

DECISION NOTICE

Notice is given that the following decision has been taken under the Provisions set out in the Council's Constitution

Decision maker: Cabinet Member for Prosperity and Economic Regeneration

Date: 29 May 2013

Decision in the matter of: Bollington Leisure Centre - Rent for Ground Lease

Decision: **RESOLVED:**

- 1 That the level of rent payable in connection with the Ground Lease between Cheshire East Council and the Trustees of Bollington Leisure Centre be Option 2, as below:
 - Option 2 – For Cheshire East Council to receive a nominal rent of £200/annum (subject to review every 7 year) for the Ground Lease of Bollington Leisure Centre, the car park and the surrounding land also leased to the Trustees of Bollington Leisure Centre
- 2 The lease term to expire in 2033 rather than the current proposed expiry date of 30 April 2032.

Background: The land the subject of this report is owned by Cheshire East Council ("CEC") and currently leased via three separate ground leases to the Trustees of Bollington Leisure Centre ("TBLC"). The TBLC have constructed a building and car park on the land and operate it as a Leisure Centre which provides sports facilities including a swimming pool, squash courts, fitness suite, health spa and soft play area.

The land has been leased to the TBLC for approximately 36 years. The Council has agreed terms for a new lease (which encompasses all of the land let to the TBLC under the 3 existing leases), the surrender of the 3 existing leases contemporaneously with the completion of the new lease and a supplemental agreement between CEC, the TBLC and Competition Line (UK) Limited which relates to the Sports Centre Development Agreement between the TBLC and Competition Line (UK) Limited.

The new lease provides that the Council can terminate the lease (after consulting with the TBLC) if the Trust is dissolved, it changes its objects within its constitution or it ceases operation of any one or more of the facilities detailed above. The use of the land is limited to the purposes of a leisure centre (including the facilities listed above) and associated offices, outbuildings and car parking. The land cannot be used exclusively or predominantly for the purposes of a private club without the Council's consent and there is a requirement that the land and the facilities are available for such public use as shall be agreed between the Council and the TBLC. The new lease cannot be assigned or sublet; however, assignment on a change of trustees is permitted.

The purpose of this report is to determine the rent payable in connection with the new Ground Lease between CEC and the TBLC and also to request authority for the new lease to terminate on the same date as the TBLC's agreement with Competition Line in respect of development works to their building and the provision of supply and equipment to the TBLC.

Background Documents:

Report to PH Assets
Bollington Leisure Centre plan 2

Approved:

Councillor J Macrae
Cabinet Member for Prosperity and Economic Regeneration

Date:

29 May 2013

Advising Officer:

Lee Beckett
Valuer