



Report of the Chief Planning Officer

PLANS PANEL EAST

Date: 14th January, 2009

Subject: APPLICATION at Easterly Mount, Gipton, Leeds (09/05236/LA) – Residential development comprising of 39 houses, 2 two bedroom flats over garages and 12 two bedroom flats in 1 three storey block.

APPLICANT
Leeds City Council

DATE VALID
01.12.2009

TARGET DATE
02.03.2010

Electoral Wards Affected:
Gipton & Harehills

Ward Members consulted
(referred to in report)

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 below, and to allow for the expiry of the public notification period and no adverse representations being received that raise new issues:

1. Time limit
2. Plans agreed
3. External walling and roofing materials details
3. Landscaping conditions re. details and implementation
4. Contamination conditions
5. Drainage conditions
6. Home Zone conditions inc landscaping
7. Parking area surfacing and allocation
8. Details of carports
9. Highway materials
10. Boundary treatments adjacent to access points
11. Provision for contractors during construction
12. Mud on road measures
13. Levels details
14. Security measures

Details of conditions to be deferred and delegated to officers.

Reasons for Approval: The application is considered to comply with the general thrust of the UDP policies. Whilst it fails to provide contributions towards Education and Public Transport and does not make a full contribution towards open space provision as required by UDP Policies and SPG/SPD's, it would provide 53 (100%) affordable housing and a central area of open space within the development. The scale of investment in affordable housing, the use of brownfield land in a sustainable location, the provision of on-site Greenspace, the high quality of the layout of the development, the bespoke designs of the dwellings, the sustainable construction methods. The use of a Local Lettings Policy and the use and training of local labour are considered to outweigh the harm that would result in terms of the shortfall of financial contributions and any other concerns. As such the application is considered acceptable.

1.0 INTRODUCTION:

- 1.1 A previous permission was considered by Panel and was granted on 27 March 2008. That was for a near identical proposal although it allowed for 85% private housing as part of Phase I of the East and South East Regeneration Initiative (EASEL). It included 15% affordable housing and contributions towards Education, Public Transport and Greenspace.
- 1.2 Due to the economic downturn the private housing scheme, which was to be developed by Bellway Homes Ltd in partnership with the Council, is no longer a viable option. The proposed scheme, the funding for which has been secured by the Regeneration Team from the Homes and Communities Agency (HCA), is therefore the only development option currently available and viable. The proposal although offering 100% affordable housing does not include any other developer contributions.

2.0 PROPOSAL:

- 2.1 The site has permission for a 53 unit housing scheme granted as part of the EASEL Phase 1 development programme. This proposal differs from that permission in that the development would be for affordable housing rather than 85% private and 15% affordable; there would be very small increases in floorspace within some of the houses; properties would be built to higher environmental standards; and the Home Zone would have minor modifications to reflect the Council's SPD relating to road layouts which would improve pedestrian accessibility. Furthermore, the contributions previously agreed for the private development have not been offered as part of this 100% affordable housing proposal.
- 2.2 This application is for 39 houses, 2 two bedroom flats over garages and 12 two bedroom flats in a three storey block. The proposal would take advantage of grant funding from the HCA. The funding would be matched by the Council's prudential borrowing and would result in a development investment in excess of £7million.
- 2.3 The grant funding mechanism is the reason why financial contributions are not being offered. The grant is set by HCA but requires further borrowing which in this case represents about 50% of the development costs. A requirement of the grant is that the financing of any further borrowing be covered by income from rentals. The

overall scheme would therefore be sustainable in the long term in that the cost of borrowing would be fully met by the rents from the scheme.

- 2.4 The scheme has been fully costed and the Council's contractor is awaiting instruction to commence development. The cost of servicing the amount of borrowing required and the management of the scheme would result in ongoing costs that would be matched by projected income from rentals. The cost of additional borrowing to meet any contributions would take the ongoing costs beyond the projected annual income. The income cannot be increased as the rents are fixed. Additional borrowing to cover additional costs would therefore result in the project operating at a loss. This would take it outside the strict requirements of the grant and as such the grant would be withdrawn. A requirement for additional funds would therefore jeopardise the development. This proposal seeks to waive such requirements on the basis that firstly they would prevent development and secondly the benefits of the contributions would be dwarfed by the scale of investment in affordable housing provision which would exceed £7m.
- 2.5 With regard to the previous permission, the overall partnership agreement with Bellway Homes Ltd required that development would only take place if the individual sites were predicted to be sufficiently profitable. This was to ensure that the use of Council owned land for private housing would result in a satisfactory return to the Council for the exchange of the land so that it could be re-invested in the area to aid regeneration. This site did not meet this profitability criteria based on 2007 house prices. Its development was therefore not considered for the first phase of building and effectively relied upon continued rises in house prices. The fall in house prices following the permission was not anticipated. The local housing market would need to first return to and then exceed 2007 house prices before development could commence. This is not anticipated to be likely within the timetable of the approved application or the near future. Without the current grant funded proposal it is unlikely that development would take place on this site in the foreseeable future and as such no contributions would be forthcoming in any event.
- 2.6 The proposal would represent development on brownfield land which would bring benefits in terms of resisting other development on Greenfield sites. The grant funding is dependent on an agreed timetable and as such development would be complete by March 2011.
- 2.7 The development would involve the employment of two apprentices from the local area during the construction process. Letting of the properties would be based on a Local Lettings Policy that has been developed in consultation with local Ward Members.
- 2.8 The original EASEL proposals for market housing and the layouts and designs were subject to considerable local consultation. Three public exhibitions were held; sessions with local Councillors and community groups were undertaken; questionnaires were distributed and returned; and publicity leaflets distributed. With regard to this site no comments were received during the original application process. As part of this application normal publicity was undertaken for a major development. In addition, leaflet drops were made to 400 local houses and the plans displayed in three local schools between 4 and 7 January. Details of the public response to the proposal will be reported at Panel.
- 2.9 The dwellings would be set around a central area of Greenspace. The layout would remain identical to that approved by Panel in 2008. It would provide a high quality environment which has been designed using bespoke house designs. Security and

accessibility issues have been a key element of the design process from conception. The materials would reflect those already in use on Site 5 and 7 which have proved successful in achieving a high quality environment. In addition, the development would be built to Sustainable Homes Level 3 standard.

3.0 SITE AND SURROUNDINGS:

3.1 This site was previously two separate housing areas. Development along Easterly Mount followed the general linear form of the road with flatted buildings beyond wide grass verges on both sides of the road. The area off St Wilfrid's Avenue is at a lower level and had semi-detached and terraces of four dwellings grouped around a cul-de-sac known as Easterly Square.

3.2 The site was cleared several years ago. The reasons for clearance were a combination of the properties being no longer sustainable due to the level of investment required to bring them up to standard and a lack of demand for certain property types particularly the flats. Both parts of the site are now laid to grass although the road that formed the cul-de-sac remains.

4.0 RELEVANT PLANNING HISTORY:

4.1 07/01007/FU – Sites 1 and 2 - 63 dwelling houses and associated access works approved 27/3/2008

5.0 PUBLIC/LOCAL RESPONSE:

5.1 None

6.0 CONSULTATIONS RESPONSES:

Environment Agency: Recommend conditions and informatives.

Yorkshire Water: Recommend conditions and informatives.

Non Statutory Consultations:

Drainage Officer: Recommends conditions.

Contamination: Recommends conditions

Highways: Recommends conditions and continuing detailed highway design work to allow for adoption.

7.0 PLANNING POLICIES:

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

The RSS for Yorkshire and Humber adopted in May 2008.

YH1 Growth and change will be managed to achieve sustainable development

YH2 Need to reduce greenhouse gas emissions

- YH7 Location of development - This identifies the need for a sequential approach giving first priority to the re-use of previously developed land and buildings and making effective use of existing transport infrastructure and capacity.
- H2, B2 Indicates that housing development on brownfield sites should be prioritised.
- T1 Identifies aims for personal travel reduction and modal shift.

Local – Leeds Unitary Development Plan (Review 2006) Policies:

- H3 Phasing of housing sites
- H4 Housing upon unallocated sites
- H11-13 Affordable housing
- H21 Need for Greenspace
- N2 Need for Greenspace
- N4 Requirement for Greenspace
- N12 New development design considerations
- N13 Building design
- N24 Assimilate development into adjoining Greenspace
- N25 Boundary treatments of new developments
- T2 Highways Safety
- T5: Satisfactory and secure access and provision for pedestrians and cyclists.
- T6: Seeks to ensure satisfactory access for disabled users.
- T7A: Seeks secure cycle parking facilities
- T24 Parking requirements
- LD1 Landscaping
- GP2 Development of vacant/underused sites
- GP5 General development requirements
- BD2: Design and siting of new buildings should complement and enhance surroundings.
- BD3: Seeks to achieve access for all.
- BD4: Seeks to minimise the impact of plant and machinery.
- BD5: Satisfactory level of amenity for occupants and surroundings.

- SPGs Neighbourhoods For Living: A Guide for Residential Design; Greenspace
- SPDs Community Safety; Public Transport; Street Design; Biodiversity.

National Planning Guidance

- PPS1 Delivering Sustainable Development, PPG3 Housing; PPG13 Transport; PPG17 Sport and Recreation

MAIN ISSUES

- Principle of Development.
- Developer contributions.
- Developer contributions Analysis.

APPRAISAL

Principle of Development

- 8.1 The principle of development has been accepted by the previous permission. The land was formerly housing which has been cleared and therefore the proposal makes a positive contribution to achieving housing targets on brownfield land.

- 8.2 The land has been vacant now for a number of years and although grassed does not contribute positively to the appearance of the area. The existing permission is now extremely unlikely to be implemented and as such this cleared site has little prospect of being developed without this proposal.
- 8.3 The nature of the grant funding requires that the build programme is specified and the project must be implemented in accordance with this schedule. This proposal will therefore ensure that the development is commenced immediately and completed by March 2011. This is a significant benefit of the application given the current uncertainty over development projects.
- 8.4 The approved scheme represents a very high quality design and layout. The Greenspace would provide significant enhancements to the character and appearance of the area. The buildings have bespoke designs developed to integrate into and to complement the area. The materials have been carefully considered as part of the on going development of EASEL Sites 5 and 7 and have proved very successful in providing attractive and distinctive dwellings on these sites.
- 8.5 The Home Zone concept is common to most of the EASEL sites. It provides for attractive and safe shared areas with maximum speeds of 10 mph. One additional and important feature of the layouts is the use of feature buildings set within the structure of each site. These are located to frame and add interest to key views into and within the sites and to enhance prominent corners. The buildings retain the designs of the surrounding development but have different materials that would add character and interest. The materials/colours for all the various character areas and feature buildings are deliberately innovative in order to create a high profile, high quality environment that would assist in raising the profile and distinctiveness of the area and the overall regeneration objectives of the EASEL initiative.
- 8.6 The sites have been designed to accommodate a refuse vehicle and its requirements for turning. Provision for storage of bins and cycles would be within the curtilage of each dwelling as required by the Code for Sustainable Homes. There are dedicated storage facilities for the blocks of flats and also for the flats above garages.
- 8.7 The original EASEL concept sought to attract new development and investment into the area. This would be achieved. It was also an objective to use Council owned land for private development in order to achieve profit that would be re-invested into the local area to further assist with regeneration. This would not be achieved by this proposal. The programme also sought to initiate a shift in tenure by introducing additional private housing. This would also not be achieved. Although some of the regeneration objectives would not be met, the introduction of this level of investment (over £7million) in a new high quality development which would provide affordable housing on brownfield land is considered to outweigh any concerns in this regard and overall is considered to represent a very positive contribution towards the regeneration initiative in this area.

Developer Contributions

Greenspace

- 8.8 Open space provision is required by the *Greenspace relating to new housing development* SPG for all sites of 10 units or more. This is provided on site although

it does not achieve the full area required. The shape of the site prohibits larger provision as this would result in the Greenspace bounding the existing rear gardens of properties which would result in security concerns. Management of this Greenspace would be by ENE Homes who would also manage the housing. The shortfall in Greenspace would normally be compensated for by an off-site contribution which would go towards new or improved provision in the area.

Education Contributions

- 8.9 A contribution towards the provision of education facilities in the area is normally required for development in excess of 50 units. Although this site is for 53 units, only 39 are family units that would generate demand for education provision. Education Leeds have however requested that contributions be paid for these 39 units. This would amount to a payment of £185,788.
- 8.10 This contribution is justified by Education Leeds on the basis of their projected school places provision and projected demand. In primary education there is expected to be an over supply of 9 places in 2010 but this is anticipated to become a deficit by 2011 of 153 and this deficit is predicted to increase over the following three years. With regard to Secondary School places it is estimated that there will be a small oversupply of places at Primrose High School until 2013 but for the following two years a small deficit. For Roundhay School Technology College there would be a deficit of 71 places in 2010 which would remain although this would reduce to 15 over the 5 year period.

Public Transport Contributions

- 8.11 As the site exceeds 50 units a public transport contribution would normally be expected. Metro have requested that MetroCards be provided for the future occupants. The financial requirement for such provision is considered to be £20,584 (plus a possible increase of no more than 50% should there be any rise in MetroCard costs). A contribution towards strategic public transport provision would also be expected for housing developments of this size.

Affordable Housing

- 8.12 A scheme of this size would be expected to provide 15% of the dwellings as affordable dwellings to be managed by a Registered Landlord. This would represent 8 units. The proposal is to provide all 53 units as affordable housing that would be managed by East North East Homes on behalf of the Council.

Developer Contribution Analysis

- 8.13 Executive Board agreed on 13th February 2009 that S106 contributions for residential developments of 50 units or less, which consist solely of affordable units, could be waived due to exceptional circumstances surrounding these types of developments given the current financial climate and to ensure that these 100% affordable housing schemes remain deliverable.
- 8.14 This proposal exceeds the 50 unit threshold first anticipated by the Executive Board. However, Executive Board agreed to the funding mechanism for this development on 4 November 2009. The funding mechanism does not allow for additional costs. The borrowing required to match the HCA funding has to be financed by projected rental incomes which are fixed. Additional finance costs would therefore result in the scheme becoming unviable and not self sustaining and

as such it would not qualify for the HCA grant. As incomes from the scheme cannot be increased, additional costs cannot be sustained.

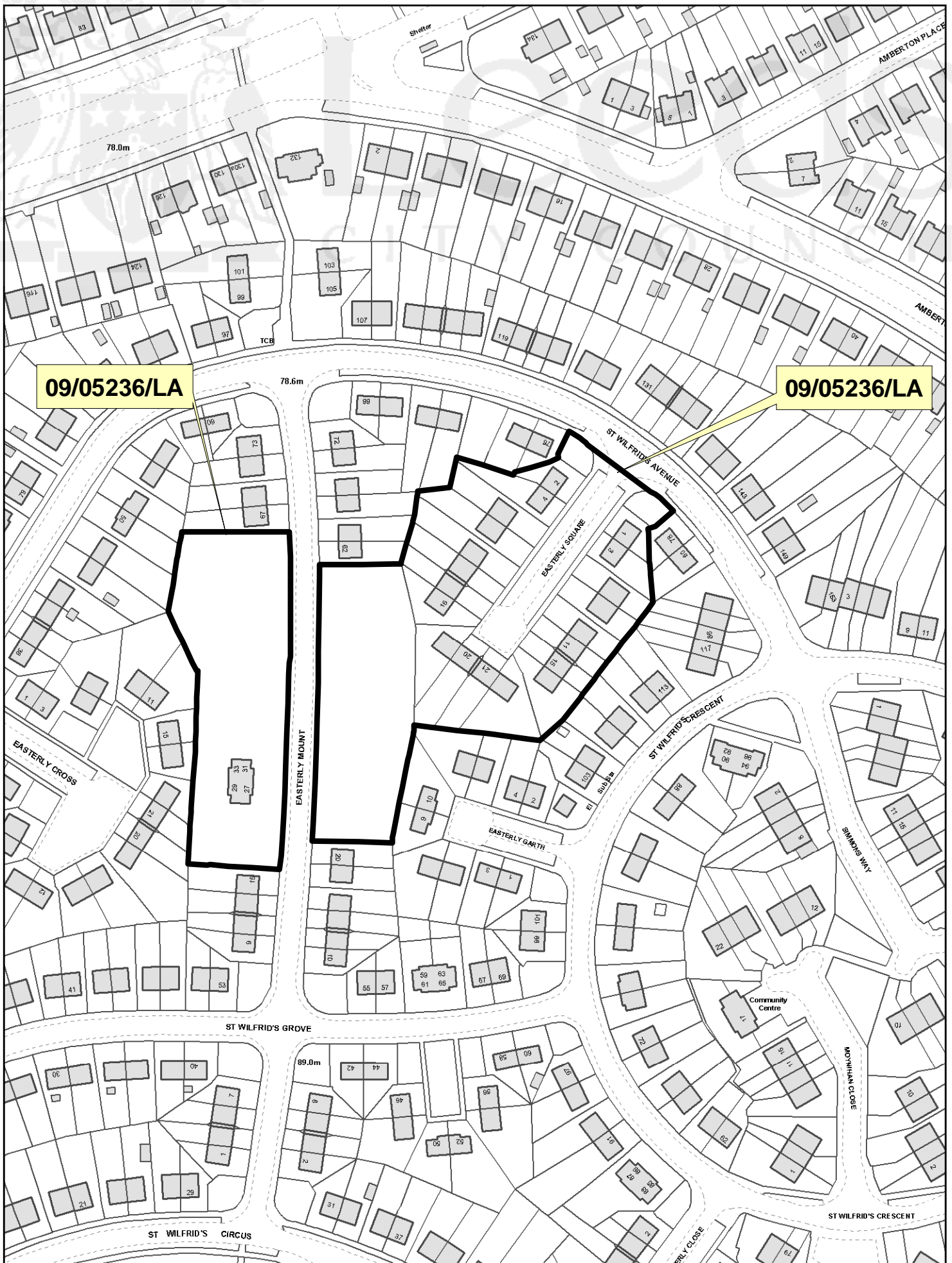
- 8.15 A number of sites have recently been given permission for development without the need for contributions in accordance with the February 2009 Executive Board decision. Although this site exceeds the threshold by three, the same principles apply to this proposal as it represents 100% affordable housing and is not for profit.
- 8.16 It is considered that the £7million of affordable housing provision (53 units plus 10 on St Wilfrid's Avenue) compensates for the lack of contributions. The lack of provision of financial contributions would not set an undesirable precedent as it is justified on the provision of 100% affordable housing. Any similar proposal, although more difficult to resist would make a significant contribution toward affordable housing provision which is a key objective.
- 8.17 The actual impact of not providing contributions can be considered. Education would have a theoretical deficit in funding. As Education Leeds is part of the Council and the monies to pay for this contribution would have to be sourced from Council reserves or borrowing if it could be found, there would be no overall impact on the Council's overall resources, it would be an internal matter for the Council.
- 8.18 Furthermore, the allocation of properties would be based on a Local Letting Policy. Future residents in many cases would already be placing demands on education provision in the area. Private housing could reasonable be expected to generate new demand.
- 8.19 With regard to Metro's requirements the residents of these houses would not benefit from free MetroCards. Although this reduces the drive to encourage a change in transport patterns, these residents would be in a similar position to new residents in the majority of existing houses and new houses on sites of less than 50 units.
- 8.20 With regard to Greenspace, this site would provide an attractive area of open space which would be well integrated into the housing area and benefit from good general surveillance. The lack of additional contributions would be to the detriment of wider improvements but this money would not be forthcoming in any event if no development were to take place which would be the likely outcome.
- 8.21 Overall, although the importance of the normally required contributions should not be under stated, the benefits of new investment in this area and the provision of a large number of affordable houses, which is a key Council objective, is considered to outweigh the negative aspects of a lack of payment of such contributions.
- 8.22 The reduction in new private house building throughout the Council's area as a result of the recession has clear implications for affordable housing provision as this is reliant on the completion of such developments. This proposal would make a significant contribution towards the current shortfall in affordable housing provision. The 63 units on this and the St Wilfrid's Avenue site would provide the equivalent amount of affordable housing in this area as a private development of 430 new units. This scale of development is considered to outweigh any contribution shortfalls.

9.0 CONCLUSION

- 9.1 Consideration has been given to all material planning considerations. The scheme would not be viable and would not be implemented if financial contributions were to be required. Without this development the site would be likely to remain vacant for the foreseeable future.
- 9.2 The proposal would bring significant benefits in terms of inward investment to the area. It would make a major contribution to affordable housing provision. There would be other significant benefits including the use of brownfield land in a sustainable location; the provision of on-site Greenspace; the high quality of the layout of the development; the bespoke designs of the dwellings; the sustainable construction methods; the use of a Local Lettings Policy; and the use and training of local labour.
- 9.3 It is considered that the benefits of the proposal far outweigh the lack of contributions that would be generated by a private development, even if such an option was likely to emerge. As a private development would be unlikely to return a profit, such contributions would not be likely to be forthcoming in any event. Subject to the appropriate conditions it is recommended that the application be accepted.
- 9.4 As the end of the consultation process coincides with the date of the Panel, the recommendation seeks the delegation of the decision to the Chief Planning Officer following consideration of any new representation prior to the deadline for representations.

10.0 Background Papers:

- 10.1 Application and history files.
Certificate A signed by the applicant declaring that all land is owned by applicant.



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EAST PLANS PANEL

Scale 1/1500

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