

Agenda Item No:

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Report of: Head of Land and Property
Report to: Director of City Development
Date: July 2017
Subject: Eastmoor, East Moor Lane, Adel, LS16

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Adel and Wharfedale	
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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:	10.4 (3)	
Appendix number: 1 and 2		

Summary of main issues

1. The site of the former Eastmoor Secure Unit, referred to as the subject site, has been advertised for sale on the open market by informal tender.
2. The site was marketed with the benefit of a planning statement, TPO reports, a stage one desk study report and a technical information document.
3. Offers and proposals were received on 20th January 2017. Proposals were evaluated by Planning, Highways, Conservation and Asset Management Officers and feedback was provided to the offerors with Best & Final offers requested by 19th May 2017.
4. Following an assessment of the offers, it is now proposed that a preferred bidder is selected.

Recommendations

4. It is recommended that the Chief Officer Economy and Regeneration grants approval for the sale of the former Eastmoor Secure Unit site to the selected preferred bidder, the details and terms of which are detailed within the confidential appendix.

1 Purpose of this report

- 1.1 To present the best and final offers and associated proposals received from the shortlisted parties in connection with the proposed sale of former Eastmoor Secure Unit site.
- 1.2 To seek approval to dispose of the Councils freehold interest in the subject site to the recommended party under the terms detailed within the confidential appendix.

2 Background information

- 2.1 The site of the former Eastmoor Secure Unit and adjoining land is surplus to Council requirements. This follows relocation of the service to the newly constructed Adel Beck Children's Secure Unit. The Eastmoor site extends to approximately 4.04 ha (9.96a) as shown edged black on the attached plan. The Adel Beck Secure Children's Unit is situated next to the site, and both will share the same access road from East Moor Lane.
- 2.2 Within the subject site is an extensive range of Grade II listed buildings (being listed in 2009). The buildings were constructed in 1857 by the Leeds Society for the Reformation of Juvenile Offenders, and later became known as the Adel Reformatory. The Reformatory then moved to the Eastmoor Secure Unit, then in 2015 moved again to the Adel Beck Secure Children's Unit.
- 2.3 The Eastmoor site was allocated as a housing site (H4:66) in the adopted 2001 Leeds Unitary Development Plan (UDP). The allocation was carried forward as an identified housing site (HG1-60) in the Publication Draft Site Allocations Plan (SAP). Site circumstances changed with the relocation of the secure unit. HG1-60 was amended to exclude the new secure unit and HG2-217 added to include the northern part of the site including the land which housed the former secure unit. The proposed disposal boundary is now a wholly allocated housing site within the publication draft of the SAP.
- 2.4 The site was marketed, with informal offers being invited by 20th January 2017. Offers, supported by outline proposals, were received and reviewed by Planning, Highways, Conservation and Asset Management Officers. Feedback was provided and best and final offers were requested by 19th May 2017. The best and final offers have been ranked in terms of value and are detailed in the confidential schedule. The schedule details the assumptions and conditions attached to those offers.
- 2.5 An evaluation of the offers and associated proposals has been undertaken and consideration given to the level of offer, stability of that offer after conditions are met and the general deliverability of proposal.
- 2.6 It is now proposed that approval be given to sell the subject site to the selected preferred bidder.

3 Main issues

- 3.1 The vacant land is part of the Leeds City Council's capital receipts program for disposal in 2018 / 19.
- 3.2 All bids have been analysed and further information or clarification requested where necessary.

- 3.3 The offer schedule reflects the Best & Final gross and net offers received along with proposed scheme details and deductions declared. Net figures have been recalculated where appropriate to ensure fair comparison.
- 3.4 A detailed analyses of the bids received has been undertaken with consideration given to the offer value, deliverability, and planning compliance; the outcome of which is the recommendation to select the preferred bidder detailed in the confidential appendix.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Adel & Wharfedale Ward Members, Cllr Barry Anderson, Cllr Caroline Anderson and Cllr Billy Flynn have been consulted on several occasions regarding the disposal of the land for development. Ward members are aware that offers have been received and are being evaluated, however scheme proposals and the preferred bidder have not been declared.
- 4.1.2 Councillor Richard Lewis Executive Member for Regeneration, Transport and Planning was briefed in October 2016 regarding the disposal boundary and was supportive of the site being marketed. He was contacted again via email on 21st July 2017 to provide an update on the marketing.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 No specific issues arise from a proposed disposal.

4.3 Council Policies and City Priorities

- 4.3.1 The land is a surplus asset. A sale will generate a capital receipt which can be used to support the Council's expenditure programme and will also alleviate the Council of significant costs associated with the maintenance and security of the site and listed buildings.
- 4.3.2 The site is brownfield and its development will support new housing including affordable housing provision, in support of corporate housing delivery objectives of the Council. Development will help alleviate development pressures on green field sites.

4.4 Resources and Value for Money

- 4.4.1 The land has been advertised and marketed widely in order to maximise interest for the property and to promote competitive bidding in order to maximise the receipt generated. The purchaser will, as a condition of the sale, contribute to the Council's costs associated with the sale.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Under Part 3, Section 3E(g) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of the Executive in relation to Asset Management.

4.5.2 The Chief Officer Economy and Regeneration, Head of Asset Management and Head of Land and Property have authority to take decisions in relation to Asset Management as delegated in 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 **Best Consideration**

4.5.5 In the event that any of the offers circulated are recommended, this will be on the basis that in the opinion of the Head of Land and Property the terms offered to the Council represent the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972, (or under the Housing Act 1985).

4.5.6 **Public Interest**

4.5.7 The information contained in the confidential appendix attached to this report and the confidential schedule relate to the financial or business affairs of a particular business's, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through inviting of best and final offers for the property/land then it is not in the public interest to disclose this information at this point in time as this could lead to random competing bids which would undermine this method of inviting bids and affect the integrity of disposing of property/land by this process. Also it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of offers which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure Rules.

4.6 **Risk Management**

4.6.1 The subject site is offered with no planning permission. A Planning Statement was made available and offers have been assessed in line with this document. Proposals and offers are conditional, in the main relating to services, satisfactory site & building surveys and the grant full planning permission.

4.6.2 The Risk associated with the condition of obtaining satisfactory planning permission has been mitigated as far as is reasonably possible through consultation with planning officers.

5 **Conclusions**

5.1 It is concluded that the sale of the freehold interest in the subject site be sold to the preferred bidder, the details and terms of which are detailed within the confidential appendix.

6 Recommendations

- 6.1 It is recommended that the Chief Officer Economy and Regeneration grants approval for the sale of the former Eastmoor Secure Unit site to the selected preferred bidder, the details and terms of which are detailed within the confidential appendix.

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.