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The Appendix of this report is Exempt/Confidential under Access to Information Procedure Rules 10.4 (3)

Report of : the Acting Director of City Development

To : Executive Board

Date: 22 June 2011

Subject: Elland Road Masterplan

Electoral Wards Affected:

Beeston & Holbeck

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

Executive Summary

The public interest in maintaining the exemption in relation to the confidential appendix outweighs the public interest in disclosing the information by reason of the fact that it contains information and financial details which, if disclosed would adversely affect the business of the Council and may also adversely affect the business affairs of the other parties concerned.

The purpose of the report is to update Executive Board about progress with the Informal Planning Statement for Elland Road, adopted in 2007 to 'kickstart' the wider regeneration of the site. The Masterplan included in the Informal Planning Statement indicated the range of potential development that could be promoted on the sites. The report outlines the current position including:-

1. a proposed development of an ice rink
2. the acquisition of the Castle Family Trust land;
3. a potential Park and Ride facility on the site;
4. the sale of the former Greyhound Stadium to the West Yorkshire Police Authority

(WYPA);

5. LUFC's plans for the development of the East Stand by Leeds United Football Club and the required realignment of Lowfields Road.

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is to update Executive Board about:-

- progress since the masterplan included in the Informal Planning Statement for Elland Road was adopted in 2007;
- the acquisition of the Castle Family Trust land;
- developments in relation to potential Park and Ride facility at Elland Road;
- the sale of the former Greyhound Stadium to the West Yorkshire Police Authority (WYPA).

and request Executive Board approval to:-

- the revised Heads of Terms with the operator of the proposed ice rink on Elland Road;
- an injection of £500,000 from the Capital Programme to the proposed realignment of Lowfields Road to the implementation of the masterplan.

2.0 BACKGROUND

2.1 On the 11th September 2007, Executive Board approved the:-

- Informal Planning Statement (IPS) as a guide to future development proposals for the Elland Road area;
- exploration of the potential for and the implications of the provision of a Park and Ride facility;
- sale of the former Greyhound Stadium site at open market value, to the WYPA as a site for their new Divisional Head Quarters.

2.2 The Informal Planning Statement was developed at the time in partnership with Yorkshire Forward, Leeds United FC, Stanley Leisure and West Yorkshire Passenger Transport Authority. At that time, several options for the site were under consideration: the land at site D was an option for the Leeds Arena; Leeds United's aspirations to develop the Stadium; Stanley Leisure's aspiration to build a casino and the contribution of the site to the wider regeneration initiatives in the Beeston Hill/Holbeck Neighbourhood Renewal Area.

2.3 All the sites discussed in this report are identified on Plan 1 attached to this report.

2.4 The main objectives of the IPS were: to provide guidance on the future development of the brownfield sites within this area; formulate a vision to transform the area into a

vibrant leisure destination; create a sense of place; and bring about change that has a physical, economic and social regenerative impact within the local area.

2.5 Using these objectives, a number of development scenarios were presented in the IPS. The key and consistent features of the various options were:-

- sites to the south of Elland Road (A,B and C) to be developed for primarily residential use, with the option that C be considered for a replacement Police Head Quarters site should there be closure of the Millgarth and Holbeck Stations;
- the introduction of appropriate traffic management and environmental treatment of Elland Road;
- the development of 2,750 formally laid out car parking spaces;
- the development of an enhanced transport hub to the east of the Stadium site (in the vicinity of sites E and F) with Park and Ride facilities and match day coach parking;
- the provision of sufficient space around the perimeter of the football ground to enable a symmetrical development of the Stadium in the future, should the need arise;
- the development of a series of leisure facilities on the site adjacent to the existing football ground including hotels, casino, ancillary food and drink facilities and a health club.

2.6 A further Executive Board report, approved on the 22nd July 2009, provided an update on the opportunities complementary to the ongoing implementation of the IPS. These were:-

- the planning consents secured by Leeds United Football Club (LUFC) to allow the construction of hotels, conferencing facilities and a nightclub;
- the latest position with regard to the Council's attempts to acquire land from the Castle Family Trust, to the rear of the North Stand on Lowfields Road by negotiation;
- the approach to the Council by a developer/operator who wished to build an ice rink on the site;
- Leeds' bid to become a Host City for the World Cup in 2018.

2.7 Since that time, Stanley Leisure decided not to renew its option to purchase land at Elland Road for a casino, and the Council decided to construct the arena at Clay Pit Lane in the city centre. The result of these changes and general market change, is the opportunity to refresh the thinking about the nature and scale of development potential at Elland Road.

2.8 On the 13th May 2009, Executive Board received a report about the potential for Leeds to become a Host City for the 2018 Football World Cup should England be successful in securing the Host Country nomination from FIFA. The benefits to Leeds in being a Host City would have been enormous and played a large part in the

delivery of the Masterplan. However, the bid by the UK to host the 2018 World Cup was unsuccessful and other opportunities for the infrastructure development of Elland Road need to be explored.

3.0 MAIN ISSUES

3.1 Progress has been made on several key proposals. These are:-

- the creation of an indoor ice rink which will be available for use by the general public;
- the proposed new Divisional Police Headquarters on the site of the former greyhound stadium;
- Leeds United FC obtaining detailed planning consent subject to a s106 agreement to develop 2 hotels, a nightclub, new club shop, ancillary office space and covered circulation space;
- the potential for the Rugby League World Cup 2013 and the Rugby Union World Cup 2015;
- the acquisition by the Council, of the Castle Family Trust's freehold interest in site I;
- potential for a Park and Ride facility.

Ice Rink

3.2 At Executive Board in July 2009, it was reported that the Council was approached by a company that specialises in developing and operating ice rinks throughout the UK, who wished to develop and operate a facility at Elland Road. The location of the site is identified on Plan 1 at the western end of Elland Road and extends to 0.6ha in size.

Executive Board agreed to grant a 6 month period of exclusivity to the operator, on the basis that:-

- i. the company was to pay open market value for the site;
- ii. the proposal is entirely consistent with the IPS;
- iii. it will fill one of the few gaps in the city's sporting infrastructure.

A Development Agreement was signed in February 2010. However, following discussions with the Council's Highways Service and having undertaken Stage 1 desktop ground investigation studies, it has become apparent that the costs of developing the ice rink will be far greater than the operator originally anticipated, and the Development Agreement has now lapsed. Following negotiation, revised Heads of Terms have been agreed and are detailed in the confidential appendix.

Approval is sought from Executive Board to these terms, along with a further 6 month period of exclusivity, to allow the Development Agreement to be redrafted and once completed, a detailed planning application will be submitted for the proposed development.

3.3 New Divisional Headquarters for West Yorkshire Police

WYPA has been liaising with the Council regarding its proposal to build a new divisional headquarters on the site of the former Greyhound Stadium at Elland Road, identified as site C. This new facility was intended to replace the police stations at Millgarth in the city centre and Holbeck off Dewsbury Road.

Executive Board agreed in principle to the sale of the site to the WYPA, and an unconditional sale of the freehold interest was completed in October 2010 to the WYPA. In January 2010, an outline planning application was submitted and reserved matters are due to be heard in October 2011. The proposals include a 110,000sq.ft police divisional headquarters and associated car parking. Outline consent has been granted for the proposed headquarters subject to reserved matters which are due to be submitted November 2011 with an anticipated start on site July 2012.

3.4 Leeds United Hotel/Leisure Complex

LUFC submitted planning applications in 2008 to allow for:-

- (i) extension of the existing Stadium's East Stand including the construction of two hotels and related development;
- (ii) the development of a temporary car park on the Council's land at Stadium Way, in order to facilitate;
- (iii) a temporary extension to the existing LUFC Pavilion located on Lowfields Road adjacent to the Stadium for a period of 10 years.

3.5 The development of the East Stand also included LUFC taking an option to buy vacant land to the south of the Stadium currently used for car parking on match days and parts of Elland Road and Lowfields Road, extending to 1.78 hectares.

3.6 In order to implement the proposed extension to the East Stand, LUFC has to acquire site B and some of the adopted highway of Lowfields Road as identified on plan 2, which will need realigning. Terms have been agreed and approved by the Acting Chief Asset Management Officer for the sale of the two pieces of land at open market value to LUFC by way of an option on the 14th March 2011, and these are attached in the confidential appendix.

3.7 Linked to the development of the implementation of the masterplan, it is proposed that the Council shares some of the cost of the realignment of Lowfields Road which retains access to the newly acquired Castle Land.

3.8 It is proposed that the Council contributes to £500,000 in order to assist this development to progress however, it will be linked to the requirement for Leeds United to demonstrate further involvement in local community activities. The Heads of Terms within the confidential appendix confirm the detail of the transaction mechanism for this.

Castle Family Trust Land

- 3.9 Following approval by Executive Board to delegate authority to the Director of City Development to conclude the transaction, the acquisition of the unencumbered freehold interest of the acquisition of the 2.83 ha (7 acres) Castle Family Trust Land was completed on 29 April 2011.
- 3.10 There are no specific proposals for the site at this time, however ownership enables the Council to facilitate the comprehensive regeneration of the area including leaving open the future traffic management options across the East and West of the site. Overall the site affords considerable control and flexibility to the Council on the future delivery of the Elland Road Master Plan.

Rugby League World Cup 2013

- 3.11 England and Wales will host the Rugby League World Cup in 2013. In February 2011 the Rugby Football League announced the invitation process whereby Authorities could bid to become Host Cities for the event. An initial bid for Leeds to become a host city was submitted in April 2011, both Elland Road and Headingley Stadium were proposed as potential venues for games. A final bid is required to be submitted by the 15 July 2011 and the Host Cities are due to be announced in November 2011.

Rugby Union World Cup 2015

- 3.12 The Rugby Union World Cup is also due to be held in England in 2015. It is also expected that LUFU will propose Elland Road as a potential match venue.

Park and Ride

- 3.13 The site Masterplan currently includes the potential for a 750 space Park and Ride facility. The opportunity still exists to provide Park and Ride at Elland Road by sharing car parking with match day requirements. Such an arrangement is currently in operation in Derby at the Pride Park and also at Cardiff City's new stadium. This would facilitate the proper laying out of the car park with landscaping.
- 3.14 The West Yorkshire Local Transport Plan 3 (2011), the Leeds UDP Review (2006) and the emerging Leeds Transport Strategy all support the introduction of Park and Ride. However, any such proposal would need further consultation to be undertaken in due course and therefore remains only an option at this stage.

4.0 IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE

4.1 Risk Management

4.1.1 In respect of the proposed ice rink, the risks include:-

- greater than anticipated costs of construction through an enhanced design specification as a planning requirement. This risk should be mitigated as the design is their proposed facility in Cardiff which has recently obtained planning approval;
- greater than anticipated costs of construction due to unanticipated abnormal ground conditions. This risk has been mitigated through the provision of desk top ground conditions prepared by the Council when this site was under consideration as a potential arena location and an allowance has been made

due the land being 'filled site'. A ground intrusive survey will be undertaken by the operator, on completion of the development agreement.

4.1.2 In respect of the proposed option to LUFC for the sale of site B and the land under the adopted highway and the Council's contribution to the realignment of Lowfields Rd:-

- the sale of the two sites can only take place once the option to purchase has been triggered, and the option can only be exercised on completion of the realignment of Lowfields Rd. The Council will mitigate this risk by only releasing these funds after Lowfields Road has been diverted and after LUFC has transferred the monies to the Council to purchase the land currently under the adopted highway and for site B.

4.2 Public Interest Test

4.2.1 The information contained in the confidential appendix attached to this report relates to the financial or business affairs of a particular person, and of the Council. It is considered that since this information was obtained through one to one negotiations for the disposal of the property/land then it is not in the public interest to disclose this information at this point in time. 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.

4.3 Forward Plan

4.3.1 As progress on the implementation of the IPS has advanced significantly and decisions required relate to the agreement to draft Heads of Terms for the Ice Rink and the proposed injection of £0.5m from the Capital Programme for Lowfields Road, the scheme is a Key decision and is on the Forward Plan.

4.4 Scrutiny Process: Call-In

4.4.1 The draft Heads of Terms for the Ice Rink were approved by Executive Board on 22nd July 2009 and as such are therefore exempt from Call-In. The open report and the draft Heads of Terms for the sale of car park B and Lowfields Road to LUFC, including the injection of £0.5m to contribute to the cost of the realignment works only, to Lowfields Road are not exempt and therefore subject to Call-In.

4.5 Constitution and Legal Matters

4.5.1 Executive Board has the power to approve the Key Decisions recommended in this report.

5.0 LEGAL AND RESOURCE IMPLICATIONS

5.1 The Capital receipts generated as part of the IPS and its associated developments, including the Ice Rink and the East Stand Extension will bring significant benefits to the regeneration of the wider Beeston/Holbeck area. The Ice Rink development alone will facilitate the delivery of a new facility to the City's cultural offer at no net cost to the Council. The injection of £0.5m for the realignment works to Lowfields Road will assist the Council in its ongoing vision for the development of a vibrant

leisure quarter at Elland Road and will allow the investment by LUFC of £7m into the first phase of the East Stand Extension.

5.2 This fits with the recommendation resolved at Executive Board on 11 September 2007, that a proportion of the receipt from the Greyhound Stadium site and others arising from the Council disposals in the area, covered by the informal planning statement, may be required to facilitate the reconfiguration of the car parking and the implementation of any infrastructure proposals required to facilitate the comprehensive redevelopment of the Elland Road site be noted.

5.3 **Equality and Diversity and Cohesion and Integration**

5.4 An Equality, Diversity, Cohesion and Integration Impact Assessment is not required for this scheme at this stage.

5.5 **Council Policies and City Priorities**

5.5.1 Elland Road Informal Planning Statement aligns well with a number of city priorities and strategies. The Draft Vision for Leeds 2011-2030 outlines the city's aspiration to be recognised locally and internationally as the best city in the UK, with Leeds being:-

- the best city for business where people enjoy high-quality culture, sport and entertainment;
- a place where local cultural and sporting activities are available to all;
- a city that is fair, open and welcoming.

5.5.2 It will also support the following:-

- **Leeds Strategic Plan 2008 – 2011**
 - **Enterprise and Economy** - Increased international competitiveness through marketing and investment in high quality infrastructure and physical assets, particularly in the city centre.
 - **Culture** – Enhanced cultural opportunities through encouraging investment and development of high quality facilities of national and international significance.
 - **Health and Wellbeing** – Reduced health inequalities through the promotion of healthy life choices and improved access to services.
- **Council Business Plan 2008 – 2011**
 - Explore opportunities for collaboration to support our business transformation aspirations;
 - Deliver our five year financial strategy to align resources to our strategic priorities;
 - Consider all additional sources of funding available to support our priorities.

5.6 **Consultation**

- 5.6.1 It is proposed to consult Ward Members prior to Executive Board and any comments raised will be reported at the Executive Board meeting.
- 5.6.2 Previously a significant amount of consultation has been undertaken in relation to the development of the IPS, with local residents, Ward Members and key stakeholders. Members were also consulted regarding the ice rink proposals and the WYP scheme through the planning process which will receive further consultation when reserved matters are discussed.

6.0 CONCLUSIONS

- 6.1 Elland Road is an important site in the City and one that is in need of redevelopment and regeneration. Following the approval of the informal planning statement in September 2007, significant progress has been made including the sale of C car park to West Yorkshire Police, the acquisition of the Castle land, LUFC bringing forward their East stand development and the Council's proposed plans for an ice rink on the site.
- 6.2 The recommendations outlined in this report will enable further progress to be made.

7.0 RECOMMENDATIONS

- 7.1 It is recommended that Executive Board:-
- (i) notes the continuing development of the Informal Planning Statement through the acquisition of the Castle Family land, the sale of the Greyhound Stadium to WYPA for their new divisional headquarters;
 - (ii) approves the revised Heads of Terms and additional 6 month exclusivity period to the ice rink operator as identified in the confidential appendix;
 - (iii) approves the injection of £500,000 from the Capital Programme as a contribution to the implementation of the masterplan allowing for the realignment of Lowfields Road on the terms identified in the confidential appendix.

8.0 BACKGROUND DOCUMENTS

- Executive Board report 22nd July 2009.
- Executive Board report 11th September 2007.