

CHESHIRE EAST COUNCIL

Minutes of a meeting of the Environment and Prosperity Scrutiny Committee

held on Monday, 25th July, 2011 at Committee Suite 1 & 2, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor L Gilbert (Chairman)
Councillor G M Walton (Vice-Chairman)

Councillors A Barratt, P Butterill, P Groves, D Neilson, R Cartlidge and
S Hogben

Apologies

Councillors P Hoyland, K Edwards, H Davenport, R Fletcher

122 DECLARATIONS OF INTEREST/WHIPPING DECLARATIONS

Councillor Roy Cartlidge declared a personal interest in the Heritage Centre as a visitor to the museum.

Councillor Dorothy Flude also declared a personal interest in the Heritage Centre as a visitor to the museum.

123 OFFICERS PRESENT

Caroline Simpson- Head of Regeneration
Peter Hall – Assets Manager
Tessa Leonard - Solicitor
Mark Nedderman – Senior Scrutiny Officer
James Morley – Scrutiny Officer

124 ALSO PRESENT

Councillor J Macrae – Cabinet Member for Prosperity
Councillor D Flude
Councillor D Brickhill

125 CREWE HERITAGE CENTRE - CORRESPONDENCE

The Chairman wished to place on record that all Members of the committee had received correspondence directly from the Crewe Heritage Centre Board of Trustees and the Exeter West Group.

126 PUBLIC SPEAKING TIME/ OPEN SESSION

Mr Peter Barnard a member of the Crewe Heritage Centre Board of Trustees attended the meeting and addressed the Committee in respect of called –in decision concerning the Crewe Heritage Centre.

He stated that all parties involved in the site, wanted to see capital investment in the Heritage Centre for the benefit of Crewe's regeneration and heritage.

He contended that the Council's view that the offer to sell a 125 year lease on the site which would include the preservation of the existing rights of the current leaseholders for the next 30 years would encourage investment, was misguided.

He referred to the historic arrangements for the site put in place by the former Crewe and Nantwich Borough Council in 1994 and to subsequent arrangements to permit part of the site to be used by the LNWR Society.

He described the Trust's efforts to secure funding for the future through an application to the heritage Lottery Fund and to resolve current issues on the site including the appointment of a manager in 2007. He asked that the committee recommend deferring the decision for two years and to give support in the application for Lottery Grants.

127 **MINUTES OF PREVIOUS MEETING**

RESOLVED – That the minutes of the meeting held on Tuesday, 5th July, 2011 be approved as a correct record and signed by the Chairman.

128 **CALL-IN OF THE DECISION OF THE CABINET MEMBER FOR PROSPERITY DATED 27 JUNE 2011 RELATING TO THE CREWE HERITAGE CENTRE**

The Chairman outlined the procedure for the Call-in of the decision of the Cabinet Member for Prosperity made on the 27th June 2011 to declare the site of the Crewe Heritage Centre surplus to the requirements of Cheshire East Council.

The Chairman clarified to those present, that the decision was not related to the future of the Centre but to the ownership of the land.

On behalf of the eight Members who had signed the Call-in, Councillor D Flude addressed the Committee and outlined the reason for the Call-in which stated:

'That Members have not been provided with adequate information about the site occupied by the Crewe Heritage Centre i.e. site plan and estimated value of site, that the proposed lease of 125 years is not best in the interest of the Borough of Cheshire East or the towns people of Crewe town'

Councillor Flude added that:

- The group recognised that the current situation on site was not perfect but the proposal to offer a 125 year lease for sale on the open market would disadvantage some groups at this point in time due to their lack of funds and suggested that the future of the site should be considered in conjunction with other Heritage sites within Crewe, such

as the Lyceum Theatre, Municipal Buildings and the Library.

- The 'Call-in' group were not opposed to the principle of a new lease but considered that it was premature to offer the lease at this point in time and the needs of the town of Crewe as a whole needed to be taken into account.

Councillor D Brickhill also addressed the Committee on behalf of the group and stated that:

- The Engineering activity on the site was occurring on land appropriated by LNWR since the original permission to use part of the site was granted by Crewe and Nantwich Borough Council in the 1990's.
- The Trustees should be given time to process their application for £2 million grant funding from the Heritage Lottery fund.
- There were sites elsewhere in Crewe that were more suitable for the heavy engineering activities carried out at the site by LNWR

Councillor Macrae Prosperity Portfolio Holder outlined the decision taken on 27 June, referring to the Report Summary (item 5 appendix 2). The Council was seeking to establish a long-term viable future for the Crewe Heritage Centre, by regularising an inherited position from the former Crewe and Nantwich Borough Council. He acknowledged that tensions existed between the trust and LNWR.

Councillor Macrae clarified that the new 125 years lease was a 'head lease' and would have restrictive covenants to protect the site for rail heritage. The remaining 30 years of the current lease would also have to be adhered to.

The decision to sell a 125 year lease offered an opportunity to set out a clear way forward for the site and the Heritage Centre. It was suggested that the new lease would provide added security for the long term viability of the site and would improve the chances of securing a successful bid for lottery funding.

In response to questions from the Committee, the Prosperity Portfolio Holder assisted by Head of Regeneration and Asset Manager and Solicitor stated that:

- The Council was not represented on the Board of Trustees for the Heritage Centre.
- The new head lease would be offered for sale on the open market; and therefore was open to bids from any organisation or individual. The successful purchaser of the head lease would in effect become the landlord for the site. If the heritage trust successfully bid for the head lease, the Council would consider merging the existing lease with the new head lease.
- It was acknowledged that there was little commercial incentive for a body to take over the new head lease; it would however provide an

opportunity for rail enthusiasts to take on the role of landlord.

- Many options had been explored in the last 18 months and the proposal was considered to be the best option for the future of the heritage of Crewe on this particular site.
- This Council would not make any cost savings from this decision nor was it likely to realise a significant capital receipt from the sale, but the new head lease would give the Council an opportunity to regularise the current alleged unauthorised activities on site.
- Cheshire East would be able to support an application for heritage lottery funding.
- The wording of a lease would include a requirement that 'rail heritage' would include provision of a museum and public access to the site and not just engineering or other rail heritage.
- If a decision was delayed, the issues at the site were likely to continue. The Council had a duty to ensure the sustainability of rail heritage in Crewe

Having answered questions, Councillor J Macrae declared a Personal and Prejudicial interest in this matter and withdrew from the meeting.

The meeting was adjourned for 5 minutes and resumed at 11.20am.

The following answers were given to additional questions raised with the Assets Manager and Solicitor.

- It was possible to amend the current 50 year lease through mutual agreement between the Council and the Board of Trustees.
- LNWR could bid for the new 125 year lease and would have to satisfy all of the terms of evaluation to be successful.

The Committee then considered the report of the Borough Solicitor enclosing the grounds of the call-in, the options available to the committee in respect of the call-in, together with the original report of the Strategic Director of Places from a meeting on 27th June 2011. The Committee also considered a formal response to the call-in from the Portfolio Holder for Prosperity.

RESOLVED –

That the following advice be offered to the Portfolio Holder for Prosperity:

- a. That the decision to offer for sale on the open market, a 125 year lease in respect of the land at the Crewe Heritage centre, be deferred for two years on the grounds that the Committee is of the opinion that there are no compelling reasons to take this

decision at this point in time. The deferment for two years will allow the Board of Trustees time to secure grant funding which will enable them to make improvements to the Heritage Centre.

- b. That the Board of Trustees be requested to prepare a report detailing a clear way forward to secure the long term viability of the Heritage Centre on the existing site; to be submitted to the Council within twelve months of date of this meeting.
- c. That the Cabinet Member for Prosperity be requested to consult Tom Russell the Delivery Executive for Crewe, regarding the significance of this site in relation to the overarching plans for the regeneration of Crewe in the Crewe Vision proposals.
- d. That the Board of Trustees of the Crewe Heritage Centre be requested to give consideration to allowing the Council to have formal representation on the Board.

The meeting commenced at 9.30 am and concluded at 11.55 am

Councillor L Gilbert (Chairman)