

Agenda Item No:

Report author: Mike Ross

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Report of: Head of Land and Property

Report to: Chief Officer Asset Management and Regeneration

Date:

Subject: Land at Breary Lane, Bramhope, Leeds, 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		

Summary of main issues

1. The subject property comprises the cleared site of the former Rosemont sheltered housing scheme, Breary Lane, Bramhope, Leeds, LS16. The property has been declared surplus to requirements and has been offered for sale on the open market for over 55's housing.
2. The Chief Officer Economy and Regeneration approved the terms for the sale of the land on 2 May 2017 to the purchaser detailed in the attached confidential appendix.
3. As a result of pre-application discussions with planning officers and other consultees, the proposed scheme has been substantially amended and the purchaser has requested a reduction in the purchase price for the land as detailed in the attached confidential appendix.

Recommendations

4. It is recommended that approval be given to amend the previously approved terms for the sale of the land at Breary Lane, Bramhope, Leeds, LS16 as detailed in the attached confidential appendix.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to amend the previously approved terms for the sale of the land at Breary Lane, Bramhope, Leeds, LS16 as detailed in the attached confidential appendix.

2 Background information

- 2.1 The subject property comprises the cleared site of the former Rosemont sheltered housing scheme which measures approx 0.18 ha (0.45 acres). The facility was closed in 2016 by Environments and Housing and the building subsequently demolished.
- 2.2 The Director of Environments and Housing on 18 March 2016 declared the property surplus to operational requirements subject to the cleared site being marketed with a restrictive covenant that the land be used for over 55's housing only.
- 2.3 The Chief Officer Economy and Regeneration on 13 September 2016 declared the property surplus to the Council's requirements and approved that it be marketed for residential use with a restrictive covenant that the land be used for over 55's housing only.
- 2.4 Following the receipt of offers the Chief Officer Economy and Regeneration gave approval on 2 May 2017 for the sale of the land on the terms and to the purchaser identified in the attached confidential appendix

3 Main issues

- 3.1 As a result of discussions with planning officers and other consultees during pre-application meetings the purchaser has been required to make substantial amendments to its proposed scheme. This has meant that the scheme now comprises 8 rather than 9 apartments with the loss of a 'penthouse' unit and a reduction of saleable floor space from 10,000 sq. ft. down to 7,250 sq. ft. There has also been a re-design of the external features and improved quality of the proposed building to be in sympathy with the vernacular of the adjacent conservation area which will increase build costs without any commensurate increase in sales revenue.
- 3.2 The changes to the proposed development will result in a loss of sales revenue as well as an increase in costs and the purchaser has therefore requested a reduction in the purchase price for the land as detailed in the attached confidential appendix.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members were consulted by letter and email on 11 August 2016 and responses were received in support of the sale for over 55's housing on the site.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 As part of the report to the Director of Environments and Housing an Equality and Diversity/Cohesion and Integrating screening document was completed which found that the proposed disposal for over 55's housing was a positive opportunity to provide improved and sustainable homes specifically designed for older people.

4.3 Council Policies and City Priorities

- 4.3.1 The disposal of the site will generate a capital receipt to support the Council's Capital Programme that covers a wide range of Council Policies and City Priorities.
- 4.3.2 The re-development of the subject site supports the Best Council Plan 2015-20 priorities of:
- a) Promoting sustainable and inclusive economic growth,
 - b) Delivering the better lives programme,
 - c) Contributing to the breakthrough projects of Housing Growth and Making Leeds the best place to grow old.

4.4 Resources and Value for Money

- 4.4.1 If the property is sold the Council will cease to be responsible for the current and future maintenance liabilities of the site.

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 - Asset Management 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 an administrative decision and is therefore not subject to call in.
- 4.5.4 The property is surplus to the Council's requirements and no operational reason has been identified to justify its retention. In these circumstances, its disposal represents prudent and economic asset management, obviating holding costs associated with managing the land and therefore supports best value objectives of the Council.
- 4.5.5 The Head of Land and Property confirms that in his opinion the amended 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 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 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. 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 consideration 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 proposed disposal are outlined in the attached confidential appendix.

4.7 Options

4.7.1 Options relating to the proposed disposal are considered in the attached confidential appendix.

5 Conclusions

5.1 It is considered that the proposed disposal of this site for the amended purchase price represents good asset management, will realise a significant capital receipt for the Council in support of the Council's capital programme and provide sustainable homes specifically designed for older people in accordance with the approval granted by the Director of Environments and Housing.

6 Recommendations

6.1 It is recommended that approval be given to amend the previously approved terms for the sale of the land at Breary Lane, Bramhope, Leeds, LS16 as detailed in the attached 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.