

**Report of:** Land and Property  
**Report to:** Director of City Development  
**Date:** 31 October 2017  
**Subject:** Land adjacent to Hume House

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	City & Hunslet	
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	

### Summary of main issues

1. The Council has been approached by a developer with a view to purchasing a small area of Council owned land adjacent to Hume House, Leeds. This is shown as the subject site on the attached plan.
2. The developer has agreed a contract for the purchase of Hume House and wishes to incorporate the subject site within its development.
3. Terms for the purchase have provisionally been agreed and are detailed in the attached confidential appendix.

### Recommendations

4. It is recommended that the subject site is declared surplus to operational requirements and sold on the terms as outlined in the attached confidential appendix.

### 1 Purpose of this report

1.1 The purpose of this report is to:

- I. Declare the subject property surplus to council operational requirements

- II. Approve the sale of the subject site on the terms as outlined in the confidential appendix

## **2 Background information**

- 2.1 Hume House is a part 2 and part 5 storey property that provides office accommodation extending to approximately 18,700 Sqft. The property is considered dated and is in an area that has experienced recent developmental changes to include high rise student residential towers.
- 2.2 The property sold at auction in 2014 as a fully let investment with mention of future development potential, subject to the required consents.
- 2.3 In early 2106, a deal for the sale of Hume House was announced. This was with a view to developing a substantial (126m) tower on the site. However, the sale did not progress to completion and planning permission was not gained for the development. At the time that the failed sale completion was reported, the owner was quoted to say that “the current market will provide an opportunity to sell the property in the near future”.
- 2.4 A new developer/purchaser has been identified for the site.

## **3 Main issues**

- 3.1 The Council has been approached by the developer to include the Leeds City Council land that lies adjacent to Hume House. The inclusion of this will enable the building to be slightly re-orientated.
- 3.2 The subject site currently comprises a triangular area of open space that is surfaced with a mix of tarmac and concrete flags with a single tree. The subject site is not adopted highway and is therefore maintained by City Development.
- 3.3 The inclusion of the subject site as part of the development represents an opportunity to support new development in this part of the city centre.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Cllr Lewis was consulted about the proposal as contained in this report on 26 September 2017 and he was supportive.
- 4.1.2 Ward Members were consulted on 02 October 2017 on the proposal as contained in this report. Cllr's Nash and Davey have responded to give their support. Cllr Iqbal has not responded but was copied into the responses from his ward member colleagues.
- 4.1.3 The subject property is considered as Public Open Space (POS) and as such its disposal needed to be advertised in the prescribed manner. Adverts were placed in the Yorkshire Post on 14th and 21<sup>st</sup> October 2017. These advertise that the Council intended to dispose of the subject property and invited any representations to be made. The dates for which representations had to be made was 6<sup>th</sup> November 2017. No comments were received.

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

4.2.1 There are no equality, diversity, cohesion or integration issues arising from the proposal as set out in this report.

## **4.3 Council Policies and the Best Council Plan**

4.3.1 The proposal as set out in this report helps to support the Council Ambition of 'Good Growth' in that a new development on site will help promote a vibrant city. It will also help to support the ambition to be 'Efficient & Enterprising' by stimulating economic growth.

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

4.4.1 The subject property currently represents an on-going maintenance liability for the Council. Its inclusion as part of a wider development site will enable a Capital Receipt to be raised.

## **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 The Head of Land and Property confirms that in his opinion 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).

4.5.5 The information contained in the Appendix attached to this report relates to the financial or business affairs of a particular person, 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 risks associated with the proposal are contained in the confidential appendix.

## **5 Conclusions**

5.1 It is concluded that approval should be given to the recommendations as set out in this report

## **6 Recommendations**

6.1 It is recommended that the subject site is declared surplus to operational requirements and sold on the terms as outlined in the attached 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.