



Report of Director of City Development
Report to Executive Board
Date: 10 February 2021
Subject: East Leeds Extension – Land Disposal and Delivery of
Community Infrastructure

Are specific electoral wards affected? If yes, name(s) of ward(s): Crossgates and Whinmoor, Harewood	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4(3) Appendix number: 2	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary

1. Main issues

- The East Leeds Extension (ELE) is the largest single area of allocated housing land in the city. At 232 ha it will accommodate up to 5,000 new homes by the time it is fully built out, representing c8% of the housing need as set out in the Local Plan. Very good progress is now being made on the infrastructure delivery and planning activities that will realise and support this growth, with the East Leeds Orbital Route (ELOR) project on-site, the progression of housing development plans in each of the four quadrants of the ELE (Red Hall, Northern, Middle and Southern) and continued delivery of the closely related mixed use development of Thorpe Park. Taken together with adjoining development sites at Manston Lane, this represents one of the largest areas of economic and housing growth in the north.
- The Council owns land within each of the ELE quadrants, which gives rise to an opportunity to realise capital receipts whilst using its position to work collaboratively with adjoining landowners and developers on a high quality design-lead approach to place making that delivers a sustainable urban extension, providing new housing, community facilities, access to employment and leisure and an attractive choice of transport modes.

- In January 2020 Executive Board approved the Director of City Development entering into formal one-to-one discussions with Taylor Wimpey and Redrow as the controlling interests of adjoining land, for the sale of Council land within the Southern Quadrant. Subject to the outcome of these negotiations either sale terms would be reported for approval or a recommendation would be made to sell the land on the open market.
- Executive Board also approved that the Director of City Development would negotiate and enter into a collaboration agreement with the developer consortium for the Southern Quadrant to allow the development of a coherent masterplan and single planning application for that quadrant and to deal with associated land equalisation issues.
- Those discussions and negotiations have now been concluded and alongside collaborative work with the developers, it has been established that the Council's land in the Southern Quadrant should accommodate the important primary school, retail and community facilities that form a critical part of the masterplanning. The arrangements proposed provide for certainty and control for the Council and partners in ensuring such facilities can be brought forward in a timely and co-ordinated way to support the residential growth, enhance the existing local offer and mitigate the impact of development on the capacity of existing community infrastructure.
- Executive Board is asked to authorise the Council entering into Option Agreements with Taylor Wimpey and Redrow in relation to the Council's land in the Southern Quadrant and an Equalisation Agreement with the other Middle and Southern Quadrant land owners and developers, such agreements to be on the terms outlined in this report.
- To facilitate these land arrangements and to enable the submission of a planning application in the Southern Quadrant, the Council is proposing the relocation and enhancement of some existing sports pitches within the ELE allocated development land. The proposed approach is to develop a new local pitch cluster adjoining the Arium at Whinmoor Grange, in accordance with a strategy for the site previously agreed by Executive Board.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- Entering into the agreements and taking forward the actions referred to in this report will help to facilitate the delivery of up to 5,000 new homes in the East Leeds Extension as a key component in delivering the housing requirements of the Local Plan. It will also facilitate the delivery of key physical and community infrastructure in the area including a primary school, health and retail facilities, and enhanced sports pitch provision, thereby helping to build a thriving and resilient community.
- In addition, realising capital receipts from the disposal of the Council's land will contribute to the Council's mid-term financial strategy in support of all the Council's priorities.

3. Resource Implications

- The Capital Receipts programme is an important source of funding for the Council. Budget shortfalls would be experienced if the disposal of surplus property assets does not continue or were delayed unnecessarily.

- Some up-front expenditure will be required in connection with the playing pitch proposals outlined in this report. Terms have been agreed with the Middle and Southern Quadrant developers for them to provide the Council with funds to meet that expenditure pending the receipt by the Council of the receipts due to it for the development and disposal of its land.

Recommendations

Executive Board is asked to:

- a) Approve the Council entering into Option Agreements with Taylor Wimpey and Redrow in relation to the sale of Council land in the Southern Quadrant (as shown in the plan at Appendix 1) and an Equalisation Agreement with the other Middle and Southern Quadrant land owners and developers, such agreements to be on the terms outlined in this report.
- b) Approve the principle of the Council's land at Parcel A in the Southern Quadrant of the ELE (as shown in the plan at Appendix 1) being appropriated or dedicated for use as a primary school and for the provision of community facilities as necessary and in accordance with planning requirements.
- c) Approve the principle of the Council disposing of land at Parcel A in the Southern Quadrant of the ELE (as shown in the plan at Appendix 1) to a third party or parties for use as a school and for the provision of community facilities.
- d) Note that the Capital Programme report on the agenda for this meeting proposes the injection of up to £650,000 to facilitate the re-provision of the existing sports pitches in the Southern Quadrant, to be forward funded by developers, and to authorise the Director of City Development to provide authority to spend up to that amount for this purpose.
- e) Reaffirm the principle of pitch development as set out in the Whinmoor Grange Development Brief and approve the progression of feasibility, design and the submission of a planning application to enable progression of the ELE playing pitch strategy as set out in paras 3.16-3.25.

1. Purpose of this report

- 1.1 This report advises Executive Board as to progress on the development of the East Leeds Extension and specific next steps in relation to the disposal and development of Council owned land in the Middle and Southern Quadrants and the related delivery of new community infrastructure.

2. Background information

- 2.1 Executive Board has previously noted the importance of the East Leeds Extension (ELE) as the largest single area of allocated housing land in the city, estimated to accommodate up to 5,000 new homes by the time it is fully built out. The Board has received a series of reports since 2013 on the new East Leeds Orbital Route (ELOR) as part of a wider East Leeds transport package, which will underpin and unlock the full development of the area, on the progression of housing development plans in each of the four quadrants of the ELE (Red Hall, Northern, Middle and Southern) and on the progression of the closely related mixed use development of

Thorpe Park. Taken together with adjoining development sites at Manston Lane, this represents one of the largest areas of economic and housing growth in the north.

- 2.2 Rapid cross-sector progress is now being made on all aspects of this work. The Council's East Leeds Orbital Route (ELOR) project started on site in January 2020. As part of a wider package of transport and green infrastructure works across East Leeds, in addition to a new vehicular route it will deliver an overall combined 20km of new pedestrian and cycle routes, a 7km equestrian route, 8.8 ha of new woodland and shrub planting, 0.15ha of scrub planting, 21.4 ha of species rich mix and 9 ha of marginal & wetland, which will result in planting of over 35,000 no. trees. The ELOR works are making very good progress despite the practical challenges of working through the Covid pandemic and the scheme is on-programme for completion and opening to all transport modes by in autumn 2022. A more detailed report will be brought to a future meeting of the Board to set out progress on ELOR.
- 2.3 The nearby Springs retail and leisure development at Thorpe Park is now open, the Manston Lane Link Road complete, remediation of the former Barnbow tank factory site near completion and clear proposals are coming forward for development in each of the four ELE quadrants.
- 2.4 This report sets out specific next steps in regard the proposed disposal of Council land holdings in the Middle and Southern Quadrants, and the creation of high quality new and relocated community infrastructure in relation to this.

Planning

- 2.5 The Unitary Development Plan (UDP) allocated land for housing in the East Leeds Extension. The housing allocation has been carried forward into the Site Allocation Plan (SAP) under ref HG1-288.
- 2.6 The detailed planning framework for the Northern, Middle and Southern Quadrants is set through an ELE Supplementary Planning Document (SPD) developed to deliver the development in accordance with the allocation.
- 2.7 The SPD envisages a high quality place-making approach to this urban extension, with best practice in provision for walking and cycling, integration of accessible and attractive green spaces, connectivity with adjoining communities and countryside walking routes and a co-ordinated approach to the delivery of new community facilities such as schools, health facilities and sports pitches. It sets out the main requirements and expectations to be met by the developers of the ELE and the key principles of collaboration to ensure comprehensive masterplanning and phasing of development. Some of the key requirements are as follows:
 - 2.7.1 Development proposals for each quadrant of the ELE must come forward in their entirety and demonstrate that they will not compromise the delivery of the other quadrants. A single planning application per quadrant is expected.
 - 2.7.2 The SPD sets a need for three new primary schools to be provided across the Northern, Middle and Southern Quadrants of the ELE to be secured by land being made available within each quadrant for a school (min 1.7ha) and developers making a financial contribution towards the cost of provision. Notwithstanding the requirements of the SPD, which had been based on forecast development capacity in each quadrant, it is now anticipated that the needs of both the Middle and Southern Quadrants can be met via a single Primary School located within the

Southern Quadrant, as more recent detailed planning and design work in each quadrant shows the development capacity to be less than originally thought and therefore the school place demands generated are lower. A separate report on the agenda for this meeting sets out proposals for new SEND provision elsewhere in East Leeds, which would complement the school provision in the ELE and offer capacity for any such needs arising from the development.

- 2.7.3 Developers are also expected to assess the need for new community, health, retail and other facilities. The setting aside of land for such use and the programme for delivery will be dealt with via s106 legal agreements attached to planning approvals. It is anticipated this requirement will be met for both the Middle and Southern Quadrants through the development of a Community Hub located on Council owned land within the Southern Quadrant.
- 2.7.4 The ELE developments will also be subject to ELOR Contributions secured via s106 legal agreements to fund certain ELOR costs.
- 2.8 High-level masterplanning of the Middle and Southern Quadrants was commissioned by the Council to establish key design principles in accordance with the vision set by the ELE SPD. This work has since been progressed by the Developer Consortium in collaboration with the Council and forms the basis of the Masterplan document submitted as part of a planning application for 875 dwellings in the Middle Quadrant.
- 2.9 It is anticipated that this will be followed up by a planning application for 925 dwellings in the Southern Quadrant once the matters referred to in this report have been progressed.
- 2.10 Collaborative work between the Council and developers to set these masterplans has proved very positive with a strong design philosophy evident throughout, focusing on the existing green infrastructure of the sites, the importance of green spaces and connections that can be actively used for local travel and recreation and integration of the required community facilities.

Land within Middle & Southern Quadrants

- 2.11 The Middle Quadrant planning application extends over circa 40.58 ha (100.28 acres) of land falling within various land ownerships. The Council owns circa 3.28 ha (8.11 acres) of land within this quadrant primarily made up of existing woodland. The house builders leading on development within the Middle Quadrant are Taylor Wimpey and Persimmon.
- 2.12 The Southern Quadrant planning application is anticipated to extend over circa 45.86 ha (113.32 acres) of land either owned or held under Option by the Council, Redrow and Taylor Wimpey. In total the Council owns approximately 14.32 ha (35.38 acres) across three separate plots, whilst Redrow and Taylor Wimpey either own or have options to acquire 9 ha (22.24 acres) and 22.54 ha (55.70 acres) respectively.
- 2.13 The Council also owns other land in the Southern Quadrant that is part of the ELE housing allocation but is excluded from the figures above. This land is made up of two parts - Lazencroft Farm House and the adjacent land and barn buildings. This land will be retained by the Council in the short term though plans for the disposal of both the farm house and the adjacent land as an independent development plot are being progressed.

2.14 The Council's land ownerships and parcel references are shown on the Plan at Appendix 1.

3. Main issues

3.1 Officers have been negotiating the terms of option agreements and an equalisation agreement for Council land within the Middle and Southern Quadrants with Persimmon, Taylor Wimpey and Redrow over the last 12 months. Negotiations have now been concluded and Executive Board approval is being sought to enter into those agreements on the terms outlined in this report. In order to progress disposal there is a need to co-ordinate with the relocation and enhancement of existing playing pitches on the Council's land in the Southern Quadrant, as part of a joined up playing pitch strategy for the whole of the ELE.

Equalisation Agreement

- 3.2 The ELE is a major housing allocation made up of land within a number of ownerships and is subject to quadrant wide planning obligations. The masterplanning work already undertaken has resulted in a design led approach with decisions made regarding the location of key infrastructure in order to address the vision set out in the SPD. Delivery in this way is made possible by all land owners within the relevant quadrants signing up to an Equalisation Agreement that addresses any imbalances resulting from taking a quadrant wide approach to the scheme design.
- 3.3 An Equalisation Agreement is required regardless of whether the Council's land is sold via options or on the open market. The developers have indicated that they will not submit a planning application in respect of the Southern Quadrant until the agreement has been entered into. Equally the Council has indicated that it cannot allow for consideration of its land in the masterplan unless there is such an agreement in place, offering certainty on the delivery of required community facilities. The Equalisation Agreement would relate to each of the Council's land parcels A, B and C in the Southern Quadrant and the existing woodland in the Middle Quadrant.
- 3.4 It is proposed that the Council will enter into an agreement with all other land owners and developers in the Middle and Southern Quadrants to ensure that the cost of delivering key infrastructure such as community facilities and greenspace is shared by the parties, a principle which is key to successful masterplanning and delivery of SPD requirements. Not taking such an approach would create a major obstacle for coherent place making, with land parcels being considered for development in an *ad hoc* manner, with an increased potential for commercial disagreements on the how the costs and values of different uses would be accounted for. It is also likely that the Council would not be able to optimise its land value without such equalisation.
- 3.5 Any party suffering depreciation in land value associated with providing infrastructure will be entitled to payments from any other land owner who benefits from it, based on the difference between the Residential Market Value of the land less its actual value for the use to which it is required to be put.
- 3.6 It is proposed that the Council's land at Parcel A will be used to locate the 2 Form of Entry Primary School and for the provision of the community facilities (including

retail and health care) that are required to meet needs arising from the development of both the Southern and Middle Quadrants. As such, the Council would be entitled to payments from the other land owners to reflect the reduction in land value suffered by accommodating these less valuable (but essential) uses on its land.

- 3.7 Parcel A currently accommodates three sports pitches (two full size and one junior size) two of which are used on regular basis. It is anticipated that any development of Parcel A would therefore be subject to the pitches having to be re-provided in line with Sport England guidance and planning policy requirements. Full details of the arrangements are set out in the Exempt Appendix 2 but essentially the developers will meet the cost of re-provision in the first instance, with the Council reimbursing these once it has been paid for its land. Executive Board is asked to approve the principle of the Council re-providing the sports pitches, to note the proposal set out in the separate Capital Programme report on the agenda for this meeting to inject up to £650,000 to facilitate this, and to give the Director of City Development authority to spend up to that amount.
- 3.8 Whilst a planning application for the Southern Quadrant has not yet been submitted, the masterplanning of both the Middle & Southern quadrants has been undertaken and this will form the basis of the application. The submission of the application will have to be approved by the Council as landowner.
- 3.9 These land uses will be brought forward in line with the requirements of the SPD. It is anticipated that they will be secured by planning obligations and the agreement with developers will provide for the Council to appropriate/dedicate its land as appropriate. Executive Board is asked to approve the principle of such appropriation or dedication as necessary.
- 3.10 It is envisaged that the Council will subsequently dispose of Parcel A to a third party or parties for development as a school and for community uses and Executive Board is asked to support this.
- 3.11 If the school and community facilities were to be accommodated on other land not owned by the Council, then if the Council were to bring forward its own land for residential development it would be required to make an equalisation payment to the land owner accommodating them. Under the Equalisation Agreement, subject to the playing pitches being re-provided, Taylor Wimpey would then have an option to purchase Parcel A for residential development.
- 3.12 The Council's land within the Middle Quadrant consists of existing woodland, which does not currently have formal public access. The agreement will provide for the land to be transferred to either the developers or a management company as and when the planning permission for the Middle Quadrant is secured and implemented. The land would be retained in its current use, with access and management formalised and the green space integrated with the network of amenity spaces throughout the development. Discussions are currently taking place about whether the land could also be used for flood alleviation purposes.
- 3.13 It is recommended therefore that approval be given to the Council entering into an Equalisation Agreement on the terms outlined above and those set out in the Exempt Appendix 2.

Option Agreements

- 3.14 The development of each quadrant of the ELE requires the co-operation of all land owners in the quadrant in order to deliver a comprehensive scheme in line with both

the planning allocation and the SPD. In recognition of this, Executive Board previously approved engagement with the Southern Quadrant developers to seek to agree terms for the sale of the Council's land. If terms could not be agreed, then it was agreed that proposals would be made to sell the land on the open market. Option Agreements would allow the Option holders to progress planning applications (both outline across the quadrant and reserved matters on the subject sites) and drawdown the Council's land at market value within the relevant option period, on the equalised value basis as described above.

- 3.15 Terms have been agreed with the relevant parties and it is recommended that the Council should now enter into option Agreements for Parcels A, B and C on the terms detailed in the Exempt Appendix 2.

The ELE Pitch Strategy

- 3.16 To facilitate the land transactions and delivery of the masterplan described above requires a relocation of approximately 2ha of playing field land including two playing pitches currently located on the Council's land at Parcel A. Known as the John Smeaton Playing Field pitches they are generally under hire to local football clubs; over recent years they have been predominately used by the Whinmoor Juniors Football Club.
- 3.17 The Council acknowledges and supports the importance of formal playing pitches as a community asset in providing for local team sports, supporting active and healthy lifestyles and in offering open space for more informal uses where permitted. In their current location and condition however the John Smeaton pitches are in need of investment to bring up a sustainable and all-year-round usable standard, but no such budget provision is available to undertake works.
- 3.18 Although these pitches have formal status, they are located within the housing allocation of the ELE and as detailed above there is an opportunity to utilise the land for equally important community assets as part of the development masterplanning. In doing so there is a need to consider an appropriate re-provision and relocation of any affected pitches to ensure that local needs are met and in so doing provide facilities of commensurate accessibility and of a high standard that can be maintained in that condition for year-round playability. Any proposal to develop on land currently in playing pitch use must meet the requirements of Sport England in relocating facilities affected.
- 3.19 The opportunities for these pitch relocations have been considered against this and alongside the formal pitch needs arising from development across the rest of the ELE and in the context of significant investment coming forward through the FA Parklife programme. Nearby at Green Park a planning application has been submitted for one of three city Parklife hubs that will bring very significant investment in new artificial pitches and ancillary facilities.
- 3.20 At its meeting of October 2011 Executive Board approved an Informal Planning Statement as a guide for future development proposals for Council owned land at Whinmoor Grange, which set the scope for delivery of future potential land uses including a new cemetery (which has now been built), a new Parks and Countryside nursery (subsequently delivered as the Arium) and new sports pitches envisaged as providing for needs arising from the development of the East Leeds Extension.
- 3.21 The proposed ELE Pitch Strategy is consistent with this Informal Planning Statement, to focus any required pitch relocations from the ELE on replacement high quality provision at Whinmoor Grange. Proximity to the Arium has the potential

of allowing advantage to be taken of the access arrangements and close management and maintenance from the Parks and Countryside depot facilities there.

- 3.22 The masterplanning of the Southern Quadrant is likely to require two pitches to be relocated from John Smeaton playing fields, with one pitch retained and enhanced *in situ* for shared primary school and community use. The proposed equalisation and option arrangements between the Council and developers will forward fund the necessary feasibility, planning, pitch construction and related works to provide access, parking and ancillary facilities at Whinmoor Grange to facilitate this relocation. It is envisaged that the development of the primary school on site at John Smeaton would fund any necessary improvements to the pitch retained at that site.
- 3.23 This approach can be reflected and extended to other quadrants of the ELE where pitch provision or relocation may be required. In the Northern Quadrant there are no existing playing fields impacted by development proposals but provision of a new 2 Form Entry Primary School will be secured with similar community access to the playing pitches developed there, contributing to a net gain in overall pitch provision. At Red Hall, where the Council has recently appointed Redrow as preferred bidder for its land, subject to the progression of discussions on the layout and use of retained open space, there may be capacity to add to the provision at Whinmoor Grange, should a relocation requirement be identified through the planning process.
- 3.24 It should be noted that the Council is also currently exploring the case for the establishment of a Park & Ride facility at Whinmoor Grange, as part of the Wider Connecting Leeds Transport Strategy to intercept and provide a public transport alternative for inbound car journeys from the north of the city into the centre via the A64. Should such a scheme come forward it will offer the opportunity to improve accessibility by sustainable travel to any new pitch facilities brought forward at the site.
- 3.25 The Council will continue to liaise with Sport England in bringing forward this strategy and also with local sports clubs to identify funding and resource opportunities for existing retained pitches in the neighbourhoods adjoining the ELE, such as those at Skelton Woods and Amaranth. The disposal of land referred to in this report is eligible for the Capital Receipt Incentive Scheme and there is scope for ward members and officers to consider how this may be used to support appropriate capital improvements in those locations.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The ELE has been subject to significant consultation at key stages of scoping and decision making since its inception as a programme in 2013. There has been specific consultation on ELOR, the ELE SPD, and individual planning applications as well as ongoing community engagement through local neighbourhood fora, meetings with local interest groups and engagement with stakeholders on a range of issues.
- 4.1.2 With particular regard to the pitch relocation strategy the local sports clubs affected have been consulted and are in agreement with the proposed approach. The planning application for the Middle Quadrant and forthcoming application for the Southern Quadrant have or will benefit from focused engagement through the ELE

Consultative Forum (chaired by Cllr P Grahame, Ward Member for Crossgates and Whinmoor). The requirements for retail and health facilities are being brought forward in a collaborative way with the Council and local health economy partners to ensure the location and specification meets with the identified needs of existing communities and the anticipated needs of the new communities that will live in the ELE.

- 4.1.3 Ward Members for Crossgates and Whinmoor and for Harewood, in whose wards the Middle and Southern Quadrants of the ELE are located, have been engaged and briefed on the matters and they are supportive of the approach. Ward Members for Harewood, in whose ward the Whinmoor Grange site is located are also supportive of the approach to proposed development at that site.
- 4.1.4 Work has commenced on the creation of new branding and place marketing for the ELE as a whole, and this includes close working with stakeholders from a range of interests including local resident groups. The aim is to seek consensus on key aspects such as attributes and challenges and what makes the ELE unique. This work will lead on to generating a place vision and clear place branding, that retains strong meaning and resonance for local stakeholders, with further opportunities for stakeholder review and input.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An EDCI Screening has been completed and is attached as Appendix 3.
- 4.2.2 Whilst recognising the need to consider human rights, this indicates that the issues set out in this report are unlikely to have equality, diversity/cohesion and integration impacts, and that there is no need for a full assessment at this stage. However this will be kept under review throughout the promotion and implementation of the ELE more generally, to ensure that any EDCI impacts arising can be measured and mitigated against.
- 4.2.3 It is important to note that while the whole development of the ELE (and therefore the rationale for the land sale) may affect communities generally, this is not the subject of the current decision as the principle of development has already been agreed.
- 4.2.4 As noted above, the work underway to set out the ELE vision will help to promote the positive impact of the ELE overall (and the Council's role within it including its land sales) and bring neighbouring communities together alongside the new communities which will develop, through a shared understanding.

4.3 Council policies and the Best Council Plan

- 4.3.1 Entering into the agreements and taking forward the actions referred to in this report will help to facilitate the delivery of up to 5,000 new homes in the East Leeds Extension as a key component in delivering the housing requirements of the Local Plan. It will also facilitate the delivery of key physical and community infrastructure in the area including a primary school, health and retail facilities, and enhanced sports pitch provision, thereby helping to build a thriving and resilient community.
- 4.3.2 Delivering the ELE is key realising ambitions in the Best Council Plan regarding sustainable infrastructure, housing and inclusive growth and meeting the city's housing needs through this major plan-led development is a key component of the Council's Inclusive Growth Strategy – delivering on the Big Ideas for place,

including 21st century infrastructure, supporting places to respond to economic change and creating jobs close to local communities.

- 4.3.3 In addition, realising capital receipts from the disposal of the Council's land will contribute to the Council's mid-term financial strategy in support of all the Council's priorities.

Climate Emergency

- 4.3.4 The delivery of new homes and infrastructure in the ELE is a crucial component of the plan-lead approach to growth across the Leeds district as a whole, taking a balanced view of housing need and the allocation of sites to meet the diverse requirements of all residents and communities. The Local Plan and the Site Allocations Plan as part of this have been subject to sustainability appraisal and the Core Strategy has a raft of policies to ensure development comes forward to address carbon reduction, air quality, local environmental benefits and biodiversity gain. The development of the ELE will take place within this framework,

4.4 Resources, procurement and value for money

- 4.4.1 The Capital Receipts programme is an important source of funding for the Council. Budget shortfalls would be experienced if the disposal of surplus property assets does not continue or were delayed unnecessarily.
- 4.4.2 Some up-front expenditure will be required in connection with the proposals outlined in this report. Terms have been agreed with the Middle and Southern Quadrant developers for them to provide the Council with funds to meet that expenditure pending the receipt by the Council of the receipts due to it for the development and disposal of its land.
- 4.4.3 The disposal of the Council's land will be subject to the Capital Receipts Incentive Scheme, whereby 20% of the receipt generated can be retained locally for re-investment, subject to a maximum per receipt of £100k, with 15% retained by the respective ward and 5% pooled across the council and distributed to Wards on the basis of need via community committees.

4.5 Legal implications, access to information, and call-in

- 4.5.1 Throughout the latter stages of the negotiation of the Options and the Equalisation Agreement, Avison Young have provided Valuation and Consultancy advice to ensure that the terms agreed are commercial and that the Council's best consideration obligations are met.
- 4.5.2 The Chief Asset Management & Regeneration Officer confirms that, in her opinion, the proposed method of disposal outlined in this report will result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972. .
- 4.5.3 The information contained in Appendix 2 is exempt under Access to Information Rule 10.4 (3) as it contains information relating to the financial or business affairs of a particular person (including the Council). It is considered that the public interest in maintaining the content of Appendix 2 as exempt outweighs the public interest in disclosing the information as doing so would prejudice the Council's commercial

position and that of third parties in the negotiation of a land transaction, should they be disclosed at this stage.

4.6 Risk management

- 4.6.1 The commercial issues that have been considered and negotiated in respect of the Equalisation Agreement and Option arrangements are set out in the Exempt Appendix 2. As stated above it is considered that appropriate professional advice on valuation matters has been engaged to protect the Council's position as landowner.
- 4.6.2 The masterplanning work that has created the proposed location of uses across the Middle and Southern Quadrants including the proposals on the Council's land, has been undertaken in a collaborative way with the engagement of the Local Planning Authority. Whilst this is still subject to submission and determination of planning applications, there is a strong design-lead ethos and a high level of confidence in the fundamental place-making principles that have been applied. The planning applications will be lead and managed by the development consortium.
- 4.6.3 Vacant possession of the Council's land in the Southern Quadrant is required to the extent this enables delivery of the school and community facilities and this will be dependent upon the outcome of feasibility, design and planning work on the proposed new playing pitch location at Whinmoor Grange. The Council will manage this through its professional project management functions engaging expert external support where necessary to assess matters such ground conditions, specifications, cost plan and planning requirements.
- 4.6.4 The ELE is a long term, complex and major programme of planning and development of housing, infrastructure and community facilities. Each project or transaction within this is subject to its own project and risk management arrangements and internal governance, in accordance with the Council's established processes and procedures. The co-ordination of all aspects of this work is similarly managed to ensure robust and co-ordinated programme management, engagement and consultation.

5. Conclusions

- 5.1 Good and rapid progress is now being made on the planning and delivery of infrastructure, community facilities and new homes that will realise the long standing development proposals for the East Leeds Extension. As the largest single site allocated for development in the Local Plan there continues to be significant work lead by the Council and good quality collaboration between it, the private sector and local stakeholders to ensure the required co-ordination and certainty related to the very significant changes now coming forward.
- 5.2 Disposal of the Council's land in the way set out in this report and the related activities relating to the delivery of new and replacement community facilities and infrastructure represent an important next step in this major area of growth.

6. Recommendations

- 6.1 Executive Board is asked to:
 - a) Approve the Council entering into Option Agreements with Taylor Wimpey and Redrow in relation to the sale of Council land in the Southern Quadrant (as shown

in the plan at Appendix 1) and an Equalisation Agreement with the other Middle and Southern Quadrant land owners and developers, such agreements to be on the terms outlined in this report.

- b) Approve the principle of the Council's land at Parcel A in the Southern Quadrant of the ELE (as shown in the plan at Appendix 1) being appropriated or dedicated for use as a primary school and for the provision of community facilities as necessary and in accordance with planning requirements.
- c) Approve the principle of the Council disposing of land at Parcel A in the Southern Quadrant of the ELE (as shown in the plan at Appendix 1) to a third party or parties for use as a school and for the provision of community facilities.
- d) Note that the Capital Programme report on the agenda for this meeting proposes the injection of up to £650,000 to facilitate the re-provision of the existing sports pitches in the Southern Quadrant, to be forward funded by developers, and to authorise the Director of City Development to provide authority to spend up to that amount for this purpose.
- e) Reaffirm the principle of pitch development as set out in the Whinmoor Grange Development Brief and approve the progression of feasibility, design and the submission of a planning application to enable progression of the ELE playing pitch strategy as set out in paras 3.16-3.25.

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.