is of a similar size at 2.77 acres and is comparable due to its proximity however has differing development density. All three sites have been identified as suitable for high rise buildings of circa 30 storeys.

I believe the purchase price of the former Olympic swimming pool site was equivalent to £10,000,000 per acre.

11.7 Owner occupier office sales

I have also looked for comparable owner occupier office sales with vacant possession in Leeds. This allows for the comparison on a sale price per sq ft basis.

Address	Building SF	Sale Price	Price Per SF	Sale Date	% Leased	Building Class	Year Built	Remarks
26-27 Park Sq. W	5,836	£1,560,000	267.31	09/07/2023	0.00%	B	1849	Vacant possession - close proximity

The above represents only 5,836 sq. ft of vacant office accommodation in comparison to the 109,195 sq ft of space at the subject site. Using a price per sq ft of £267.31 would give an EUV of £29,188,915. Due to the lack of available evidence of comparable sold offices I have given this approach and value very little weight.

11.7 Purchase Price

The PPG and the RICS encourage the reporting of the purchase price to improve transparency and accountability.

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

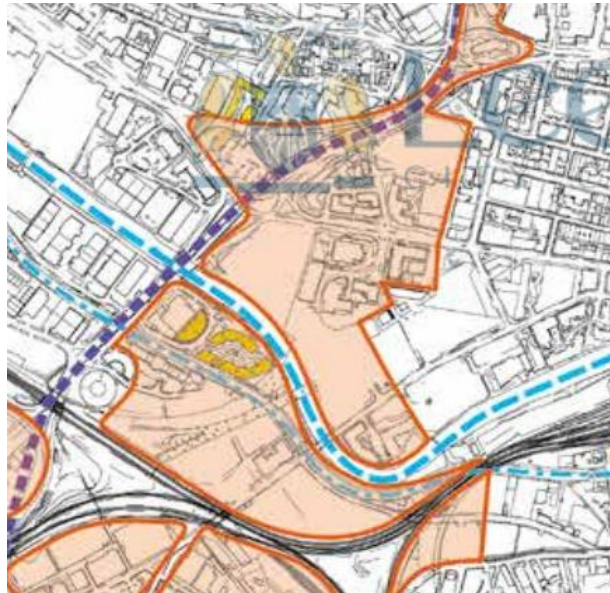
However, the NPPG on viability very much dissuades the use of a purchase price as a barrier to viability this is reinforced at several places in the PPG: the price paid for land is not a relevant justification for failing to accord with relevant policies in the plan. And under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.

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

DVS would welcome confirmation of the purchase price ahead of the final report.

The development site is classified as a 'gateway to the city' site and the council do permit substantially higher buildings in these locations.

Plan from The Leeds City Council Tall Building Design and Guide



Source: Leeds City Council

11.8 Benchmark Land Value Conclusion

The reasonableness of the applicant's £15,687,143 Benchmark Land Value has been considered against:

- The EUV of £7,583,913 (£3,070,410 per acre).
- The appropriate premium of a blended 10% (£758,392.30) above the EUV (£7,583,913) = £8,342,305.30
- Alternative use - not applicable
- The Residual Land Value of the planning compliant scheme = £1,805,495 rounded (£730,969 per acre)
- Benchmark Land Values (BLV) adopted in the local plan study for this typology = £1,852,500 (£750,000 per acre)
- BLV adopted and agreed between DVS and an applicant's advisor on a BTR full policy delivered scheme = £1,897,332 per acre
- Purchase price unknown

As referred to above, I have also considered other Benchmark Land Values 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 do not consider the figure sufficiently reflects the existing use value of the office buildings currently occupying the site.

In addition, we have agreed benchmark land values in the city centre area based on approximately £1,000,000 - £2,000,000 per acre.

I believe Wellington Square is very well located and it is important to reflect the fact that the site is suitable, in planning policy terms, for a high-density scheme as the site itself is part of an area identified as a 'gateway to the city' and the council permit substantially higher buildings in such locations.

It is my balanced and professional opinion having considered all of the above approaches I have given most weight to the EUV+ approach.

BLV: (£7,583,913 + £758,392.30) = £8,342,305.30

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.

My appraisal can be found at **Appendix (i)** which reflects the combined policy requirements of 20% discount market rental units on site Affordable housing and £2,493,793 CIL and s.106 contributions of £676,915, and fixed developer's profit of 8% gross development costs.

Based on the inputs I have outlined above the residual output presented as the amount available for land which is then compared to the valuer's opinion of the BLV to determine the viability of the scheme.

As detailed in this report, I have a difference of opinion regarding values, construction costs (marginally) and the benchmark land value. The cumulative effect of these changes is that my viability appraisal generates residual land value of £1,805,495 which is lower than the benchmark value adopted by DVS at £8,342,305 (Rounded)

It is my independent conclusion that the scheme assessed with regards to full planning policy requirement comprising 20% discounted market rent apartments, S.106 contributions of £676,915 and CIL contributions of £2,493,793 is not viable.

12.2 DVS Viability Appraisal 2 Sub-Policy Compliant Scheme

I have been asked to model a scenario in order to determine the level of affordable housing is viable in order to provide policy compliant level of S106 and CIL contributions. The appraisal is in **Appendix (vi)**. This has a residual value of £6,572,427 which is lower than the benchmark value adopted by DVS at £8,342,305.30.

It is my independent conclusion that the scheme assessed with regards to zero affordable homes, S.106 contributions of £676,915 and CIL contributions of £2,493,793 is not viable.

13.0 Sensitivity Analysis & Scenario Testing

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 two of the most sensitive appraisal inputs relating to rent and base construction costs. I have adjusted these in upward and downward steps of 2.5% from the base appraisal assumption, and the output is the residual land value which can be compared to the BLV of £8,342,305.30.

13.3 Sensitivity Test – Appraisal 1 - Policy Compliant Scheme Results

		Construction: Rate /ft ²				
Rent: Rate /ft ²		-5.000%	-2.500%	0.000%	2.500%	5.000%
	230.20 /ft ²	236.26 /ft ²	242.32 /ft ²	248.38 /ft ²	254.44 /ft ²	
-5.000%	28.50 /ft ²	609,052	-4,937,202	-10,550,437	-16,187,852	-21,844,093
		8.000%	8.000%	8.000%	8.000%	8.000%
-2.500%	29.25 /ft ²	6,261,762	1,207,271	-4,274,178	-9,884,071	-15,517,638
		8.000%	8.000%	8.000%	8.000%	8.000%
0.000%	30.00 /ft ²	11,914,481	6,859,974	1,805,495	-3,611,306	-9,217,706
		8.000%	8.000%	8.000%	8.000%	8.000%
2.500%	30.75 /ft ²	17,567,202	12,512,694	7,458,187	2,403,725	-2,948,420
		8.000%	8.000%	8.000%	8.000%	8.000%
5.000%	31.50 /ft ²	23,219,958	18,165,415	13,110,907	8,056,400	3,001,961
		8.000%	8.000%	8.000%	8.000%	8.000%

The table above allows for the two most sensitive appraisal inputs relating to rent and base construction costs to increase / decrease by 2.5.% based on a profit of 8% of cost. The base conclusion is shown in the central cell. The table shows that the residual in the green cells indicate that if rents increased by 2.5% and construction costs decreased by 2.5% then the scheme would be able to support full planning policy for affordable housing as the residual land value will fall above the benchmark land value of £8,342,305.30.

If your council requires any additional or specific testing for future reports please let me know.

13.5 Scenario Test – Appraisal 2 – Sub Policy compliant scheme results

Construction: Rate /ft²					
Rent: Rate /ft²	-5.000%	-2.500%	0.000%	2.500%	5.000%
	230.20 /ft²	236.26 /ft²	242.32 /ft²	248.38 /ft²	254.44 /ft²
-5.000%	5,137,654	76,906	-5,519,979	-11,135,932	-16,775,734
28.50 /ft²	8.000%	8.000%	8.000%	8.000%	8.000%
-2.500%	10,909,545	5,855,040	800,545	-4,724,999	-10,336,849
29.25 /ft²	8.000%	8.000%	8.000%	8.000%	8.000%
0.000%	16,681,441	11,626,932	6,572,427	1,517,941	-3,929,940
30.00 /ft²	8.000%	8.000%	8.000%	8.000%	8.000%
2.500%	22,453,315	17,398,828	12,344,320	7,289,813	2,235,344
30.75 /ft²	8.000%	8.000%	8.000%	8.000%	8.000%
5.000%	28,225,104	23,170,700	18,116,215	13,061,707	8,007,200
31.50 /ft²	8.000%	8.000%	8.000%	8.000%	8.000%

The table above allows for the two most sensitive appraisal inputs relating to rent and base construction costs to increase / decrease by 2.5.% based on a profit of 8% of cost. The base conclusion is shown in the central cell. The table shows that the residual in the green cells indicate that if rents increased by 2.5% and construction costs stayed the same then the scheme would be able to support full planning policy for affordable housing as the residual land value will fall above the benchmark land value of £8,342,305.30.

14.0 Commuted Sum Approach

14.1 Commuted Sum Approach

Leeds City Council have asked DVS to provide a policy compliant commuted sum calculation assuming 32 Affordable Units

I have in the first instance calculated the Gross Development value of a policy compliant scheme i.e. incorporating 7% (32 units) Affordable split between Lower Decile and Lower Quartile.

Type	Area (sqm)	Area (sqft)	Number	7% affordable	Market Rent - £ per sq m	Market rent - pcm	Affordable - Lower Decile - no. of units	Affordable - Lower quartile - no. of units	Affordable rent - Lower Decile - £ per sq m pcm	Affordable rent - Lower quartile - £ per sq m pcm
1B1P	40.23	433	84	5.88	321.2	£1,077	3	3	£ 6.52	£ 8.19
1B2P	50.17	540	165	11.55	321.2	£1,343	4	2	£ 6.52	£ 8.19
2B3P	64.01	689	85	5.95	265.01	£1,414	4	3	£ 6.52	£ 8.19
2B4P	70.14	755	83	5.81	265.01	£1,549	5	3	£ 6.52	£ 8.19
3B5P	105.63	1137	46	3.22	273.62	£2,409	3	2	£ 6.52	£ 8.19
3B6P	131.18	1412	1	0.07	273.62	£2,991			£ 6.52	£ 8.19
			464				19	13		

Total Affordable rent - Lower Decile - pcm	Total Affordable rent - Lower quartile - pcm	Number of Market units	Total Annual Market rent	Total annual affordable rent	Total Rent	Less OPEX at 23%	Net Rental	Net Yield	Gross Value
£ 786.83	£ 988.37	78	£1,007,823.19	£ 21,302.44	£ 1,029,125.63	£ 236,698.89	£ 792,426.74	4.45%	£ 17,807,342.36
£ 1,308.36	£ 821.74	159	£2,562,080.27	£ 25,561.20	£ 2,587,641.47	£ 595,157.54	£1,992,483.93	4.45%	£ 44,774,919.85
£ 1,669.37	£ 1,572.72	78	£1,323,129.64	£ 38,905.07	£ 1,362,034.71	£ 313,267.98	£1,048,766.73	4.45%	£ 23,567,791.61
£ 2,286.60	£ 1,723.37	75	£1,394,109.18	£ 48,119.68	£ 1,442,228.86	£ 331,712.64	£1,110,516.22	4.45%	£ 24,955,420.73
£ 2,066.12	£ 1,730.22	41	£1,185,000.33	£ 45,556.05	£ 1,230,556.38	£ 283,027.97	£ 947,528.41	4.45%	£ 21,292,773.36
£ -	£ -	1	£35,892.92	£ -	£ 35,892.92	£ 8,255.37	£ 27,637.55	4.45%	£ 621,068.58
		432							£ 133,019,316.48

I have then calculated the Gross Development Value of a 100% Market Rental Scheme.

100% Market Rent - no. of units	Market Rent - pa	Less OPEX at 23%	Net Rent	Net yield - %	Gross Value
84	£1,085,348.05	£249,630.05	£835,718.00	4.45	£18,780,179.73
165	£2,658,762.54	£611,515.38	£2,047,247.16	4.45	£46,005,554.09
85	£1,441,872.04	£331,630.57	£1,110,241.47	4.45	£24,949,246.55
83	£1,542,814.16	£354,847.26	£1,187,966.91	4.45	£26,695,885.52
46	£1,329,512.56	£305,787.89	£1,023,724.67	4.45	£23,005,048.86
1	£35,892.92	£8,255.37	£27,637.55	4.45	£621,068.58
					£140,056,983.33

I have calculated the commuted sum payable by deducting the Gross Development Value of the Policy compliant scheme from the 100% Market scheme. **The Commuted sum is £7,037,667.**

15.0 Recommendations

Summary of key issues and recommendations.

15.1 Viability Conclusion

It is my considered and independent opinion that:

The above scheme assessed with regards to full planning policy requirement comprising 20% discounted market rent apartments, S.106 contributions of £676,915 and CIL contributions of £2,493,793 is not viable.

Appraisal 2

It is my considered and independent opinion that:

The above scheme assessed with zero affordable houses, S.106 contributions of £676,915 and CIL contributions of £2,493,793 is not viable.

15.2 Overage Clause

It is acknowledged that the initial viability assessment indicates that the development cannot viably support any affordable housing without jeopardising the derivability of the development. I would suggest that Leeds City Council enter into an overage agreement with the developer to allow a calculation to determine overage (profit share) to be carried out at the end of the development.

Overage should apply to any developer's profit above a pre-agreed amount, which excess sum should be divided 50:50 with the Council for use by it to provide affordable homes either in the subject scheme, if possible, or elsewhere, at the Council's discretion.

The Overage calculation should be facilitated by the developer/applicant acting in good faith and, where relevant, fully disclosing and justifying all relevant cost and revenue items in the development appraisal.

15.3 Market Commentary

My appraisal is in accordance with NPPG and RICS guidance where viability is assessed on current day build costs and revenues, however, I include a brief market commentary below which illustrates the relative investment performance of PRS properties and past for rental growth.

The Office of National Statistics are saying that in the 12 months to November 2023, rental prices for the UK, excluding London, increased by 5.9%; this is up from an increase of 5.8% in October 2023.

The Rightmove Rental Trends Tracker Q3 2022 reported that average asking rents for new tenants outside of London have risen to a new record of £1,278 per calendar month. With an increase of 3.8% this quarter, as new asking rents continue to rise rapidly.

The supply and demand imbalance are slowly improving from last year, with demand easing by 17% compared with 2022, while available supply is up by 14% over the same period. The number of new rental properties coming to market is now 7% higher than at this time last year, the biggest yearly jump since November 2022

The Royal Institution of Chartered Surveyors' (RICS') December 2023 Residential Market Survey reported that supply continues to shrink, demand continues to grow, rents continue to rise.

16.0 Engagement

- 16.1 The DVS valuer has not conducted any negotiations with the applicant or any of their other advisors but has sought clarification regarding a number of issues concerning the scheme.
- 16.2 Should the applicant disagree with 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.⁵
- 16.3 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.
- 16.4 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 reference to the discussions will be provided.

17.0 Disclosure / Publication

- 17.1 **This Stage 2 review report is not for publication.**
- 17.2 The report has been produced for Leeds City Council only. DVS permit that this report may be shared with the applicant and their planning advisor and viability advisor, as named third parties only.
- 17.3 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.
- 17.3 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 assessment report, nor make reference to it, in any way in any publication. It is intended that a final report will later be prepared, detailing the agreed viability position.
- 17.4 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.

17.5 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

[REDACTED]

Head of Local and Devolved Government
RICS Registered Valuer
DVS
Date: 9th February 2024

Report reviewed by:

[REDACTED]

Principal Surveyor
RICS Registered Valuer
DVS
Date: 18 March 2024

18.0 Appendices

- (i) Appraisal 1 – Fully policy compliant
- (ii) Information to support inputs e.g. GDV comps
- (iii) Redacted TOE
- (iv) Site Photos
- (v) EUV Appraisal
- (vi) Appraisal 2 – Sub policy complaint

(i) Appraisal 1: All Phases Policy Compliant Residual Land Value

APPRAISAL SUMMARY **VALUATION OFFICE AGENCY**

Wellington Square
20% Discount on MR

Summary Appraisal for Phase 1

Currency in £

REVENUE

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
1B1P	84	36,372	30.00	12,990	834,737	1,091,160	834,737
1B2P	165	89,100	30.00	16,200	2,044,845	2,673,000	2,044,845
2B3P	64	44,098	25.00	17,225	843,336	1,102,400	843,336
2B3P - A	21	14,469	20.00	13,780	221,378	289,380	221,378
2B4P	53	40,015	25.00	18,875	765,287	1,000,375	765,287
2B4P - A	30	22,650	20.00	15,100	346,545	453,000	346,545
3B5P	4	3,720	25.00	23,250	71,145	93,000	71,145
3B5P - A	42	39,060	20.00	18,800	597,618	781,200	597,618
3B6P	1	1,412	24.00	33,888	25,924	33,888	25,924
PLOT 01A	1	162,853	32.00	5,211,296	5,211,296	5,211,296	5,211,296
PLOT 01B	1	177,838	32.00	5,690,816	5,690,816	5,690,816	5,690,816
BTR	21			2,100	33,737	44,100	33,737
Retail Unit - BTR	1	1,579	19.00	30,001	30,001	30,001	30,001
Totals	488	633,164			16,716,663	18,493,616	16,716,663

Investment Valuation

1B1P					
Current Rent	834,737	YP @	4.4500%	22.4719	18,758,144
1B2P					
Current Rent	2,044,845	YP @	4.4500%	22.4719	45,951,573
2B3P					
Current Rent	843,336	YP @	4.4500%	22.4719	18,951,371
2B3P - A					
Current Rent	221,378	YP @	4.4500%	22.4719	4,974,735
2B4P					
Current Rent	765,287	YP @	4.4500%	22.4719	17,197,458
2B4P - A					
Current Rent	346,545	YP @	4.4500%	22.4719	7,787,528
3B5P					
Current Rent	71,145	YP @	4.4500%	22.4719	1,598,764
3B5P - A					
Current Rent	597,618	YP @	4.4500%	22.4719	13,429,618
3B6P					
Current Rent	25,924	YP @	4.4500%	22.4719	582,569
PLOT 01A					
Current Rent	5,211,296	YP @	6.0000%	16.6667	86,854,933
PLOT 01B					
Current Rent	5,690,816	YP @	6.0000%	16.6667	94,846,933
BTR					
Current Rent	33,737	YP @	4.4500%	22.4719	758,124
Retail Unit - BTR					
Market Rent (2yrs Rent Free)	30,001	YP @	8.0000%	12.5000	
		PV 2yrs @	8.0000%	0.8573	321,513
					312,013,262

NET REALISATION

312,013,262

OUTLAY

ACQUISITION COSTS

Residualised Price (2.47 Acres 730,969.63 pAcre)		1,805,495			1,805,495
Stamp Duty (Land cost includes VAT)				79,775	
Agent Fee		1.00%		18,055	
Legal Fee		0.50%		9,027	
					106,857

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
1B1P	50,671	242.32	12,278,717
1B2P	124,129	242.32	30,079,008
2B3P	61,432	242.32	14,886,240
2B3P - A	20,157	242.32	4,884,547

APPRAISAL SUMMARY**VALUATION OFFICE AGENCY****Wellington Sqaure****20% Discount on MR**

2B4P	55,747	242.32	13,508,547	
2B4P - A	31,555	242.32	7,646,347	
3B5P	5,183	242.32	1,255,824	
3B5P - A	54,416	242.32	13,188,151	
3B6P	1,967	242.32	476,673	
PLOT 01A	227,885	289.29	61,368,400	
PLOT 01B	244,031	271.04	66,141,800	
Retail Unit - BTR	1,579	240.28	379,398	
Totals	878,753		226,089,452	226,089,452

Demolition			1,200,000	
External works			3,000,000	
Highways			950,000	
Utilities Diversion			1,900,000	
Basement BTR			5,012,091	
Basement Office			10,400,550	
CIL Residential			283,279	
CIL Office			2,210,514	
Section 106			678,915	
				25,633,349

PROFESSIONAL FEES

Professional Fees		6.00%	13,565,367	13,565,367
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MARKETING & LETTING

Letting Agent Fee		10.00%	1,090,211	
1.5		1.50%	163,532	
				1,253,743

DISPOSAL FEES

Sales Agent Fee		0.25%	323,079	
Sales Legal Fee		0.10%	129,232	
				452,311

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			362,828	
Construction			19,631,794	
Total Finance Cost				19,994,622

TOTAL COSTS**288,901,196****PROFIT****23,112,067****Performance Measures**

Profit on Cost%	8.00%
Profit on GDV%	7.41%
Profit on NDV%	7.41%
Development Yield% (on Rent)	5.79%
Equivalent Yield% (Nominal)	5.36%
Equivalent Yield% (True)	5.54%
IRR	12.15%
Rent Cover	1 yr 5 mths
Profit Erosion (finance rate 6.000)	1 yr 4 mths

(ii) Information to support inputs – Rents, BMLV, Yields & Professional Fees

REDACTED PRS SCHEMES AGREED INPUTS LEEDS 2019-22

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 Development
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 sq.ft of commercial space	25%	£1,800	£2,000	4.5%	8%	£581,000	5%	0.25 Agent 0.1 Legal	0.25% Agent 0.1% Legal	3%	8.055	8 blocks apt blocks 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
500 Apartments 60 Parking spaces 3 x Retail	23.5%	£1,700	£2,000	4.35%	7%	£750,000	5%	0.25 Agent 0.10 Legals	Nil	2.8%	8% on GDV	

Office Yields

Property Address	Building	Star Rating	Sale Price	Price Per SF	Sale Date	Sale Status	Percent Leased	Net Initial Yield	Remarks
1 Sovereign St	139,079	4 Star	£38,500,000	276.82	29/08/2023	Sold	100.00%	7.00%	Strong Tennent covenant 100% leased to BT 12.5 year un expired term - Grade A close to station. Subject will be higher spec/more sustainable.
1 Whitehall Quay	51,300	4 Star	£12,000,000	233.92	05/04/2023	Sold	100.00%	8.40%	100% leased to Mercer and BJSS T with 4 and 5 year un expired terms respectively - Grade A close to station. Subject will be higher spec/more sustainable.
84 Albion St (Part of a 2 Property Portfolio)	31,521	3 Star	£9,400,000	298.21	23/06/2022	Sold	99.00%	7.70%	Albion Street provides 6 floors and 34,106 sq ft of fully refurbished office space that is 99% leased WAULT to first break of 1.2 years and 2.5 years to expiry. Part of portfolio purchase
76 Wellington St	35,951	4 Star	£12,600,000	350.48	21/06/2022	Sold	92.46%	6.38%	Located 250 metres from the subject development this multi let property was sold in June 2022 at an initial yield of 6.36%. The 35,951 sq ft property showed a WAULT of 4 years.
28-36 The Headrow	300,000	3 Star	£16,299,700	54.33	23/08/2022	Sold	100.00%	11.88%	

EUV Comparable rents

Sign Date	Address	City	Floor	Total SF Leased	Rent/SF	Term	Remarks
13/09/2023	34 St Pauls St	Leeds	4th	2,590	14.50	5 yrs.	Built 1992 - Refurbished close proximity to subject
12/09/2023	31 Park Sq. W	Leeds	BSMT	730	12.33	1 yr.	Lower ground floor short lease term but similar age + space at Lisbon square
12/09/2023	5 York Pl	Leeds	1st	670	10.00	3 yrs.	smaller less desirable
11/09/2023	Oxford Row	Leeds	1st	1,665	17.70	5 yrs.	Newly refurbished office accommodation - well located between court and town hall
01/08/2023	34 St Pauls St	Leeds	3rd	2,550	14.50	10 yrs.	Built 1992 - Refurbished close proximity to subject
22/08/2023	30 Park Sq.	Leeds	2nd, 3rd, 4th	1,509	14.58	Unknown	Newly carpeted and redecorated similar age + space
01/08/2023	Kilkenny House	Leeds	2nd	1,620	£12.54	5 Years	Similar specification - layout and location to Lisbon Square
03/04/2023	6 Grace St	Leeds	GRND,2-3	26,328	22.50	15 yrs.	Located in the heart of Leeds - high specification refurbishment - includes amenities such as on-site fitness studio showers and changing facilities. Leased and made and managed space
01/08/2022	Queens St	Leeds	1st	7,103	16.50	10 yrs.	Similar location to subject - refurbished office space
23/03/2022	27 King St	Leeds	2nd	13,551	12.50	-	New lease assignment - on the market 9 months. Prominent location. Newly refurbished space

(iii) Redacted TOE



Valuation Office
Agency

DVS Property Specialists
for the Public Sector

Valuation Office Agency
7 Wellington Place
Leeds
LS1 4AJ

Our Reference :
Your Reference : 23/00608/FU

██████████
Planning Services
City Development
Leeds City Council

Please ask for : ██████████
Tel : ██████████
E Mail : ██████████

Date : 29 November 2023

Dear ██████████

Independent Review of Development Viability Assessment

Proposed Development	Demolition of existing buildings and erection of a mixed-use multi-level development comprising a 45 storey building providing 464 build to rent apartments with amenity space and flexible Class E at ground floor level, two buildings for Class E Offices with Flexible Class E space at basement and ground floor level, with associated infrastructure and basement car parking, hard and soft landscaping and public open space
Subject of Assessment:	Land at Wellington Street, Leeds, LS1 4LY
Planning Application Ref:	23/00608/FU
Applicant / Developer:	McLaren (Wellington Square) Limited
Applicant's Viability Advisor:	██████████ for Cushman & Wakefield

I refer to your instructions dated 28 November 2023 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, [REDACTED]

2. Subject Property and Proposed Development

It is understood that you require a viability assessment review of planning application ref: 23/00608/FU. Demolition of existing buildings and erection of a mixed-use multi-level development comprising a 45 storey building providing 464 build to rent apartments with amenity space and flexible Class E at ground floor level, two buildings for Class E Offices with Flexible Class E space at basement and ground floor level, with associated infrastructure and basement car parking, hard and soft landscaping and public open space..

The land or property (properties) subject to the review is the land to The West Of Lisbon Street East Of Cropper Gate South Of A58 (Ring Road) North Of Wellington Street Leeds LS1 4LY

It is understood that the development has:

- a gross site area of 1 hectare / 2.47 acres
- a total GIA of GIA of 405,189 sq ft
- a total NIA of 290,878 sq ft
- the mix of accommodation consists of one, two and three bedroom apartments
- two proposed commercial buildings
 - Plot 1a - 22,672sqm GIA
 - Plot 1b 24,061sqm GIA - both intended as primarily Grade A office space
- 20 car parking spaces

Market Rent Apartments

Property Type	Number	NIA Sqft	Total NIA Sqft	Mix (%)
1-bed 1-person	84	433	36,372	22.64%

1-bed 2-person	165	540	89,100	44.47%
2-bed 3-person	64	689	44,096	17.25%
2-bed 4-person	53	755	40,015	14.29%
3-bed 5-person	4	930	3,720	1.08%
3-bed 6-person	1	1412	1,412	0.27%
Total	371	4759	214715	100.00%

Discount Rent Apartments

Property Type	Number	NIA Sqft	Total NIA Sqft	Mix (%)
2-bed 3-person	21	689	14,469	22.58%
2-bed 4-person	30	755	22,650	32.26%
3-bed 5-person	42	930	39,060	45.16%
Total	93	2374	76179	100.00%

3. Purpose and Scope

To complete this assessment DVS will:

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

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

3.2 However, if having completed my assessment, I conclude that the planning applicant / developer may be able to provide more affordable housing and s106 payments than have been proposed, I understand that my findings report may only constitute Stage 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 required to be the date on which the report is signed, which date will be specified in the report in due course.

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**' (2nd Edition) and, where relevant, the **RICS Code of Measuring Practice** (6th 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 Gross Internal Area has been used. Such a measurement is an agreed departure from ‘RICS Property Measurement (2nd 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 [existing use value](#)*
- *allow for a premium to landowners (including equity resulting from those building their own homes).*
- *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees.*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

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

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

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

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) is 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.”

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 Leeds City 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's 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. For this case an external inspection of the property 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 outgoing.
- 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 13 October 2023 prepared by Mr Matthew Brear at Cusham & Wakefield has been received.

10.2 Information from the applicant

Site access

It is understood that the site is accessible and no appointment to inspect is required.

In particular it is understood there are no extraordinary health and safety issues to be aware of. If this is incorrect, please provide details of access arrangements and any PPE requirements.

Viability assessment

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. 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.
A Purchase Order Number.

From the applicant:

Electronic copy of the Appraisal either in the form of an accessible viability toolkit (Argus developer or HCA DAT) or as a Microsoft Excel unprotected document.

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 [REDACTED] and their contact details are as stated above in the letterhead.

Any graduate involvement will be detailed in the report.

12. Disclosure of any Material Involvement or Conflict of Interest

In accordance with the requirements of the RICS standards, the VOA has checked that no conflict of interest arises before accepting this instruction.

It is confirmed that DVS are unaware of any previous conflicting material involvement and am satisfied that no conflict of interest exists. Should any such difficulty subsequently be identified, you will be advised at once and your agreement sought as to how this should be managed.

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

13. 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 Friday 26th January 2023.

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

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 £ [REDACTED] plus VAT in order to complete the work set out above.

The personnel involved in this assessment will be as follows:

Personnel:	Role	Task
[REDACTED]	Sector Head / Principal Surveyor / Registered Valuer / Consultant	Viability review Report and Appraisal(s) 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 Sector Head	Report, valuation and viability	[REDACTED]

	assessment, discussions, advice appeal work	
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	████████

Applicant reimbursing and paying via LA

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

The PON for this case is X024510.

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.

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



██████████ MRICS
Head of Local and Devolved Government
RICS Registered Valuer
DVS

Based in Leeds Valuation Office

(iv) Site Photographs







Ebor Court (Internal GF + External)





4 Lisbon Square

(v) EUV Appraisal:

See attached Argus Developer Digital File

(vi) Appraisal 2 – sub policy compliant

APPRAISAL SUMMARY**VALUATION OFFICE AGENCY**Wellington Sqaure
20% Discount on MR

Summary Appraisal for Phase 1

Currency in £

REVENUE**Rental Area Summary**

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
1B1P	84	38,372	30.00	12,990	834,737	1,091,160	834,737
1B2P	165	89,100	30.00	16,200	2,044,845	2,673,000	2,044,845
2B3P	64	44,096	25.00	17,225	843,336	1,102,400	843,336
2B3P - A	21	14,469	25.00	17,225	276,720	361,725	276,720
2B4P	53	40,015	25.00	18,875	765,287	1,000,375	765,287
2B4P - A	30	22,650	25.00	18,875	433,181	566,250	433,181
3B5P	4	3,720	25.00	23,250	71,145	93,000	71,145
3B5P - A	42	39,060	25.00	23,250	747,023	976,500	747,023
3B6P	1	1,412	24.00	33,888	25,924	33,888	25,924
PLOT 01A	1	162,853	32.00	5,211,296	5,211,296	5,211,296	5,211,296
PLOT 01B	1	177,838	32.00	5,690,816	5,690,816	5,690,816	5,690,816
BTR	21			2,100	33,737	44,100	33,737
Retail Unit - BTR	1	1,579	19.00	30,001	30,001	30,001	30,001
Totals	488	633,164			17,008,047	18,874,511	17,008,047

Investment Valuation

1B1P							
Current Rent	834,737	YP @	4.4500%	22.4719	18,758,144		
1B2P							
Current Rent	2,044,845	YP @	4.4500%	22.4719	45,951,573		
2B3P							
Current Rent	843,336	YP @	4.4500%	22.4719	18,951,371		
2B3P - A							
Current Rent	276,720	YP @	4.4500%	22.4719	6,218,419		
2B4P							
Current Rent	765,287	YP @	4.4500%	22.4719	17,197,458		
2B4P - A							
Current Rent	433,181	YP @	4.4500%	22.4719	9,734,410		
3B5P							
Current Rent	71,145	YP @	4.4500%	22.4719	1,598,764		
3B5P - A							
Current Rent	747,023	YP @	4.4500%	22.4719	16,787,022		
3B6P							
Current Rent	25,924	YP @	4.4500%	22.4719	582,569		
PLOT 01A							
Current Rent	5,211,296	YP @	6.0000%	16.6667	86,854,933		
PLOT 01B							
Current Rent	5,690,816	YP @	6.0000%	16.6667	94,846,933		
BTR							
Current Rent	33,737	YP @	4.4500%	22.4719	758,124		
Retail Unit - BTR							
Market Rent	30,001	YP @	8.0000%	12.5000			
(2yrs Rent Free)		PV 2yrs @	8.0000%	0.8573	321,513		
							318,561,233

NET REALISATION**318,561,233****OUTLAY****ACQUISITION COSTS**

Residualised Price (2.47 Acres 2,660,901.49 pAcre)			6,572,427				
					6,572,427		
Stamp Duty (Land cost includes VAT)			318,121				
Agent Fee		1.00%	65,724				
Legal Fee		0.50%	32,862				
							416,708

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
1B1P	50,671	242.32	12,278,717
1B2P	124,129	242.32	30,079,008
2B3P	61,432	242.32	14,886,240
2B3P - A	20,157	242.32	4,884,547

APPRAISAL SUMMARY**VALUATION OFFICE AGENCY****Wellington Sqaure****20% Discount on MR**

2B4P	55,747	242.32	13,508,547	
2B4P - A	31,555	242.32	7,646,347	
3B5P	5,183	242.32	1,255,824	
3B5P - A	54,416	242.32	13,186,151	
3B6P	1,967	242.32	476,673	
PLOT 01A	227,885	269.29	61,366,400	
PLOT 01B	244,031	271.04	66,141,600	
Retail Unit - BTR	1,579	240.28	379,398	
Totals	878,753		226,089,452	226,089,452

Demolition			1,200,000	
External works			3,000,000	
Highways			950,000	
Utilities Diversion			1,900,000	
Basement BTR			5,012,091	
Basement Office			10,400,550	
CIL Residential			283,279	
CIL Office			2,210,514	
Section 106			676,915	
				25,633,349

PROFESSIONAL FEES

Professional Fees		6.00%	13,565,367	13,565,367
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MARKETING & LETTING

Letting Agent Fee		10.00%	1,090,211	
1.5		1.50%	163,532	1,253,743

DISPOSAL FEES

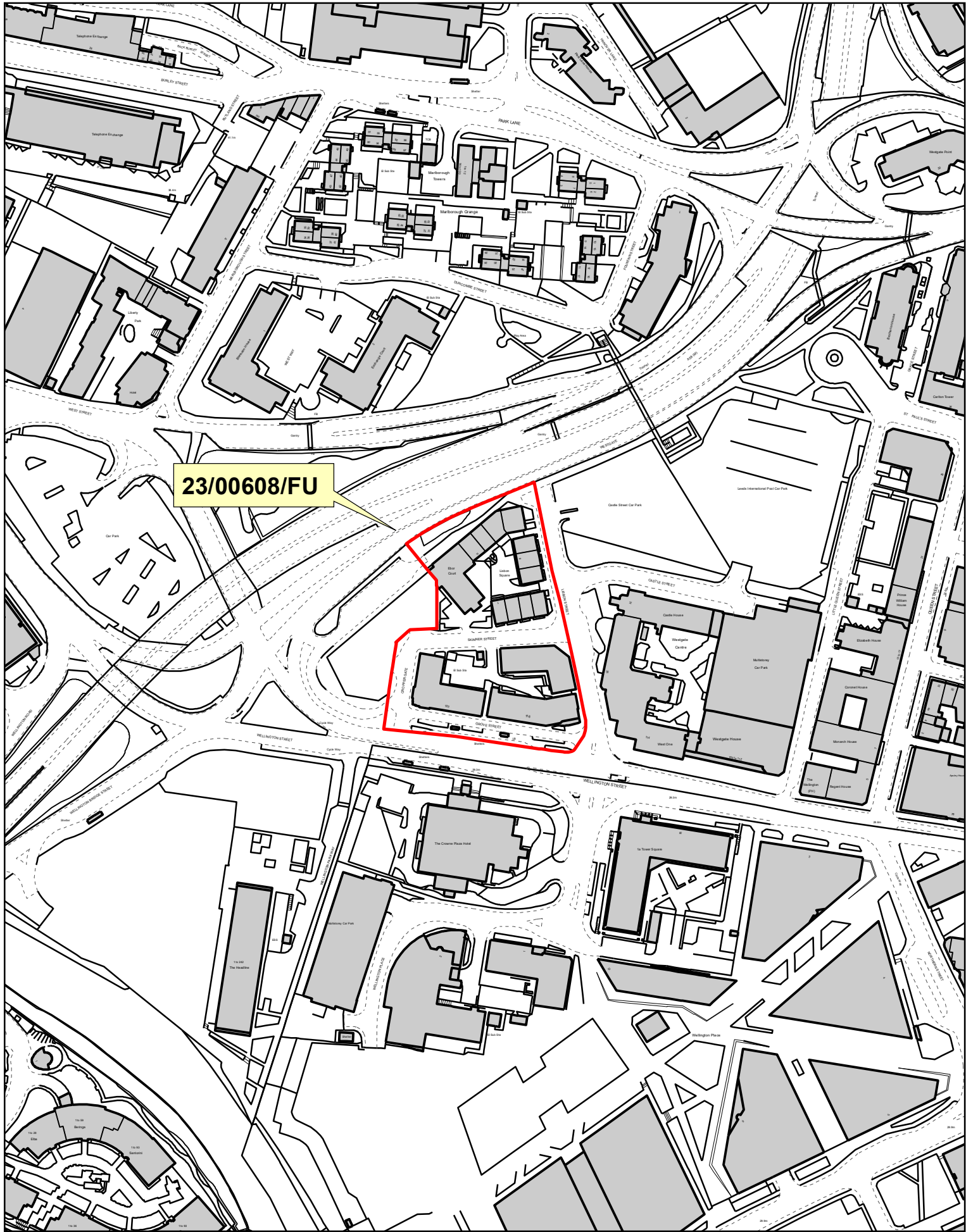
Sales Agent Fee		0.25%	339,449	
Sales Legal Fee		0.10%	135,780	475,229

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			1,326,037	
Construction			19,631,794	
Total Finance Cost				20,957,832

TOTAL COSTS**294,964,106****PROFIT****23,597,127****Performance Measures**

Profit on Cost%	8.00%
Profit on GDV%	7.41%
Profit on NDV%	7.41%
Development Yield% (on Rent)	5.77%
Equivalent Yield% (Nominal)	5.34%
Equivalent Yield% (True)	5.52%
IRR	11.98%
Rent Cover	1 yr 5 mths
Profit Erosion (finance rate 6.000)	1 yr 4 mths



23/00608/FU

CITY PLANS PANEL

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

SCALE : 1/2500



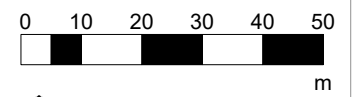
Notes & Key
 DIMENSIONS NOT TO BE SCALED FROM THIS DRAWING.
 CONTRACTORS TO NOTIFY ARCHITECTS OF SITE VARIATIONS
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LEGEND



Planning Boundary
 (Total Site area 1.00 Ha / 10,006m²)

Scale Bar



Revisions

Date	Rev	By	Description
20/01/2023	P01	DJ/ MK	Planning Issue

Location Key

PLANNING

Project: Wellington Square
 GHA No.: 2302

Client: MCLAREN

Site Location Plan

Drawing No.: 2302-GHA-XX-00-DR-A-(05)0050
 Revision: P01

Scale: 1 : 1250@A3
 Date: 20/01/2023
 Checked: MF/AD

