

Land acquisition for Armley Gyratory junction upgrade scheme (Capital Scheme: 33363/000/000/7/1)

Date: 25 May 2022

Report of: Land and Property

Report to: Chief Officer Asset Management and Regeneration

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report seeks approval to the terms of the Council's acquisition of third-party owned land (as identified on the relevant plans in Appendix 1) to facilitate highway improvement works required to Armley Gyratory.
- The recommended terms also include an assignable call option in favour of the third-party over the Council's land (as identified on the relevant plan in Appendix 1) in the event that the third-party obtains planning permission for an alternative access to their site. Details of the proposed terms are set out in confidential Appendix 2.
- The Armley Gyratory junction upgrade scheme is a key enabler for the closure of City Square and helps facilitate the Best City ambition by creating opportunity for a world class public space, releasing highway for improved public realm in other city centre locations, improving the environment, encouraging more city centre living, enabling investment, improving health outcomes through improving active travel facilities, and future-proofing the city centre for the arrival of key transport projects including Mass Transit.

Recommendations

The Chief Officer Asset Management and Regeneration is requested to approve the terms, as set out in confidential Appendix 2, for:

- a) Acquisition of third-party owned land to facilitate highway improvement works required to Armley Gyratory.
- b) An assignable call option in favour of the third-party over the Council's land in the event that the third-party obtains planning permission for an alternative access to their site.
- c) Entering into a Non-Disclosure Agreement with the third-party in relation to a report summarising the ground conditions pertaining to the acquisition land.
- d) A Deed of Easement to be granted to the third-party to provide them with full access rights between their two parcels of land either side of the gyratory.

- e) A Deed of Variation to an existing site compound lease the Council has over the third-party's land, which shall allow for the acquisition land to be surrendered from the demise, the introduction of working areas and the temporary installation of services.

Why is the proposal being put forward?

- 1 In April 2021, Executive Board gave its support to the principle of closing City Square to through traffic and the upgrade of Armley Gyratory. The proposals set out in this report shall facilitate this ambition through the acquisition of third-party owned land required as part of the Armley Gyratory upgrade.
- 2 The Armley Gyratory junction upgrade scheme is a key enabler for the closure to through traffic of City Square and helps facilitate the Best City ambition by creating opportunity for a world class public space, releasing highway for improved public realm in other city centre locations, improving the environment, encouraging more city centre living, enabling investment, improving health outcomes through improving active travel facilities, and future-proofing the city centre for the arrival of key transport projects including Mass Transit.

What impact will this proposal have?

Wards Affected: Armley

Have ward members been consulted? Yes No

- 3 The proposal involves the acquisition of third-party owned land, as shown on the plan in Appendix 1, on the terms set out in confidential Appendix 2. The acquired land shall be used to upgrade the Armley Gyratory.
- 4 The proposal also includes an assignable call option in favour of the third-party seller over the Council's land (as shown on the relevant plan in Appendix 1) in the event that the seller obtains planning permission for an alternative access to their site. The terms for the option are set out in confidential Appendix 2.
- 5 The third-party, which owns land both at the centre of the gyratory and outside to the west, has recently demolished a former training centre and call centre on their land to the west of the gyratory. The Council is currently leasing on a temporary basis an area of land from them for a site compound during construction of the gyratory improvement works. The third-party have been in discussions with the Council about a potential joint disposal of their land to west of the gyratory and the Council's adjoining fields to the south for a potential new housing development. Terms are not agreed, however, and the third-party continues to progress general plans to bring forward their land holdings for disposal, either in conjunction with the Council or on the open market. Alternative uses may or may not require a new or improved access, which is why the third-party is requesting a call option on part of the Council's adjoining land in the event that the existing access requires upgrading.
- 6 Whilst the Council has undertaken its own ground investigation surveys of the land it is to acquire, the third-party has agreed to share its own ground survey reports providing the Council signs a Non-Disclosure Agreement (NDA). Legal Services have had sight of the NDA and have not raised any concerns about the Council entering into the agreement. This report also seeks approval to enter into the NDA to obtain those reports.
- 7 A Deed of Variation is required to document changes to an existing contracted-out site compound lease, which the Council has over the third-party's land. The Deed shall allow for the acquisition land to be surrendered from the demise, the introduction of working

areas within the demise to enable the highway improvement works to be undertaken on the acquired land and permit the temporary installation of services to facilitate the occupation of portacabins. The working areas are shown by way of green hatching on the plans (ref 18969/AB/1, 18969/AB/2, 18969/AB/3, 18969/AB/4) in Appendix 1.

- 8 A Deed of Easement will be granted to the third-party to provide full access rights over Council land (as shown coloured brown on plan ref 18969/AC in Appendix 1) which forms an underpass between the third-party's two parcels of land at either side of the gyratory. The third-party currently has a right to use the underpass, but only in relation to certain parts of its land. The terms on which the Deed of Easement shall be granted are set out in confidential Appendix 2.

What consultation and engagement has taken place?

- 9 Considerable public and ward member consultation has taken place over the last few years in relation to the proposed Armley Gyratory upgrade scheme. Alongside public consultation, the Council has maintained dialogue with statutory bodies, such as Network Rail, Highways England, Historic England, and non-statutory interest groups, such as Leeds Cycling Campaign, Ramblers group etc.
- 10 Further consultation took place as part of the Armley Gyratory upgrade scheme planning application (21/06251/FU), which was approved on 9 December 2021.
- 11 Ward members were provided with an update on 6 May 2022 with regard to the proposals set out in this report. No comments have been received.

What are the resource implications?

- 12 The land acquisition costs, including the payment of third-party landowner fees, shall be borne by the Armley Gyratory upgrade scheme. Funding for the scheme is being obtained through grant funds from West Yorkshire Plus Transport Fund, confirmed through a Funding Agreement, dated 1 May 2019, between West Yorkshire Combined Authority (WYCA) and the Council.

What are the legal implications?

- 13 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.
- 14 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.
- 15 The proposal constitutes a Significant Operational Decision and is therefore not subject to call in.
- 16 The Deputy Head of Land and Property confirms that in their opinion the terms offered to the Council represent a fair market value for the property.
- 17 The information contained in the Appendix 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 relation to certain companies and charities. It is considered that since this information was obtained through one-to-one negotiations for the purchase of the land/property referred to then it is not in the public interest to disclose this information at this point in time. Also, the release of such

information would or would be likely to prejudice the Council's commercial interests in relation to and undermine its attempts to acquire by agreement similar properties in the locality in that owners of other similar properties would be aware 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 available from the Land Registry following completion of the purchase 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.

What are the key risks and how are they being managed?

- 18 There is a risk that the seller may withdraw, but this is unlikely as negotiations have been ongoing for a number of years and the seller is set to potentially benefit from the transaction through an assignable call option for an alternative access to their site, which is being prepared by them for sale on the open market.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 19 Sustainable Infrastructure and Inclusive Growth is at the forefront of the Armley Gyratory proposals with the objective being the major regeneration of the city's dated highway infrastructure and to improve connectivity to this key area of the Strategic Road Network, while creating the capacity to remove through traffic from City Centre roads.
- 20 One of the key points of feedback received from the residents of New Wortley was how the current gyratory is a barrier, with 40% of respondents wanting the new scheme to address poor pedestrian crossing provision. The proposed improvements help to connect New Wortley with the city centre therefore improving access to jobs, education, culture and shopping for this neighbourhood with low car ownership, and at same encouraging people to undertake short distance trips by active modes, which helps people's health and the environment.
- 21 The Council declared a Climate Emergency in March 2019. The modelling required for the Full Business Case and Planning Application assessed the City Centre Package's (a collection of city centre highway improvement works) impact on the environment including noise, air quality and carbon dioxide emissions. The removal of traffic from the city centre is a key part of the aspiration to make the city centre a more liveable, walkable environment supporting sustainable living and moving around on foot, by bike or public transport, through better facilities, cleaner air and world-class open spaces. Reallocation of road space is required to achieve these aims and the Armley Gyratory scheme is the key enabler to achieving this.

Options, timescales and measuring success

a) What other options were considered?

- 22 A number of alternative highway improvement layouts were considered for the Armley Gyratory scheme before the current proposal was finalised and planning permission obtained. Each of the schemes considered required the acquisition of third-party owned land. As this is now the agreed scheme, there are no alternative options to consider as the scheme cannot be delivered without acquiring the land.

b) How will success be measured?

23 Completion of the land acquisition and call option.

c) What is the timetable for implementation?

24 It is hoped to complete the land transactions in May 2022.

Appendices

25 Appendix 1: Plans, as specified below:

- i. Acquisition plan ref 18969/AB/1.
- ii. Acquisition plan ref 18969/AB/2.
- iii. Acquisition plan ref 18969/AB/3.
- iv. Acquisition plan ref 18969/AB/4.
- v. Option plan ref 18969/AD (area edged red).
- vi. Easement plan ref 18969/AC (area shaded brown).

26 Confidential Appendix 2: Terms.

Background papers

27 None.