

Report of : Land and Property Services
Report to : Chief Asset Management and Regeneration Officer
Date: 6 October 2014
Subject: Methley Land at Main Street Variation of restrictive covenant

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Kippax & Methley		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. The purpose of this report is to seek approval to extend a restrictive covenant on land sold by the Council on Main Street in Methley, that restricted use to open space and residential uses, to include retail.
2. The Council sold this land, shown as the subject site on attached plan no 13009/K, on 8 October 2009.
3. The successor to the purchaser proposes to sell the frontage of the subject site to a supermarket operator for the development of a 3,000 sq ft minimarket. This applicant also proposes to develop 14 houses to the rear of this site and on their own adjoining land.
4. This sale also incorporated a claw back on which the Council may receive a payment on receiving planning permission for residential development on the subject land. This will be subject of a separate panel report.

Recommendations

4. It is recommended that approval is granted to open negotiations to extend the restrictive covenant on use of the subject site to include retail, the terms agreed to be reported to the Chief Asset Management & Regeneration Officer for approval.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to extend a restrictive covenant on land sold by the Council on Main Street in Methley, that restricted use to open space and residential uses, to include retail.

2 Background information

- 2.1 Leeds City Council sold the subject site shown by black outline on attached no. 13009/K by auction held on 10 September 2009, a sale being concluded on 8 October 2009 to Steven Homes Ltd.
- 2.2 The land sold included a restrictive covenant for use as open space and residential development and the payment of an overage on the grant of planning permission for residential development.
- 2.3 Following the bankruptcy of Steven Homes Ltd this site was purchased by Apple Homes (Methley) Ltd on 28 March 2013. A Deed of Covenant was completed between the Council and Apple Homes confirming the covenants.

3 Main issues

- 3.1 Apple Homes (Methley) Ltd have commenced development plans. These comprise the sale of the frontage of the site with access off Main Street to a supermarket operator for development of a 3,000 sf minimarket and separately residential development of 14 houses with access from The Blossoms.
- 3.2 Planning Services have been initially consulted on these proposals and have provided some in principle comments. Their officer opinion is that a retail sequential test equating to a catchment area of 500 metres walking distance from the site will be required. There would also need to be sufficient car parking and servicing arrangements. Encouragement would be given to engage with Ward Members and local residents before submitting any planning application.
- 3.3 The site owner has requested an in principal understanding that the Council would be willing to negotiate to allow retail use on the frontage of the subject site prior to pursuing the potential of the grant of planning permission for the mini market.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members Councillors Wakefield, Lewis and Harland were consulted on 26 August. They have replied together advising that they are happy to support the existing planning application for residential use and believe that this can only enhance the site. In regard to the proposal of a supermarket, this will need to go through the usual planning process and full consultation should be undertaken.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no equality issues arising from the proposal.

4.3 Council Policies and City Priorities

- 4.3.1 This proposal would accord with the Leeds City Council Values of Working with Communities and Spending Money Wisely.

4.3.2 The proposal accords with the Best Council Plan of Best City to Live under which the Asset Management and Regeneration Services Plan 2014/15 provides to ensure that regeneration initiative meets the changing needs of individuals and communities and to use the Council's assets wisely.

4.4 Resources and Value for Money

4.4.1 Any agreement to expand the user to permit retail use will generate a revenue contribution to the Council's revenue budgets.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Under Part 3 Section 3E Paragraph 2(a) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of Executive Board in relation to the management of land (including valuation, acquisition, appropriation, disposal and any other dealings with land or any interest in land) and Asset Management.

4.5.2 The Chief Asset Management and Regeneration Officer has authority to take the decisions requested in this report under Executive functions 1 and 10 (specific to the Director of City Development) of the Director of City Development's sub delegation scheme.

4.5.3 The proposal constitutes a significant operational decision and is therefore not subject to call in.

4.5.4 The Head of Property Services confirms that the proposal set out above is the method most likely to result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).

4.6 Risk Management

4.6.1 There is a risk that if negotiations are not opened in regard to agreeing the use of retail development this will not enable the most positive use of this land asset.

4.6.2 A Planning application will determine whether retail is an acceptable use for this site.

5 Conclusions

5.1 The Council should open negotiations to extend the restrictive covenant on use of the subject site to include retail, the terms agreed to be reported to the Chief Asset Management & Regeneration Officer for approval.

6 Recommendations

6.1 It is recommended that approval is granted to open negotiations to extend the restrictive covenant on use of the subject site to include retail, the terms agreed to be reported to the Chief Asset Management & Regeneration Officer for approval.

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.