

# Cheshire East Council

## Portfolio Holder Decision Regeneration

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<b>Date of Meeting:</b>	23 <sup>rd</sup> January 2017
<b>Report of:</b>	Executive Director of Place
<b>Subject/Title:</b>	Lease of Land adjacent to Anson Road, Poynton.
<b>Portfolio Holder:</b>	Councillor Don Stiockton

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### 1. Report Summary

- 1.1. Anson Engine Museum approached Cheshire East Council requesting a lease in respect of land adjacent to Anson Road to use as overspill parking, picnic area and ancillary storage.

### 2. Recommendation

- 2.1. In accordance with section 123(2A), of the Local Government Act 1972 to advertise CEC's intentions to dispose of public open space by way of a thirty year lease.
- 2.2. To approved the grant to the Trustees of Anson Engine Museum of a thirty year FRI lease on terms and conditions to be agreed in consultation with the Assets Manager and Director of Legal Services and subject to consideration of any responses received in respect of the POS advert..

### 3. Other Options Considered

- 3.1. Freehold disposal was considered, however leasehold disposal was considered a better option to retain control over the use of the land.

### 4. Reasons for Recommendation

- 4.1. The granting of a thirty year lease will provide the Anson Engine Museum with sufficient security of tenure to allow them to apply for heritage grants or indeed any other grants that may become available and be beneficial to the Anson Engine Museum.

### 5. Background/Chronology

- 5.1. The subject land (edged red and appended, plan appendix 1), is a derelict brownfield site, overgrown with brambles, shrubs and young trees. It equates to approximately 3,676m<sup>2</sup>.
- 5.2. The Chairman of the adjacent Anson Engine Museum has requested that CEC lease the land to them on terms to be agreed. They propose clearing the site, using it as an overspill car park, picnic area and vehicular storage.
- 5.3. The museum's Chairman advised during a site meeting that they may also use the land to accommodate events associated with the nearby canal.
- 5.4. The Anson Engine museum would be responsible for obtaining all necessary consents, including planning consent (if necessary), for their proposed use of the land.
- 5.5. Heads of Terms were sent to representatives of the Anson Engine Museum on a without prejudice basis, offering a thirty year lease to the Museum Trustees, who have confirmed that whilst they would like a slightly larger area, the proposals are acceptable and that they would like to proceed.
- 5.6. Over the past few years the Museum has undergone some major changes and is now recognised as one of the Country's leading specialist museums.
- 5.7. The Museum is situated just South of Manchester on the site of the former Anson Colliery. It is a registered charity and does not receive Government or public funding towards its running costs. To date the work has been carried out and funded by volunteers and friends to the Museum.
- 5.8. The Museum houses a unique collection of over two hundred and fifty gas and oil engines as well as steam engines. Many are maintained in running order and attract enthusiasts from all over the world.
- 5.9. The Museum opens to the public one weekend a month from Easter until the end of October and some visitors bring a picnic and make it a full day out.

## **6. Wards Affected and Local Ward Members**

- 6.1. Poynton East and Pott Shrigley.

## **7. Implications of Recommendation**

### **7.1. Policy Implications**

- 7.1.1. As well as parking and vehicular storage, the proposal is to use the land for picnic and recreational uses, beneficial to the health and wellbeing of the residents of Poynton and Cheshire East.

## **7.2. Legal Implications**

- 7.2.1. 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.
- 7.2.2. The General Disposal Consent 2003 authorises the disposal of land for seven years or more at less than best consideration if the undervalue is £2million or less. If the undervalue is higher than £2million consent to the disposal will be required from the Secretary of State.
- 7.2.3. The Council has the power to grant a lease of the land pursuant to s.123 of the Local Government Act 1972 subject to any disposal of seven years or more being at best consideration that can be reasonably obtained.
- 7.2.4. The Council has a fiduciary duty at all times to the taxpayers and must fulfill this duty in a way which is accountable to local people.
- 7.2.5. All disposals must comply with the European Commission's State aid rules. When disposing of land at less than best consideration the Council is providing a subsidy to the occupier of the land. In such cases the Council must ensure that the nature and amount of the subsidy complies with State Aid rules, failure to comply means that the aid is unlawful and may result in the benefit being recovered with interest from the recipient. If the occupier receives less than approximately £155,000 (€200,000), in state aid over a three year period then the De Minimis Regulation will apply (small amounts of aid are unlikely to distort competition).

## **7.3. Financial Implications**

- 7.3.1. The land has no commercial rental value in its current condition; Anson Engine Museum will incur all costs associated with clearing the site and making it suitable for overspill parking and picnics. Legislation provides that tenant's improvements are disregarded for rental purposes for a twenty-one year period. Retaining the freehold interest will enable CEC to benefit financially at the end of the lease term should the land ever obtain a higher value planning use.
- 7.3.2 Anson Engine Museum will be responsible for all CEC's professional costs incurred in granting the lease.

## **8. Access to Background Documents**

These can be inspected by contacting the report writer.

## 9. Contact Information

Contact details for this report are as follows:

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