

100 Wellington Street, 114 Wellington Street and Castle House, Lisbon Street, Leeds - Extension of ground Leases and Consent to Carry out external alterations

Date: 10 August 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 relates to extension of the ground leases and landlord's consent in relation the site owned by Leeds City Council located on at 100 Wellington Street, 114 Wellington Street and Castle House, Lisbon Street.
- Recommendations in the report support the Council's inclusive growth strategy and aligns with the emerging Innovation Arc proposals.

Recommendations

- Recommended that approval is granted to extend the leases and grant landlords consent to the alterations as set out in this report and the confidential appendix.

Why is the proposal being put forward?

Landlords consent has been sought in line with the lease for the external alterations and extension of leases to assist to bring forward the successful redevelopment of West Village. Leeds City Council is the landlord of the leases set out in the confidential appendix. The parties are as set out in the confidential appendix.

The current tenant is seeking Landlord's consent to extend the current leases to 250 years in return for a revised income arrangement and to carry out external alterations in line with the terms of the leases. This will create a proposal that is supportive of the Leeds of the wider regeneration of this area of the City.

What impact will this proposal have?

Wards Affected: Little London and Woodhouse

Have ward members been consulted? Yes No

What consultation and engagement has taken place?

Planning was granted on the 30 May 2022 for the alterations to the exterior of the premises. Planning permission number 21/08349/FU. Approved by the Chief Planning Officer. Consultation has taken place with the Executive Member of Resources in December 2021.

What are the resource implications?

- 1 The proposals will provide for an increase in rental to the council.
- 2 There are no resource implications other than officer time to implement..

What are the legal implications?

- 3 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 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.
- 5 The proposal constitutes a Significant Operational Decision and is therefore not subject to call in.
- 6 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 in relation to the subject 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.
- 7 Best consideration para.

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

- 8 Proposal contained in the report, has no significant risk to Leeds City Council. The completion of the proposal has many benefits as oppose to risks to the Council and brings forward the redevelopment and significant private sector investment to bring the asset into a modern standard

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

Inclusive Growth Health and Wellbeing Climate Emergency

- 9 Yes – The proposal as set out in this report aligns with the Council's strategy 3 pillars above.

Options, timescales and measuring success

a) What other options were considered?

10 Not to grant the extensions of the leases and rejected the proposal and not see the benefits as set out in this report.

b) How will success be measured?

11 This will be measured on completion of the legal document.

c) What is the timetable for implementation?

12 The extension of the leases will start as soon as the legal process is complete.

Appendices

13 Confidential appendix and plan

Background papers

14 None