



Report of Land and Property

Report to Director of City Development

Date: 15 April 2021

Subject: Arena Development Plots, Clay Pit Lane, Leeds

Are specific electoral wards affected? If yes, name(s) of ward(s): Little London and Woodhouse	<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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4(3) Appendix number: 1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary

1. Main issues

- This report follows a report to Executive Board on 16 December 2020, which gave approval to:
 - a) The Council exchanging conditional contracts with the Buyer of the Yorkshire Bank site for the land exchange of the Council-owned northern development plot (Site A) with part of the Yorkshire Bank site (Site C) on the terms set out in the confidential appendix;
 - b) That officers negotiate final terms for the land exchange to be approved by the Director of City Development under delegated powers;
 - c) The continuation by officers of informal discussions with the Arena operator, regarding the scope of redevelopment and identification of complementary uses for the development plot precipitating from the land exchange, with proposals to be reported back.
- A planning pre-application for a student residential development to Sites A and D and a conference-type facility on Sites B and C is supportive of the principle of development. Continued informal discussions with the Arena operator have precipitated their support, particularly in relation to the proposed scale of such a conference-type facility that could be accommodated on the site.
- Through continued negotiations with the Buyer of the Yorkshire Bank site, the main terms that were approved by Executive Board have remained largely unchanged,

with only a minor revision to the some of the site boundaries in response to planning feedback and the mechanism by which the land exchange is to be secured legally. Further details of the final terms for the land exchange are set out in the confidential appendix of this report, which are recommended to be approved by the Director of City Development under delegated powers.

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

- The proposed land exchange will facilitate the creation of a single more versatile development plot with future development potential for uses complementary to the Arena. Such development would contribute to the Best City Priorities of Culture and Inclusive Growth by enhancing the image of Leeds through the hosting of major events and attractions, as well as supporting growth and investment into the city. The proposal will also bring forward purpose-built student housing, which shall support the Best City Priorities of Housing and Child-Friendly City.
- In relation to Climate Emergency, the development plots were temporarily landscaped pending their development. As part of any development, it is anticipated that any planning permission would require lost trees to be replaced in a greater number. New buildings constructed shall be required to meet modern construction standards.

3. Resource Implications

- The proposed land exchange will facilitate the creation of a single more versatile development plot that has the potential to be developed in the future for complementary uses to the Arena. Such a development would bring a capital receipt or revenue income to the Council.

Recommendations

- a) It is recommended that approval be given to the final terms, as outlined in the confidential appendix, for a land exchange to facilitate the creation of a single larger development plot, which can be brought forward for a potential future complementary use to the Arena.

1. Purpose of this report

- 1.1 The purpose of this report is to recommend for approval to the final terms, as outlined in the confidential appendix, for a land exchange to facilitate the creation of a single larger development plot, which can be brought forward for a potential future complementary use to the Arena.

2. Background information

- 2.1 The Council owns two development plots (Site A and Site B on the attached plan) to the front of the Arena, which were originally identified for complementary leisure uses to the Arena.
- 2.2 The Yorkshire Bank building (Site C and Site D on the attached plan) has recently been acquired by a third-party buyer (hereinafter referred to as the Buyer), who intends to redevelop the site for student housing once vacant possession is

obtained, which might not be until 2025. The Buyer is named in the confidential appendix of this report.

- 2.3 An opportunity has arisen to agree a land exchange of Site A for Site C, which would facilitate the creation of a single more versatile development plot with future development potential for leisure uses complementary to the Arena. The proposal would also enable the Buyer of the Yorkshire Bank site to bring forward much earlier a student residential development on Site A.
- 2.4 On 16 December 2020, Executive Board gave approval to:
 - a) The Council exchanging conditional contracts with the Buyer of the Yorkshire Bank site for the land exchange of the Council-owned northern development plot (Site A) with part of the Yorkshire Bank site (Site C) on the terms set out in the confidential appendix;
 - b) That officers negotiate final terms for the land exchange to be approved by the Director of City Development under delegated powers;
 - c) The continuation by officers of informal discussions with the Arena operator, regarding the scope of redevelopment and identification of complementary uses for the development plot precipitating from the land exchange, with proposals to be reported back.

3. Main issues

- 3.1 Following the Executive Board report of 16 December 2020, the Buyer of the Yorkshire Bank site has continued to progress their planning pre-application (PREAPP/20/00478), which proposes a circa 37 storey student residential scheme on Site A, a further student residential scheme on Site D of varying heights up to circa 16 storeys and the principle of a conference facility on Sites B and C.
- 3.2 Whilst each of the Sites A to D have challenges in planning, conservation and highways terms, it is considered that the pre-app has provided sufficient comfort to both the Buyer of the Yorkshire Bank site and the Council (in its capacity as landowner) in relation to the deliverability in planning terms of both the student residential schemes and a conference-type facility. The Arena operator has expressed its support for the proposal, with particular regard to the potential scale of the conference-type facility that could be created on the newly formed Site B and C.
- 3.3 Through continued negotiations with the Buyer of the Yorkshire Bank site, the main terms that were approved by Executive Board report on 16 December 2020 have remained largely unchanged, with only a minor revision to the some of the site boundaries in response to planning feedback and the mechanism by which the land exchange is to be secured legally. Further details of the final terms for the land exchange are set out in the confidential appendix of this report, which are recommended to be approved by the Director of City Development under delegated powers.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Executive Members for Resources, for Inclusive Growth and Culture and for Climate Change, Transport and Sustainable Development were consulted in the preparation of the Executive Board report and the proposals brought forward.

4.1.2 Ward Members were consulted on 6 November 2020 and had no objections to the principle of the proposal.

4.1.3 Consultation and ongoing engagement has taken place with the Arena operator to determine the scope of redevelopment and identification of complementary uses.

4.2 Equality and diversity / cohesion and integration

4.2.1 An Equality, Diversity, Cohesion and Integration screening was carried out as part of the Executive Board report, which showed no impacts on any of the protected characteristics.

4.3 Council policies and the Best Council Plan

4.3.1 The proposed land exchange will facilitate the creation of a single more versatile development plot that has the potential to be developed in the future for complementary uses to the Arena. Such development would contribute to the Best City Priorities of Culture and Inclusive Growth by enhancing the image of Leeds through the hosting of major events and attractions, as well as supporting growth and investment into the city. The proposal will also bring forward purpose-built student housing, which shall support the Best City Priorities of Housing and Child-Friendly City.

Climate Emergency

4.3.2 The development plots were temporarily landscaped pending their development. As part of any development, it is anticipated that attached to any planning permission will be a requirement to replace the lost trees in a greater number than the plots currently contain. The new buildings constructed shall be required to meet modern construction standards to meet Climate Emergency requirements.

4.4 Resources, procurement and value for money

4.4.1 The proposed land exchange will facilitate the creation of a single more versatile development plot that has the potential to be developed in the future for complementary uses to the Arena. Such a development would bring a capital receipt or revenue income to the Council.

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 proposal constitutes a Significant Operational Decision and is therefore not subject to call in.

4.5.4 The Deputy Head of Land and Property confirms that in their 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 Appendix 1 is exempt under Access to Information Rule 10.4(3) as it contains information relating to the financial or business affairs of a particular organisation 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 proposed land exchange 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 transacting parties for other similar sites 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

4.6 Risk management

- 4.6.1 In agreeing to the proposal, there is a risk that planning permission may not be granted for the proposed student development and/or the conference/leisure facility. The terms of the land exchange are conditional on the grant of planning permission of a student residential development on Site A. Whilst there is a risk planning permission may not be granted, the pre-app has reduced this risk as the proposed development of student residential accommodation and a conference-type facility across the sites is supported in principle. However should planning permission not be granted for a student residential development on Site A, the Buyer could withdraw and the Council would retain its ownership of Sites A and B. Whilst there is a risk that full planning permission may not be granted in due course for a conference/leisure facility, this risk has been mitigated through the pre-application process, which has included comments from design, highways and conservation.

5. Conclusions

- 5.1 It can be concluded that the land exchange presents an opportunity for the Council to obtain a single more versatile development plot that has the potential to be developed in the future for complementary uses to the Arena. The land exchange will also bring forward, subject to planning, the development of the northern plot (Site A) for a high-rise student development, which will complement the existing and ongoing student housing provision in this area. It is concluded that a recommendation can be made to give approval to the final terms, as outlined in the confidential appendix, for a land exchange to facilitate the creation of a single larger development plot, which can be brought forward for a potential future complementary use to the Arena.

6. Recommendations

- 6.1 It is recommended that approval be given to the final terms, as outlined in the confidential appendix, for a land exchange to facilitate the creation of a single larger

development plot, which can be brought forward for a potential future complementary use to the Arena.

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.