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Report of Asset Management & Regeneration

Report to Director of City Development

Date: 23 March 2021

Subject: Land at Manston Lane

Are specific electoral wards affected?	⊠ Yes	□No
If yes, name(s) of ward(s):	Crossgates & Whinmoor	
Has consultation been carried out?	⊠ Yes	□No
Are there implications for equality and diversity and cohesion and integration?	☐ Yes	⊠ No
Will the decision be open for call-in?	☐ Yes	⊠ No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4.(3) Appendix number: 1	⊠ Yes	□No

Summary

1. Main issues

- The subject site comprises land and one building, which is due to be demolished, extending to 4.5 acres (as per attached plan 19100/1AA).
- A sale of the subject site has been provisionally agreed between the council and the West Yorkshire Combined Authority (WYCA) on the terms as set out in the confidential appendix that accompanies this report.
- This report seek approval to those provisionally agreed terms and requests that the transaction is completed this Financial Year (FY 2020/2021).

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

- The sale of the subject site will provide a major source of capital for the Council's financial plan.
- The onward development of the site will support wider transport ambitions.

3. Resource Implications

 The Council will realise a capital receipt from the sale of the subject site in the same financial year as anticipated.

Recommendations

It is recommended that:

- a) the subject site is transferred on the terms as provisionally agreed and set out in the confidential appendix, and
- b) the report is exempted from call-in for reasons as set out in paragraph 4.5.3

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to:
 - a) the subject site being transferred on the terms as provisionally agreed and set out in the confidential appendix, and
 - b) the report being exempted from call-in for reasons as set out in paragraph 4.5.3

2. Background information

- 2.1 The subject site comprises land and one building, which is due to be demolished, extending to 4.5 acres (as per attached plan 19100/1AA).
- 2.2 The site can be divided in to 3 constituent parts. (1) the former Gatehouse, (2) Lazencroft Cottage and (3) 'land'. The 3 parts have been assembled with a view for onward disposal for an alternative use to support the changes in the vicinity.
- 2.3 The Gatehouse was a detached residential property adjacent to the rail line that the council acquired in September 2018 by way of negotiation with the owner. This was subsequently demolished to leave a cleared site.
- 2.4 Lazencroft Cottage (AKA the Pet Hotel) was a mixed residential and commercial property that traded as a dog/cat kennels that provided holiday and daytime pet care. The council acquired this in June 2020, again by way of negotiation with the owner. This is due to be demolished by the council (arrangements have been made for this to take place after the transfer of the site if needed).
- 2.5 The land element is the open land that forms the balance of the subject site. The council were already in ownership of this and it is vacant.
- 2.6 The East Leeds Orbital Road (under construction) and the Manston Lane Link Road (completed) have brought significant changes to this part of the city. There is now a bridge link in place that connects this area to Thorpe Park.
- 2.7 Thorpe Park, is a major development that was original conceived as an out of town office park together with a green park but which has now diversified as a mixed use development incorporating offices, non-food retail, leisure, hotel and residential development.
- 2.8 As part of the city's major public transport investment programme Thorpe Park is also proposed as the location for a new rail halt and Park & Ride facility. It is envisaged that this will further drive footfall at the site as well as offer attractive new travel options for existing and new residents of East Leeds, commuters, leisure and business visitors as an integrated part of the wider growth of the area, which will also benefit existing neighbourhoods, contributing to the regeneration of East Leeds as a whole

3. Main issues

- 3.1 Terms have now been provisionally agreed between the council and WYCA. The legal documentation and plans have now been finalised and agreed to enable the transfer to take place.
- 3.2 Approval is now sought to those provisionally agreed terms and these are set out in the confidential appendix.
- 3.3 It is anticipated that this sale will complete this Financial Year and as such approval is also sought to this timescale.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Ward Members (Crossgates & Whinmoor) have been consulted on the sale on 29 October 2020 and 12 March 2021; no objections were received.
- 4.1.2 The Executive Member for Resources has been briefed on the sale of the subject site most latterly on 12 March 2021.

4.2 Equality and diversity / cohesion and integration

4.2.1 There are no equality, diversity, cohesion or integration issues arising from the proposal to transfer the subject site on the provisionally agreed terms as set out in the confidential appendix.

4.3 Council policies and the Best Council Plan

4.3.1 A capital receipt realised from the sale of the subject site will contribute to the Council's financial strategy.

Climate Emergency

4.3.2 The subject of this report relates to a financial transaction and as such there are no impacts upon Climate emergency issues. The site once developer b the acquiring party will be developed in line with current climate guidelines.

4.4 Resources, procurement and value for money

- 4.4.1 The transaction that is the subject of this report will require officer resources only.
- 4.4.2 The sale of the subject site on the terms as set out in the confidential appendix will result in the council receiving a capital receipt for its assets within this Financial Year as budgeted.

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 Deputy 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 recommendations contained in this report constitutes a Key Decision which has not been included the List of Forthcoming Key Decisions for 28 clear days before it is intended that they will be made. Given that the documentation has only just been agreed and there is a need to complete this transaction within this Financial Year the decision to complete the transaction needs to be completed sooner than the 28 days period. It would be impractical to defer the decisions sought until they have been included in the List of Forthcoming Key Decisions for 28 clear days. In the circumstances, and in accordance with the Council's special urgency procedure, the Chair of the Strategy and Resources Scrutiny Board has been consulted and has agreed that the decisions are urgent and cannot be reasonably deferred. Therefore the decision advised in this report is also recommended to be exempt from call-in for these same reasons.
- 4.5.4 The Chief Officer Asset Management and Regeneration, confirms that the proposed method of disposal set out above is the method most likely to result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).

4.6 Risk management

4.6.1 There is a risk that the transaction will not complete. In the event that this occurs the asset will remain in the ownership of the council and alternative disposal options or use of the subject site could be considered but the wider transport benefits would be lost.

5. Conclusions

5.1 It is concluded that the subject site should be transferred on the terms as provisionally agreed and set out in the confidential appendix.

6. Recommendations

- 6.1 It is recommended that:
 - a) the subject site is transferred on the terms as provisionally agreed and set out in the confidential appendix, and
 - b) the report is exempted from call-in for reasons as set out in paragraph 4.5.3

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.