

Whinmoor Fields – Preferred Bidder Selection

Date: 18th April 2024

Report of: Land and Property

Report to: Chief Officer, Asset Management & Regeneration

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The Council marketed Whinmoor Fields in October 2023. The site extends to approximately 1.18 hectares and is allocated for residential use in the Site Allocations Plan, being part of the larger East Leeds Extension. Numerous bids for the site were received, these offers have been considered and a preferred bidder is recommended in this report.

Recommendations

That approval be given to the terms for the sale of the land on the terms included in the report.

What is this report about?

- 1 Whinmoor Fields is a cleared site located on Skeltons Lane within the larger area of the East Leeds Extension allocated for residential use in the Site Allocations Plan H3-A.33 (HG1-288) Policy HG1.
- 2 The site is part of the former Bramley Grange Farm, which was purchased by negotiation as part of the land assembly exercise for construction of the East Leeds Orbital Road (ELOR). ELOR is now open to public use, and Whinmoor Fields is now surplus to requirements. The Chief Officer Asset Management & Regeneration approved the marketing of the site on 19th September 2023. The Council invited bids for the site in October 2023.
- 3 Avison Young was appointed to manage the marketing of Whinmoor Fields. Marketing commenced on 16 October 2023 and concluded on 29th November 2023. The site received a good response from the market and numerous bids were submitted. A round of further questions were put to the bidders to help clarify each bid to allow for a more comprehensive analysis of bids received. Avison Young was consulted to support the selection of a preferred bidder.
- 4 It is recommended that the preferred bidder is selected on terms as detailed in Confidential Appendix 3.

What impact will this proposal have?

- 5 The residential site extends to approximately 1.18 hectares, shown edged black on plan 21013/C. New build houses will contribute to the overall total anticipated in the East Leeds

Extension together with affordable housing and contributions to other improvements which can be secured through the statutory planning process.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 6 The eventual sale and development of Whinmoor Fields will contribute to health and wellbeing as new well designed energy efficient homes, together with home ownership, are proven to improve health and wellbeing. Investment in developing the site will contribute to the economic growth of Leeds and the ambition of inclusive growth. The new homes will be highly insulated and energy efficient contributing to the ambition of zero carbon.

What consultation and engagement has taken place?

Wards affected: Harewood

Have ward members been consulted? Yes No

- 7 Cllrs Samuel Firth, Cllr Matthew Robinson and Cllr Ryan Stephenson were consulted by Land & Property on 15 August 2023, prior to marketing commencing. Cllr Stephenson sought confirmation part of the capital receipt would be available to fund ward based initiatives. Financial Services advised the site was excluded from the Capital Receipts Incentive Scheme so no funding would be available. This was confirmed to Cllr Stephenson, who then asked to see the CRIS terms of references highlighting provision for exemptions and the decision report agreeing the site would be exempt. This was provided to Cllr Stephenson on 24 August 2023.
- 8 Cllr Pauline Grahame, in her capacity as Chair of the East Leeds Extension Consultative Forum, was advised on 24 August 2023 of the intention to market the site. Cllr Grahame acknowledged receipt of the information.
- 9 The Executive Member for Resources was consulted on the 29.08.2023 and 16.05.24 regarding disposing of the site and was supportive.

What are the resource implications?

- 10 Executive Board on 7 January 2020 approved recommendations from the Director of City Development relating to the continued disposal of surplus property through the Council's Capital Receipts Programme. Members agreed, amongst other things:
- "b) That the continued disposal of surplus property assets through the Capital Receipts Programme, be supported, and that the list of properties detailed in Appendix A to the submitted report which are currently scheduled for disposal in the next three years, be noted;
 - c) That the schedule of sites, as detailed in Appendix A to the submitted report, be approved as the Council's Capital Receipts Programme of surplus land and property for disposal;"
- 11 Whinmoor Fields, which was known as Bramley Grange Farm, featured in Appendix A and is therefore declared surplus to Council requirements and approved for disposal by Executive Board. The decision was taken as a Key Decision, ref D50468. The method of disposal is a matter for consideration and approval by the Director of City Development under the Officer scheme of delegation.

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

12 There is a risk, as with any sale, that the buyer does not perform as expected. A strict yet reasonable timetable for completion will be outlined in the Heads of Terms, which will be agreed by the selected bidder. A reserve bidder will be selected in case the selected bidder fails to perform. As the terms of the sale recommended are unconditional, any risks associated with planning or development timescales would fall upon the selected bidder.

What are the legal implications?

- 13 As detailed in paragraph 2 (above) the site was acquired by negotiation. Should negotiations have failed it is quite likely an acquisition by CPO would have been pursued. It could have been perceived the negotiations were conducted under the threat of compulsion and certain CPO rules could be seen to apply to the overall transaction. One such circumstance could be where the Council, as the new owner, comes to sell the acquired land, could have to offer the former owner the opportunity to acquire the land, or the part being proposed for sale, for market value (Crichel Down rules). The former owner confirmed to the Technical Services Lead – Property on the 11th June 2024 it has no interest in reacquiring the land.
- 14 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.
- 15 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.
- 16 The proposal constitutes a Significant Operational Decision and is therefore not subject to call in.
- 17 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).
- 18 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 inviting of best and final offers for the property/land then it is not in the public interest to disclose this information at this point in time as this could lead to random competing bids which would undermine this method of inviting bids and affect the integrity of disposing of property/land by this process. 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 offers 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?

19 The site could be retained in Council ownership and let for agricultural use, or the Woodland Creation initiative as with the northern land. This is not recommended as the site has a residential allocation, is part of the East Leeds Extension and will contribute to housing growth required in the city. However, interest from developers has been strong and offers competitive,

taking into account the relatively long period of time an acquisition takes to complete and the anticipated economic improvements that could take place in that time.

How will success be measured?

20 Success will be measured by the completion of the sale.

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

21 The timetable for implementation is outlined in Confidential Appendix 3. The Technical Services Lead (Land & Property) will be responsible for implementation as head of the Land & Property team dealing with the project.

Appendices

- Appendix 1 - Plan 21013/C
- Confidential Appendix 2 – Schedule of Bidders
- Confidential Appendix 3 – Bidder Selection

Background papers

There are none.