

Agenda Item No:

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**Report of :** Head of Land and Property

**Report to :** i) Director of City Development  
ii) Director of Environments and Housing

**Date:** 19<sup>th</sup> January 2015

**Subject:** Land at King Lane, Moor Allerton, Leeds, LS17

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Alwoodley	
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:	10.4.3	
Appendix number:	1	

### Summary of main issues

1. The subject site forms part of a larger area of Council owned land forming a corridor of open space adjoining King Lane in Moor Allerton.
2. The site which is shown on the attached plan is designated as greenspace.
3. Three local GP doctors' practices, Moorcroft, Nursery Lane and the practice of Dr Feldman, currently provide medical services for around 15,000 patients in the Moor Allerton and Alwoodley area.
4. All three surgeries are in need of re-development and consequently the practices and their preferred developer partner, Abstract Ltd, have approached the City Council with a site requirement of about 0.404 ha (1.0 acre) to provide a new combined medical centre to serve the locality.
5. On 22 September 2014 the Chief Asset Management and Regeneration Officer approved terms for a disposal of an area of adjoining Council land shown X after the Director of Environments and Housing declared the site surplus to requirements. This site had been identified as locationally suitable for the practices' catchment area and is well supported by good public transport and proximity to established facilities at the adjoining Moor Allerton District Centre. Those terms reflected a commercial approach

to land price based on medical centre use and reflected the lack of alternative commercial potential for the site.

6. NHS Leeds is supportive of the three practices and has determined they should be combined into one new medical centre as a key priority and have allocated NHS capital funding for the development.
7. Ward Members are supportive of an initiative to re-provide the GP practices at site X.
8. Since approval to the terms for the site indicated X, detailed further investigations by the approved purchaser have now revealed the existence of a major water main passing through it sterilising a substantial area from development rendering it unsuitable for the construction of the proposed medical centre. To overcome this it is now proposed that an alternative similar sized site footprint be sold on identical terms to that previously approved. This site is identified on the attached plan as the subject site and the terms previously approved will relate to this new area, and are contained in the confidential appendix to this report.
9. The overall scheme is costed at £2.5m.
10. The purpose of this report is to
  - i) seek approval from the Director of City Development to transacting with the party and on the terms previously approved but in respect of the alternative site identified on the attached plan, and
  - ii) Seek approval from the Director of Environments and Housing to note the position with respect to site X and to now declare the revised subject site as shown on plan surplus to requirements.

## **Recommendations**

11. It is recommended that :
  - i) the Director of Environments and Housing notes the position with regard to site X and now declares the subject site surplus to requirements, and
  - ii) the Director of City Development approves the disposal of the newly identified subject site as a replacement to that originally approved for sale (site X) on the basis of the terms and to the party previously approved by the Chief Asset Management and Regeneration Officer on 22 September 2014 as detailed in the confidential appendix.

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## **1 Purpose of this report**

- 1.1 The purpose of this report is :
- 1.2 for the Director of Environments and Neighbourhoods to note the position with regard to site X and to now declare the subject site surplus to requirements, and
- 1.3 for the Director of City Development to approve the disposal of the newly identified subject site as a replacement to that originally approved for sale (site x) on the basis of the terms and to the party previously approved by the Chief Asset

Management and Regeneration Officer on 22 September 2014 as detailed in the confidential appendix.

## **2 Background information**

- 2.1 The subject site is an open area of land which forms part of a large area of public open space adjoining King Lane.
- 2.2 The site extends to approximately 0.404 ha (1.0 acre).
- 2.3 The City Council has been approached by a developer acting on behalf of three GP surgeries which combined provide medical services to approximately 15,000 patients in the Moor Allerton / Alwoodley area and who are seeking a site to develop a new combined single practice.
- 2.4 The subject site falls within locational criteria for a new practice to serve the surgeries' catchment area and benefits from good public transport and access, high visibility to the local population and is adjacent to existing local facilities.
- 2.5 The three existing medical practices are functionally poor and in need of redevelopment, however NHS Leeds has determined that redevelopment should be into one new medical centre. The proposal has been allocated NHS capital enabling funds as a key priority project.
- 2.6 The practices and the developer have advised that a number of other site options have been considered within the locality, however no other suitable available sites have been identified.
- 2.7 The site indicated X on the plan has previously been approved for disposal by the Chief Asset Management and Regeneration Officer on 22 September 2014 for development as the medical centre on the basis on the terms and to the party identified in the confidential appendix.
- 2.8 Subsequent technical investigations now indicate the presence of a water main crossing the site rendering it unsuitable for development for the purposes intended.
- 2.9 It is now proposed that a similar sized area unaffected by the water main be sold instead for the proposed development on the same terms as for the original site X.

## **3 Main issues**

- 3.1 The proposed medical centre would be constructed over two storeys and offer approximately 1,300 sqm (14,000 sq ft) together with car parking and landscaping.
- 3.2 The newly identified site lies within an area of greenspace. Initial discussions with planning officers regarding a proposal for this site are ongoing, however they are generally supportive of a release of the site for a community based use such as a medical centre.
- 3.3 The site vests with Environments and Housing and this report recommends to the Director of Environments and Housing that the site be declared surplus to requirements.

## **4 Corporate Considerations**

#### **4.1 Consultation and Engagement**

- 4.1.1 Ward Members and the Executive Member for Transport and the Economy have been consulted on a proposed disposal of the new site and are fully supportive of an early sale and development of the site for the new medical centre.

#### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 The provision of a new medical centre will provide combined and modern facilities to existing practices serving 15,000 patients in the locality. This will ensure continuation of existing services to the local community helping to improve and maintain healthcare provision within the city.
- 4.2.2 Well located modern premises will improve general accessibility to healthcare services in the area.

#### **4.3 Council Policies and City Priorities**

- 4.3.1 A potential disposal of the site will generate a capital receipt to the Council as detailed in the confidential appendix to this report.
- 4.3.2 Although the site lies within an area of greenspace, a sale and development of the site for a community serving use would serve broader healthcare and social wellbeing objectives of the Council.

#### **4.4 Resources and Value for Money**

- 4.4.1 A release and onward sale of the newly identified site would take place on exactly the same basis as previously approved which are commercial terms ensuring that the City Council obtains value for money and best consideration for the disposal of the asset.
- 4.4.2 The options available are:-
- i) **Option 1** – that the Council pursues a disposal of the newly identified site on the basis previously approved to secure the new development and generate a capital receipt which would otherwise be unavailable for this site which has no commercial potential other than for the proposal advanced.
  - ii) **Option 2** – that the Council does nothing. This would, however, remove the possibility of generating a sale receipt from a site of limited commercial potential and would not assist with the establishment of a new replacement medical centre in the locality.
  - iii) **Option 3** – the Council could attempt to bring the site forward for a sale on the open market. It is considered that marketing of the site on the open market will, however, not improve on any receipt which could be generated by continuing to press forward with a disposal of the site for the development proposed.
- 4.4.3 It is recommended that option 1 is pursued.

#### **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 proposal constitutes a significant operational decision and is therefore not subject to call in.
- 4.5.3 The basis of the transaction remains unaltered in all other respects to that previously approved by the Chief Asset Management and Regeneration Officer on 22 September 2014, that is on a commercial basis. In the opinion of the Head of Land and Property the receipt generated remains the best consideration reasonably obtainable for the property as required pursuant to its legal obligations under s123 of the Local Government Act 1972 (or the Housing Act 1985).

#### **4.6 Risk Management**

- 4.6.1 No specific adverse risks have been identified with the proposal to relocate the medical centre from the original site X to the new subject site. The new site does not however incorporate an area of adopted highway as in the previous site, which would have been the subject of formal legal closure procedures nor is it affected by the water main providing a more straight forward development scenario. The sale still remains conditional on grant of planning permission. In view of the greenspace nature of the site there is a risk that this consent maybe difficult to secure but early discussions with planning officers indicate general support for a community based type use including a medical centre at this location.

#### **5 Conclusions**

- 5.1 It can be concluded that support can be given to the sale of the new subject site for the construction of a new medical centre.

#### **6 Recommendations**

- 6.1 It is recommended that:
  - i) the Director of Environments and Housing declares the alternative subject site surplus to requirements, and
  - ii) the Director of City Development approves the disposal of the newly identified subject site as a replacement to that originally approved for sale (site X) on the basis of the terms and to the party previously approved by the Chief Asset Management and Regeneration Officer on 22 September 2014 as detailed in the confidential appendix.

#### **7 Background documents<sup>1</sup>**

- 7.1 None.

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<sup>1</sup> 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.