

# Cabinet Member for Regeneration Agenda

## Tuesday 6th December 2016 9.15 am

### Venue: Committee Suite 1,2 & 3, Westfields, Middlewich Road, Sandbach CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and in the report.

It should be noted that Part 1 items of Cheshire East Council decision making and Overview and Scrutiny meetings are audio recorded and the recordings will be uploaded to the Council's website.

### 1. Apologies for Absence

Date:

Time:

### 2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

### 3. Public Speaking Time/Open Session

In accordance with Procedure Rules Nos.11 and 35 a period of 10 minutes is allocated for members of the public to address the meeting on any matter relevant to the work of the body in question. Individual members of the public may speak for up to 5 minutes but the Chairman or person presiding will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers. Members of the public are not required to give notice to use this facility. However, as a matter of courtesy, a period of 24 hours' notice is encouraged.

Members of the public wishing to ask a question at the meeting should provide at least three clear working days' notice in writing and should include the question with that notice. This will enable an informed answer to be given.

For requests for further information Contact: Rachel Graves Tel: 01270 686473 E-Mail: cherry.foreman@cheshireeast.gov.uk 4. Strategic Acquisition at Weston Road, Crewe (Pages 3 - 8)

To agree the strategic site acquisition at Weston Road, Crewe

5. Lease Renewal at River Street Car Park, Wilmslow (Pages 9 - 14)

To approve the renewal of the lease at River Street Car Park, Wilmslow

## CHESHIRE EAST COUNCIL

### **Cabinet Member for Regeneration**

Date of Meeting: 06 December 2016

Report of: Executive Director of Place

Subject/Title: Strategic Acquisition at Weston Road, Crewe

Portfolio Holder: Regeneration (Cllr Don Stockton)

### 1. Report Summary

- 1.1 The former Army Reserve Centre at Weston Road, Crewe, shown edged red on the attached plan (Appendix 1) was marketed for disposal by the MOD with local Agents seeking unconditional offers for the site.
- 1.2 The Council has provisionally agreed terms for acquisition of the site and is seeking approval to legally complete the purchase at the agreed price.

### 2. Decision Requested

- 2.1 It is recommended that the Portfolio Holder:
  - 1. Agrees to the acquisition of the site of the former Army Reserve Centre, at Weston Road, Crewe.
  - 2. Delegates all practical decisions required to agree and complete the transaction including all legal documentation to the Director of Legal Services and Head of Asset Management.
  - 3. Agrees to the consideration of £730,000 on an unconditional basis, with each party bearing their own costs of acquisition.

### 3. Reasons for Recommendations

3.1 This is a strategic opportunity to acquire a vacant site situated adjacent to the Council's Business Generation Centre (Scope House), edged blue on the attached plan (Appendix 1), which is also fronting on to Weston Road, Crewe and increase the strategic land holding and potentially the capital value and or revenue derived from the sites going forward when the opportunity arises.

### 4. Wards Affected

4.1 Crewe East.

### 5. Local Ward Members

5.1 Cllrs S Brookfield, C Chapman and D Newton

### 6. Policy Implications

- 6.1 Utilising Council's land and property assets to support economic growth.
- 6.2 Could contribute significantly to the HS2 master plan given its location once all outcomes are known.

### 7. Financial Implications

- 7.1 The holding costs will be minimal as it is a cleared site and the Scope House revenue budget, within the non operational Asset Management budget can adequately accommodate these minimal additional grounds maintenance costs.
- 7.2 The acquisition value is considered to be market value representing best consideration and will be paid from the strategic acquisitions capital budget.

### 8.0 Legal Implications

- 8.1 The Localism Act 2011 introduced the General Power of Competence, which allows the Council to do anything an individual can do, provided it is not prohibited by other legislation. These powers have replaced the previous wellbeing powers, however, the use of these powers must be in support of a reasonable and accountable decision made in line with public law principles.
- 8.2 The Council has a fiduciary duty at all times to the taxpayers and must fulfil this duty in a way which is accountable to local people.
- 8.3 Legal have investigated the legal title to the site and reported all matters affecting the title of the site. Specifically the land use is restricted and prohibits Class A1 (shops) and A3 (restaurant and cafes) uses which could impact land value. However, current land value is based on industrial uses.

### 9.0 Risk Management

9.1 Due to the nature of the transaction the Council is acquiring the site on an unconditional basis with unknown ground conditions. The risks associated with this could be mitigated by acquiring as much information from the vendor as possible as part of the process and the Council undertaking desktop due diligence work. The initial recommendation is that the risk is perceived to be fairly low given the information known to date about past uses on the site.

### 10.0 Background

10.1 Scope House is a popular business centre occupied by small local businesses taking advantage of the Council's easy in / easy out terms of occupation and supported office spaces and large board room in return for a market rent.

These rents contribute to the Council's revenue budgets and the building supports local business start up and growth in a central location in close proximity to the train station, Crewe Gates Industrial Estate and Crewe Business Park and the emerging growth areas to the south of Western Road.

- 10.2 The holding costs on this acquisition site will be minimal, incurring nominal landscaping and or fencing maintenance. This is a cleared site with no buildings to demolish or maintain and is secured with a security fence around the whole site and there is no evidence of littering or issues requiring security provision.
- 10.3 The site is circa 1.4 acres in area and it accesses the public highway and has highway frontage and is accessible to the train station on foot and to the local highway network for good logistics.
- 10.4 The Council will incorporate the site into its Scope House operations and management pending further strategic asset management review of its income portfolio in the knowledge that uniting the two sites will provide further advantage to the Council delivering either increased revenue or capital receipt as a result of acquiring this cleared site whilst it has become available to do so and uniting it with the existing land holding at Scope House.

### 11.0 Access to Information

11.1 Contact details for this report are as follows:-

Name: Frank Jordan Designation: Executive Director of Place Tel. No.: 01270 686643 Email: <u>frank.jordan@cheshireeast.gov.uk</u>



### CHESHIRE EAST COUNCIL

### **Cabinet Member for Regeneration**

Date of Meeting:	6 December 2016
Report:	Portfolio Holder
Subject/Title:	Lease Renewal at River Street Car Park, Wilmslow
Portfolio Holder:	Councillor Don Stockton

### 1.0 Report Summary

- 1.1 This report considers a lease renewal of Cheshire East Council Land at River Street Car Park, Wilmslow ("the Land"). The Land is subject to an existing lease between Macclesfield Borough Council (now vested with Cheshire East Borough Council) and the Trustees of River Street Old Road and Cliff Road Residents Association ("the Tenants") dated 31<sup>st</sup> March 2009.
- 1.2 The existing lease is for a term of 10 years from the 1<sup>st</sup> September 2006 and enables the Land to be used for residents' car parking. The Lease is contracted out of the Landlord and Tenant Act 1954 and, therefore, the Tenants do not have Security of Tenure.

### 2.0 Decision Requested

2.1 That Cheshire East Council renews the lease on the same terms as the existing lease, subject to necessary modification as agreed by the Assets Manager and Director of Legal Services.

### 3.0 Reasons for Recommendations

- 3.1 There is a shortage of on-street car parking in the area due to the narrow width of River Street and parking restrictions at the junction of Cliff Road and River Street and, therefore, the existing lease arrangement provides essential car parking to the Tenants who comprise residents of River Street and Cliff Road.
- 3.2 The provision of the leased car parking facility reduces the overflow of car parking from River Street and Cliff Road onto neighbouring streets. Therefore, this helps to alleviate car parking congestion in the area.
- 3.3 The previous lease arrangement contained maintenance obligations which were adhered to by the Tenants throughout the term. The new lease will

contain the same terms, ensuring the Tenants continue to maintain the Land.

3.4 The car park is self-managed by the Trustees of River Street Old Road and Cliff Road Residents Association.

### 4.0 Wards Affected

4.1 Wilmslow Lacey Green Ward.

### 5.0 Local Ward Members

5.1 Councillor Don Stockton.

### 6.0 Policy Implications

6.1 There are no Policy Implications resulting from the proposed 10 year lease.

### 7.0 Implications for Rural Communities

7.1 Not applicable.

### 8.0 Financial Implications

- 8.1 The new lease will generate an income and will also avoid unnecessary maintenance costs being met by Cheshire East Council for the next 10 years.
- 8.2 The Tenants have agreed to cover Cheshire East Council's reasonable Legal and Surveyor's fees in respect of the proposed lease renewal.
- 8.3 The annual rent shall be reviewed at year 5 in line with the Retail Price Index (RPI).

#### 9.0 Legal Implications

- 9.1 The Localism Act 2011 introduced the General Power of Competence, which allows the Council to do anything an individual can do, provided it is not prohibited by other legislation. These powers have replaced the previous wellbeing powers, however, the use of these powers must be in support of a reasonable and accountable decision made in line with public law principles
- 9.2 The Council has the power to grant a lease of the land pursuant to s123 of The Local Government Act 1972 subject to any disposal for 7 years or more being at the best consideration that can reasonably be obtained.
- 9.3 The Council has a fiduciary duty at all times to the taxpayers and must fulfil this duty in a way which is accountable to local people.

### 10.0 Risk Management

- 10.1 The new lease will remove the ongoing maintenance liability for Cheshire East Council for a further 10 year term.
- 10.2 Refusal to grant the new lease is likely to result in reputational damage to the council and criticism from the local community.

### 11.0 Background

- 11.1 The Land comprises approximately 527 square feet (or thereabouts), of unmade land which is restricted for the use of car parking under the terms of the Lease. The Land is shown on Plan for identification purposes.
- 11.2 The car park is operated by way of a permit system with permits allocated by the Trustees of River Street Old Road and Cliff Road Residents Association.
- 11.3 The Tenants have requested a new lease in order to secure a further 10 year term to provide car parking in the area. This will allow the Tenants to continue to provide ongoing maintenance and repairs to the Land. The new lease will also help alleviate car parking congestion in the surrounding residential streets.
- 11.4 A rental increase has been agreed from £250.00 per annum to £340.00 per annum and shall be reviewed at year 5 in line with the Retail Price Index (RPI).
- 11.5 The Tenants have agreed to meet the reasonable professional fees of Cheshire East Council in granting the new lease.
- 11.6 There are no other more beneficial proposals for this land at this time.

### 12.0 Access to Information

#### Supporting Documents

Appendix 1 - Plan

The background papers relating to this report can be inspected by contacting the report writer:

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### Land Registry Current title plan

Title number CH5**Page 13** Ordnance Survey map reference SJ8481NE Scale 1:1250 Administrative area Cheshire East





This is a print of the view of the title plan obtained from Land Registry showing the state of the title plan on 06 October 2016 at 11:18:53. This title plan shows the general position, not the exact line, of the boundaries. It may be subject to distortions in scale. Measurements scaled from this plan may not match measurements between the same points on the ground.

This title is dealt with by Land Registry, Birkenhead Office.