



## Report of the Chief Planning Officer

### **PLANS PANEL EAST**

Date: 22 October 2009

**Subject: (i) APPLICATION 09/01970/FU - Erection of 1 block of 4 three bedroom and 4 four bedroom terrace houses each with integral garage, and  
(ii) APPLICATION 09/04179/FU: The removal of condition 23 (Affordable Housing provision) of application 08/03698/FU  
All at Parkfield Mills, Queens Road, Morley**

<b>APPLICANT</b>	<b>DATE VALID</b>	<b>TARGET DATE</b>
Orion Homes Ltd	09/01910/FU - 07.05.2009	02.07.2009
	09/04179/FU – 24.09.2009	24.12.2009

#### **Electoral Wards Affected:**

**Morley South**

Ward Members consulted  
(referred to in report)

#### **Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

#### **RECOMMENDATION:**

**(i) Application 09/01970/FU - GRANT PERMISSION subject to the following conditions;**

**(ii) Application 09/04179/FU - DEFER and DELEGATE approval to the Chief Planning officer following the expiry of the statutory public consultation period on 4 November 2009.**

#### Application 09/01970/FU:

1. Commencement of development (one year)
2. Sample of wall and roofing materials
3. Area to be used by vehicles to be laid out
4. The proposed access shall be off Queens Road only and visibility splays of 2.4m x 90m shall be provided and thereafter retained
5. The vehicle crossings onto Fountain Street must be reinstated as footway details of which should be submitted to and approved in writing by the Local Planning Authority.
6. Implementation of landscaping
7. Provision for replacement of trees within 5 years

8. Roof drainage down water pipes to be sealed at ground level to prevent contaminated run off
9. Surface water drainage to pass through trapped gullies
10. Surface water drainage to pass through oil interceptor
11. Before development commences, details of works for dealing with surface water discharges from the proposed development including any off-site watercourses shall be submitted to and approved in writing by the Local Planning Authority. The drainage works shall be carried out in accordance with the approved details.
12. Drainage scheme to be approved
13. Development shall not commence until a remediation statement has been submitted to and approved in writing by the local planning authority. The remediation statement shall demonstrate how the works will render the site 'suitable for use' and shall describe the works in relation to the development hereby permitted. It shall include full details of any works to be undertaken, proposed site clean-up criteria, site management procedures and how the works will be validated.
14. Amended remediation statement where significant unexpected contamination is encountered
15. Verification reports
16. Means of preventing mud etc on highway

**Reasons for approval:** The application is considered to comply with policies GP5, BD5, N2, N4, N13, T2, T24, LD1 of the UDP Review, as well as guidance contained within SPG13 and in light of the financial appraisal submitted it is considered that requirements of policy H12 as well as guidance contained within SPG3 – Affordable Housing can be relaxed and having regard to all other material considerations, the application is acceptable.

#### Application 09/04179/FU

1. Commencement of development (one year)
2. Sample of wall and roofing materials
3. Details of walling and fencing to be submitted
4. Area to be used by vehicles to be laid out
5. The proposed access shall be off Queens Road only and visibility splays of 2.4m x 90m shall be provided and thereafter retained
6. The vehicle crossings onto Fountain Street must be reinstated as footway details of which should be submitted to and approved in writing by the Local Planning Authority.
7. Submission of landscape details
8. Implementation of landscaping
9. Provision for replacement of trees within 5 years
10. Roof drainage down water pipes to be sealed at ground level to prevent contaminated run off
11. Surface water drainage to pass through trapped gullies
12. Surface water drainage to pass through oil interceptor
13. Before development commences, details of works for dealing with surface water discharges from the proposed development including any off-site watercourses shall be submitted to and approved in writing by the Local Planning Authority. The drainage works shall be carried out in accordance with the approved details.
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full details of any works to be undertaken, proposed site clean-up criteria, site management procedures and how the works will be validated.

16. Amended remediation statement where significant unexpected contamination is encountered
17. Verification reports
18. Means of preventing mud etc on highway

**Reasons for approval:** In light of the financial appraisal submitted with the application, it is considered that the requirements of policy H12 as well as guidance within SPG3 – Affordable Housing, and the Informal Housing Policy, can be relaxed and, having regard to all other material considerations the application is acceptable.

## **1.0 INTRODUCTION:**

- 1.1 This is a joint report for two applications on the same site and relates to amendments to a larger permission for the wider site. These applications are brought to Panel for determination as they have been submitted with a financial appraisal to justify the completion of the development without the provision of the level of affordable housing on the site required by affordable housing policy contained within the Annex to SPG3 and set out in conditions attached to earlier permissions.

## **2.0 PROPOSAL:**

- 2.1 09/01970/FU  
Application number 07/01999/FU was granted in August 2007 and approved a total of 60 units on the wider site in a mixture of flats and dwelling houses. Condition 24 of this permission requires 25% affordable housing to be provided. To date 27 of the dwelling houses have been built and 7 units have been sold to a Registered Social Landlord.
- 2.2 Application 09/01970/FU seeks to replace a three storey block of 15 flats approved in the south west corner of the wider site and erect 1 block of 4 three bedroom and 4 four bedroom terrace houses each with integral garage. This application would therefore reduce the amount of development to a total of 50 units on the whole site (accounting for the substitution of house types in application 08/03698/FU described below).
- 2.3 09/04179/FU  
Application 08/03698/FU was made in 2008 to vary the scheme approved in application 07/01999/FU by way of the replacement of 14 flats and 4 houses with 8 three bedroom terrace houses and 7 four bedroom terrace houses in the south eastern corner of the wider site. Application 08/03698/FU was approved in September 2008 and reduced the amount of development on the site to a total of 57 units. Condition 23 attached to this consent required 25% affordable housing to be provided as part of the development. The wording of the condition is set out below;

*No development shall begin until a scheme for the provision of affordable housing to meet the needs of the development has been submitted to and approved in writing by the Local Planning Authority. The affordable housing shall be provided in accordance with the approved scheme. The scheme shall include:*

- a. *The numbers, being no fewer than 15 or less than 25% of the total number of dwellings on the site, the type and location on the site of the affordable housing provision to be made and the split between social rented and intermediate affordable housing; which in this case shall be 9 three bed houses of which 4 shall be submarket and 5 social rent; 2 four bed houses of which 1 shall be submarket and 1 social rent, 4 two bed flats of which 2 shall be submarket and 2 social rent.*
- b. *The timing of the construction of the affordable housing;*
- c. *The phasing and timescale for bringing into use the affordable housing units;*
- d. *The arrangements to ensure that such provision is affordable for both initial and subsequent occupiers of the affordable housing;*
- e. *Where appropriate, the means by which the affordable housing will be marketed for occupation by those in need of affordable housing;*
- f. *The criteria to be used for determining the identity of prospective and subsequent occupiers of the affordable housing;*
- g. *The means by which occupation of the affordable housing will be limited to those in need of affordable housing and enforced.*

*To ensure the provision of affordable housing in accordance with national planning policy as expressed in PPS3: Housing, Leeds Unitary Development Plan Review 2006 (policies H11, H12 and H13) and Revised Supplementary Guidance No.3, Affordable Housing.*

- 2.4 As stated above, 27 units have been built to date at the site and 7 units sold to a housing association. The dwellings approved under application 08/03698/FU have not yet been erected and the current application 09/04179/FU now seeks to remove condition 23 so as not to provide any further affordable housing on the site.
- 2.5 In respect of the two current applications described above, a financial viability appraisal has been submitted by the applicant to demonstrate that the scheme is not financially viable in the current market and therefore seeks to justify application 09/04179/FU to remove the requirement for further affordable housing provision, and also in support of application 09/01970/FU to justify that no further affordable housing should be sought by way of a condition attached to the current application for 8 dwelling houses as part of the larger development on the site.

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

- 3.1 The site lies within the urban area of Morley at the junction of Queens Road and Fountain Street.
- 3.2 The part of the site relevant to these two applications is currently cleared, however on the north western end of the site a total of 27 units have been substantially completed as part of the approved development, some of which are occupied. The 2m high brick boundary wall has now been constructed along the site boundary with Queens Road.

- 3.3 The site previously had a range of brick mill type buildings on it, the largest of which was built up to the back edge of the footpath on Queen's Road and others which were also built to the back edge of the footpath of Fountain Street.
- 3.4 To the east of the site is Morley High School with the school building and access at this side. To the north of the site are industrial works and across from the site is existing housing which is generally all terraced and two-storey. The surrounding buildings are generally stone along Fountain Street and brick along Queen's Road.
- 3.5 The site lies within the Outer Suburb Housing Market Zone

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

- 08/03698/FU Replacement of part of approved development with 8 three bedroom terrace houses and 7 four bedroom terrace houses (substitution of house types previously 14 flats and 4 houses). Approved 15 September 2008
- 07/01999/FU - 3 storey block of 15 flats and terrace of 10 dwelling houses  
Approved – 15 August 2007
- 06/02489/RM - Laying out of access road and the erection of 27 houses and 26 flats. Approved – 19 July 2006
- 23/521/05/RM - Laying out of access road and erection of 29 houses and 26 flats  
Withdrawn – 15 February 2006
- 23/743/03/OT - Outline application to erect residential development  
Approved – 27 February 2004
- 23/164/01/FU – Alterations to access and erection of 2.5 metre high gates  
Approved 13 September 2001
- 23/306/97/FU – Change of use of warehouse to light industrial  
Approved 31 October 1997
- 23/131/93/FU – Change of use of industrial unit to warehouse  
Approved 23 July 1993
- 23/285/92/FU – Change of use of part of warehouse to auction room.  
Approved 20 October 1992

#### **5.0 HISTORY OF NEGOTIATIONS:**

- 5.1 The applicant has submitted a full financial viability appraisal in accordance with Council Guidelines in respect of provision of affordable housing and have paid the relevant fee for the appraisal to be assessed.
- 5.2 The appraisal has been assessed by a Council Surveyor who has advised that the development is no longer viable. This matter is considered in detail in paragraphs 10.1 to 10.6 of this report.

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

Site Notices posted on 15 May 2009 and 2 October 2009 for applications 09/01970/FU and 09/04179/FU respectively.

Morley Town Council :

09/01970/FU

Whilst supportive of the amendment to the development by variation of house types from flats to houses in application 09/01790/FU Morley Town Council state that the additional affordable housing required to make up the 25% provision should be insisted on.

09/04179/FU

Flats have been eliminated from the overall Parkfield Mills scheme, and the number of dwellings has been reduced. The Town Council believe that the 25% affordable liability should be retained and expressed in houses rather than a mixture of houses and flats. The Town Council state that any consideration of affordable provision should be based on the whole site; the smaller parts covered by variations should not be looked at in isolation. The Town Council object to this latest application and consider that twelve or thirteen affordable houses should be provided to keep to 25%.

## **7.0 CONSULTATIONS RESPONSES:**

### **Statutory:**

None

### **Non-statutory:**

Land Drainage – The prevailing standards require that developments of any note should result in a reduction of the surface water discharges in an attempt to reduce the risk of flooding of the site and brownfield development highlighted. Conditions recommended.

Highways – No objections. Conditions recommended.

## **8.0 PLANNING POLICIES:**

8.1 The development plan comprises the Regional Spatial Strategy to 2026 (RSS) and the adopted Leeds Unitary Development Plan (Review 2006). The RSS was issued in May 2008 and includes a broad development strategy for the region, setting out regional priorities in terms of location and scale of development.

Policy H4 – provision of affordable housing

This policy includes provisional estimates of the proportion of new housing that may need to be affordable. This estimate is 30 – 40% for Leeds.

UDP Review policies:

GP5 – General amenity

BD5 – the design of new buildings and their amenity

Policy H11 – Affordable Housing

H12 – Affordable Housing requirements

H13 – Affordable Housing obligations

N2 – Greenspace hierarchy

N4 – Greenspace and residential developments  
N13 – Design and new buildings  
T2 – Transport provision for development  
T24 - Parking provision and new development  
LD1 – Landscaping schemes

SPG3 – Affordable Housing (Feb 2003)  
Affordable Housing Policy Guidance Note Annex (July 2005)  
SPG13 – Neighbourhoods for Living

Informal Housing Policy – Following the adoption of the Regional Spatial Strategy (RSS), the City Council has made some informal changes to housing policy relating to the need to increase provision of affordable housing in Leeds to address higher housing needs. For the Outer Suburbs Housing Market Zone which this site lies in, the affordable housing target has increased under the informal policy from 25% to 30%. The new targets apply to planning applications submitted after 21<sup>st</sup> July 2008. The raised targets are an interim measure until the Supplementary Planning Document on affordable housing is completed.

PPS1 - Delivering Sustainable development  
PPS3 – Housing

## **9.0 MAIN ISSUES**

1. Financial appraisal and proposed reduction in affordable housing provision
2. Design and layout of 8 terraced dwellings proposed in application 09/01970/FU

## **10.0 APPRAISAL**

### 1. Financial appraisal

- 10.1 Both applications submitted seek to remove any further requirement for affordable housing provision above the 7 properties that have already been built and sold to Leeds and Yorkshire Housing Association. The reduced number of 50 units proposed as a result of application 09/01970/FU would result in a requirement for 12.5 units, rounded up to 13 units, therefore an additional six units above those already provided. However under the current informal housing policy, this would increase to 15 units.
- 10.2 Section 3 of SPG3 – Affordable housing, at paragraph 3.9 relating to site development costs, states that the Council will have regard to economics of provision and costs of development. Where in exceptional circumstances, the development value of a scheme would be insufficient to cover all development costs (normal and abnormal) as well as all necessary planning benefits and provide a reasonable land value, the Council may consider relaxing the requirements for planning benefits in order to enable the development to proceed. In these circumstances, the SPG states that the developer will be required to provide justification by submission of a full financial appraisal.
- 10.3 The applicant has submitted a detailed financial appraisal in accordance with the Council's requirements, which has been assessed by a Council Surveyor. The Council Surveyor concludes that the scheme is not financially viable in the current economic climate. The company is showing a £2 million loss on this scheme, even with the inclusion of the houses proposed in application 09/001970/FU rather than flats. The advice is that the scheme will not be able to reduce costs to make the required £2 million savings, even to break even. The company, acting under its

Financial Strategy referred to in its Operational Statement submitted as part of the viability appraisal, has stated that its aim is to recover land and infrastructure costs in order to reduce its bank borrowing.

- 10.4 The Council Surveyor has advised that the land was purchased at the height of the market and house prices are very unlikely to reach those peak levels again in the foreseeable future. The developer's strategy is one of finishing the development to reduce debt.
- 10.5 Based on the reduced number of 50 units proposed in application 09/01970/FU, and the 7 units which have already been sold to a housing association, with no further affordable housing provision, the development will have provided 14% affordable housing on the site.
- 10.6 In light of the financial appraisal which shows that the scheme is not viable, it is not considered reasonable for the Council to pursue the additional affordable housing required by the conditions attached to the original consents for the site or indeed the increased requirement of the informal housing policy. In the current economic climate it is considered that it is beneficial for the scheme to be completed and this should be taken into account in the consideration of the issue of relaxing the affordable housing requirement for the site.
- 10.7 In relation to other planning benefits associated with the development, there is an outstanding requirement under policy N4 of the UDP Review to ensure appropriate access to the hierarchy of greenspaces set out in policy N2 and this is a requirement of conditions attached to applications 07/01999/FU and 08/03698/FU.
- 10.8 A unilateral undertaking has been submitted with both of the current applications in respect of this requirement. No on site provision is made within the development, therefore a calculation has been provided to the applicant on the basis of the resultant 50 units proposed in application 09/01970/FU. The calculation is based on an assessment of existing greenspace provision and taking account of the average child occupancy based on the mix of dwellings and the requirement for equipped children's play provision. The total greenspace contribution is therefore **£119,512.92** and this is set out in the unilateral undertaking submitted by the applicant.
2. Design and Layout of block of 8 terraces proposed in application 09/01970/FU
- 10.9 This application proposes to the substitution of a three storey block of 15 flats approved in the south west corner of the site with the erection of 1 block of 4 three bedroom and 4 four bedroom terrace houses each with integral garage.
- 10.10 As part of the developer's operational strategy to guide the Group through the housing market downturn, this involves the removal of apartments from development schemes.
- 10.11 The block of flats which was approved under application 07/01999/FU was a three storey block, with a ridge height of approximately 12.4 metres, and eaves height of some 9m, measuring some 31m in width. The block of flats was approved to be sited some 6.5 metres from the boundary with Queens Road.
- 10.12 The row of 8 terraces now proposed are 2 ½ storey including accommodation within the roof, with rooflights and a total of 4 dormer windows to the rear elevation facing Queens Road. The dwellings are proposed to be constructed of brick and the properties already erected on the site are red brick.



- 10.13 The gardens of the terraces will adjoin the existing boundary wall erected along the boundary with Queens Road. The garden lengths to the proposed terraces are between 9m and 9.5 metres. Each of the terraces has an integral garage accessed from the internal access road within the site. A landscape plan is provided.
- 10.14 The proposed block of 8 terraces measures some 10.8 metres to the highest ridge height and approximately 5.3 metres to the eaves. This is a reduction of 1.6m compared to the ridge height of the block of flats previously approved and a reduction of approximately 3.7 metres in eaves height .
- 10.15 The ridge line of the terrace is staggered, therefore although the block is now wider than the flats approved, the roofline is broken up which is considered to be an improvement together with the reduction in ridge height and significant reduction in eaves height.
- 10.16 The relationship to Queens Road is further improved as the dwellings are set in some 9 – 9.5 metres from this boundary compared to the flats which were 6.5m from the boundary. The garden lengths to the properties are below the 10.5m recommended length within SPG13 – Neighbourhoods for Living and some of the plots do not provide the recommended two thirds of gross floorspace. Nevertheless, the garden sizes are similar to other plots already approved as part of the development and are similar to other properties within the built up area of Morley. On balance, the garden sizes for the proposed terraces are considered acceptable.
- 10.15 The proposed row of terraces is considered to be an improvement compared to the three storey block of flats previously approved. The scale of the development and relationship to Queens Road is improved as the terraces are two storey with roof space accommodation rather than the flats block which was three storey. The reduction in ridge height and significant reduction in eaves height is considered to be beneficial to the streetscene of Queens Road and the properties will appear less dominant within the streetscene which is further enhanced by the additional separation distance from the boundary with Queens Road.
- 10.16 The proposed terraced dwellings are considered to be an improvement to the character of the area and will improve the relationship to Queens Road and the provision of family housing instead of flats is considered to be an acceptable amendment to the approved scheme.

## **11.0 CONCLUSION**

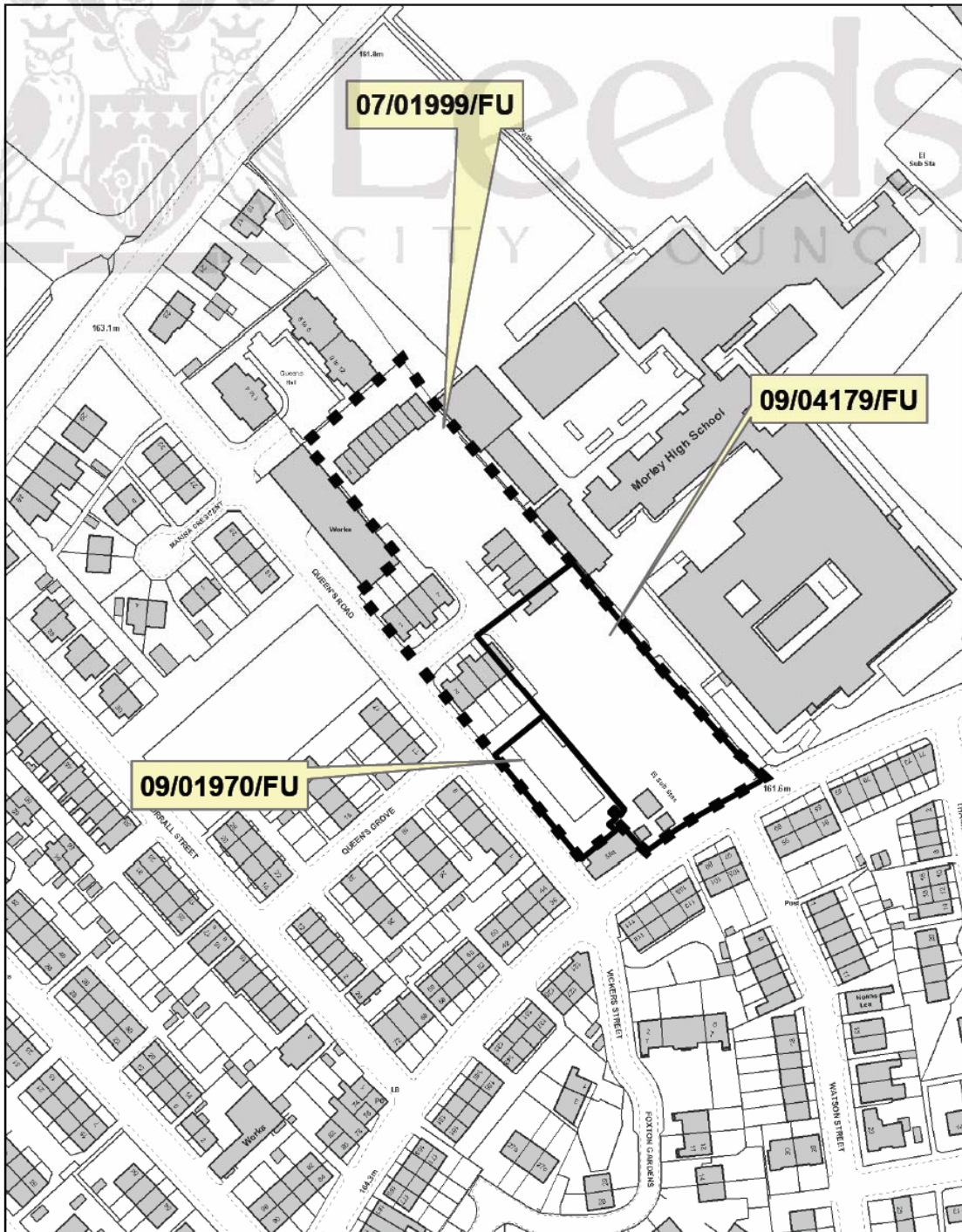
- 11.1 The application to remove condition 23 of application 08/03698/FU and reduce the affordable housing provision across the site is considered acceptable in light of the financial appraisal submitted by the applicant. Application 09/04179/FU is recommended for approval.
- 11.2 The proposed substitution of house types with the provision of 8 terraced dwellings to replace flats as proposed in application 09/01970/FU is considered acceptable in terms of the layout and design of the dwellings. In light of the financial appraisal it is considered that in determining this application there should be no further requirement for additional affordable housing provision within the development.
- 11.3 Members are therefore asked to consider the issues set out in this report and defer and delegate approval of application 09/04179/FU to the Chief Planning Officer following the expiry of the consultation period on 4<sup>th</sup> November 2009. In respect of

application 09/01970/FU, Members are asked to approve the proposed terrace of 8 dwellings on the site subject to the conditions set out in this report.

**Background Papers:**

09/01970/FU, 09/04179/FU, 08/03698/FU, 07/01999/FU.

Certificate of Ownership – Certificate A signed on behalf of the applicant.



# EAST PLANS PANEL

Scale 1/1500

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