

Land at Leodis Way, Stourton, LS10

The privately owned Maritime Container Base at Valley Farm Road, Stourton, has recently been acquired by Baytree, a pan-European logistics and industrial development company focusing on the UK, German and French markets. Baytree has submitted a planning application to redevelop the site with new state of the art distribution warehouses. Whilst having vehicular access from Valley Farm Road and Valley Farm Way Baytree wish to construct a new access point from the adopted Leodis Way which will involve crossing Council owned land. This report recommends terms for the sale of the land to Baytree.

Does the report contain confidential or exempt information? Yes No

Brief Summary

Recommendations

1. That approval be given:
 - a. To declaring the land surplus to the Council's requirements, and
 - b. To the terms for the sale of the land on the terms included in the report.

What is this report about?

2. The report is recommending terms for the sale of Council owned land to an adjoining owner to facilitate construction of a new vehicular access point to a proposed distribution warehouse development.

What impact will this proposal have?

3. The land is not being used by the Council and could not be sold to any other party. Sale of the land will enable a new access point to be constructed to a major development providing state of the art distribution warehousing and local employment opportunities.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

4. Redevelopment of the Maritime Container Base will provide a new and improved working environment promoting healthier ways of working, bringing multi-million pound investment to the area and employment creation for local residents, and all buildings will be built to the latest energy efficiency standards to assist the Council's ambition of zero carbon.

What consultation and engagement has taken place?

Wards affected: Hunslet & Riverside

Have ward members been consulted? Yes No

5. Baytree advise they have advised the Ward Members of the development proposals directly and support has been expressed. Ward Members (Cllr Edward Carlisle, Cllr Paul Wray and Cllr Mohammed

Iqbal) were consulted by Land & Property on 20 September 2022. Cllr Wray and Cllr Carlisle have confirmed they have no objections to the proposed sale. No response has been received from Cllr Iqbal *any received before approval will be added to the report.*

What are the resource implications?

6. The Council's land is not essential for the redevelopment, but does enhance development potential slightly and provides a more prominent vehicular access point. The land required is a steeply sloping unmaintained narrow strip between the adopted highway and the Maritime site. It is a maintenance liability and of no use to the Council or any other party in isolation.
7. The land vests with Communities, Housing and Environment. The land required for construction of the new access point is that area shown speckled on plan ref 18138/F however, Baytree requested to purchase the larger subject site shown edged black to undertake enhancement works along the frontage of the Maritime site to Leodis Way. The Council is currently not regularly maintaining the land and Baytree want to assume future maintenance responsibilities. The land is of no use to the Council and offers no other development potential. The Council will realise a capital receipt and fees from the sale which would not otherwise be possible.
8. The land was part of a much larger acquisition of land the Council completed in 1988. The majority of that land was then sold on in 2002 for the Arla development. The remaining land (the subject site) adjacent to Leodis Way is of no use to the Council in isolation.

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

9. Baytree wish to purchase the land on an unconditional basis. Baytree recently purchased the adjoining Maritime Container Base, intend to merge the ownerships and redevelop the whole when planning permission has been secured. Baytree has submitted a planning application (ref 22/01842/FU for erection of three distribution warehouses with ancillary offices (Use Class B8) up to a GEA of 52,505m² with 188m² of ancillary servicing structures, the creation of a new access off Leodis Way, the provision of vehicle, motorcycle and cycle parking and manoeuvring areas, landscaping, ground remodelling works, sustainable drainage, utilities provision and associated works) and is confident planning consent will be granted. There is a low risk the sale does not complete.

What are the legal implications?

10. 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.
11. The proposal constitutes a Significant Operational Decision and is therefore not subject to call in.
12. 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).
13. 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.

Options, timescales and measuring success

What other options were considered?

14. A long lease could be granted rather than a freehold sale being completed, but Baytree wish to own the land on the same freehold basis as their adjoining container base. Another option would be for the Council not to sell the land. This is not, however, recommended as the Council has no use for the land in isolation and the Council's support for the adjoining redevelopment and employment creation is demonstrated through the sale.

How will success be measured?

15. Success will be measured by the sale being completed.

What is the timetable and who will be responsible for implementation?

16. The sale is likely to be completed in the 2022/23 financial year. The Deputy Head of Land & Property will be responsible for implementation as section head of the Land & Property team handling the sale.

Appendices

- Plan ref 18138/F
- Confidential Appendix

Background papers

- There are none.