

Development Management Sub Committee

Report returning to Committee - Wednesday 19 April 2017

Application for Planning Permission 15/05715/FUL At 6, 8, 13, 15, 18-20, 21, 28 King's Stables Road, 2 Lady Wynd, Edinburgh

Mixed use development comprising flats, student accommodation, hotel, arts facility and class 1, 2 and 3 uses, involving the erection of new buildings, alteration of existing buildings, partial demolition and change of use of ground floor of existing tenement building (as amended)

Item number	5.1
Report number	
Wards	A11 - City Centre

Recommendations

It is recommended that this application be Minded to Grant - Legal Agreement.

Background information

At its meeting on 1 July 2016, Committee was minded to grant planning permission for Mixed use development comprising flats, student accommodation, hotel, arts facility and class 1, 2 and 3 uses, involving the erection of new buildings, alteration of existing buildings, partial demolition and change of use of ground floor of existing tenement building. This excluded the development on the corner of King's Stables Lane and Lady Wynd through a condition which states that notwithstanding what is shown on the application drawings, the arts / housing building is not granted planning permission. The use of this condition allows the remainder of the development to be granted planning permission and allows an application for alternative proposals for this part of the site to come forward at a later date.

Committee was minded to grant planning permission subject to:

- 1) Conditions, reasons, informatives as detailed in section 3 of the report by the Head of Planning and Transport.
- 2) A legal agreement to secure affordable housing in line with the report of the 1 July 2016 with the requirement that the decision on whether the commuted sum was to be used to secure on-site or off-site provision was reported back to the Development Management Sub-Committee.
- 3) An additional condition that any planning application for an alternative building at Lady Wynd be reported to the Development Management Sub-Committee for decision.
- 4) An additional condition that any materials should be approved by the Development Management Sub-Committee.

Main report

Description of Proposal

This report is returned to seek the Development Management Sub-Committee's approval to agree the affordable housing delivery through a financial contribution to off-site affordable housing provision.

Assessment

The applicant has submitted a financial appraisal which sets out all costs associated with the delivery of the residential element of the development. The appraisal assesses both the 33 flatted units proposed on the nightclub site and the eight units proposed to King's Stables Lane. This appraisal has been independently reviewed by Rettie Development Services, with commentary on costs provided by Thomas and Adamson, on behalf of the City of Edinburgh Council.

The appraisal demonstrates that the build costs on this site are considerably above normal residential costs due to abnormal costs including piling, complexity of construction, high quality materials and the retention of elements of existing historic structures. The unit build costs associated with the residential element is beyond that which a Registered Social Landlord (RSL) could pay. The price they can pay is constrained by grant levels and low (affordable) rents. The lower priced units are also studio flats, which RSLs have declined on the basis that they aren't flexible enough to meet their tenants needs and Local Housing Allowance doesn't account for anything smaller than a 1 bedroom apartment.

The principle of a commuted sum of £45,454 per affordable unit is established in the report of 1 July 2016 and is based upon the land values. The proposal incorporates a total of 41 residential units. The affordable housing requirement of 25% equates to 10.25 units @ £45,454. The total contribution figure of £465,903.50 has been incorporated in the development appraisals. The development appraisals for the residential only components identified the potential for these elements to deliver unsustainably low returns to the developer. This highlights the potential for the development to only be partially delivered, with the residential component in part or fully omitted to increase profits. The application was assessed on the basis of the overall mix of uses with the housing being the critical land use component to ensure compliance with LDP Hou 8.

The developer maintains that the overall development is a viable proposal and has supported this position by submitting a development appraisal for the whole site. This appraisal has been reviewed by colleagues in Corporate Property who are satisfied that, subject to the usual allowances for development variables, the overall scheme is viable. This overall appraisal includes the contribution figure of £454,540. It is therefore accepted that it is viable to develop this proposal in totality while securing the appropriate contribution to the delivery of affordable housing.

The risk that the development shall be partially implemented remains, potentially leaving the 33 residential units proposed on the nightclub site undeveloped. It is therefore considered appropriate to use a suspensive condition to ensure that this key land use is delivered. It is also recommended to amend condition 11 to ensure that the nightclub use ceases prior to the residential and student accommodation being occupied. This amendment is recommended to ensure the amenity of all new residents is protected.

Recommendation

Committee agreed to approve this application on 1 July 2016 subject to a number of conditions and the resolution of affordable housing provision.

It is recommended that the Committee agrees the use of a suitable legal agreement to secure the financial contribution for affordable housing. It is also recommended that the Committee agrees revised conditions, including an additional suspensive condition requiring the provision of the residential units on the west most part of the site prior to the occupation of the hotel or student accommodation and an amended condition requiring the approval of materials by Committee.

Amended Conditions

6. A detailed specification, including trade names where appropriate, of all the proposed external materials shall be submitted to and approved by the Development Management Sub-Committee before work is commenced on site; Note: samples of the materials may be required.
11. Prior to the occupation of the residential units or student accommodation the nightclub operations shall cease.
12. Prior to the occupation of the hotel or student accommodation within this site, the 33 residential units located on the west most part of the site shall be completed.

Links

Policies and guidance for this application

LPC, CITCA1, CITD2, CITD3, CITD4, CITD5, CITD7, CITD10, CITE1, CITE2, CITE5, CITE6, CITE9, CITE16, CITE18, CITH1, CITH2, CITH3, CITH4, CITH7, CITH10, CITEM4, CITR5, CITR12, CITT4, CITT5, LDPP, PLDP03, OTH, CRPOLD, NP01, NSG, NSGD02, NSP, NSLBCA, NSGSTU, NSGSTR,

A copy of the original Committee report can be found in the list of documents at <https://citydev-portal.edinburgh.gov.uk/idxpa-web/applicationDetails.do?activeTab=documents&keyVal=NZD15EEWKVI00>

Or Council Papers online

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