

# **Cabinet Member for Finance Agenda**

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**Date:** Monday, 22nd December, 2014  
**Time:** 12.15 pm  
**Venue:** Committee Suite 1,2 & 3, Westfields, Middlewich Road,  
Sandbach CW11 1HZ

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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 at the foot of each report.

## **PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT**

### **1. Apologies for Absence**

### **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 relating 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.

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For requests for further information

**Contact:** Cherry Foreman

**Tel:** 01270 686463

**E-Mail:** [cherry.foreman@cheshireeast.gov.uk](mailto:cherry.foreman@cheshireeast.gov.uk) with any apologies

4. **Telecoms Equipment Delamere House, Crewe - Renewal of Lease** (Pages 1 - 6)

To consider a lease for telecommunications equipment located at Delamere House, Crewe.

5. **Telecoms Equipment at the Grosvenor Centre Car Park, Macclesfield - Renewal of Lease** (Pages 7 - 12)

To consider a lease for telecommunications equipment located at the Grosvenor Centre Car Park, Macclesfield.

**CHESHIRE EAST COUNCIL****REPORT TO PORTFOLIO HOLDER – FINANCE**

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**Report of:** Property Services Manager

**Subject/Title:** Renewal of Lease for Telecoms Equipment located at Delamere House, Crewe.

**Date of Meeting:** 22<sup>nd</sup> December 2014

**Portfolio Holder:** Councillor Peter Raynes

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**1.0 Report Summary**

- 1.1 The purpose of this report is to seek approval for the Council (as Landlord) to enter into negotiations and agree a new lease with Vodafone, now known as Cornerstone Telecommunications Infrastructure Limited ("CTIL"), in respect of the telecommunication equipment located at Delamere House, Crewe CW1 2JZ.

**2.0 Decision Requested**

- 2.1 To serve a Section 25 notice in accordance with the Landlord and Tenant Act 1954 ("LTA 1954") terminating the current lease dated 30<sup>th</sup> November 2000 between the Borough of Crewe and Nantwich and Vodafone Limited, and to enter into negotiations to agree a new lease (of the current demise) for a further term of 9 years on terms and conditions to be determined by the Property Services Manager and Head of Legal Services and Monitoring Officer.

**3.0 Reasons for Recommendations**

- 3.1 The previous lease expired on 29<sup>th</sup> November 2009 and the tenant is holding over on the terms of this lease.
- 3.2 The tenant has approached the Council and requested a new lease, but has not served notice on the Council; therefore in order to formalise the position and to grant a new tenancy the existing tenancy must be determined in accordance with the Landlord Tenant Act 1954.
- 3.3 The tenant has the protection of the LTA 1954 and therefore has a statutory right to renew the lease. The Council can only oppose renewal of the lease if it can satisfy the grounds specified in the LTA 1954, however compensation may be payable to tenant in those circumstances.
- 3.4 Delamere House, Crewe is a key strategic site to CITL within Crewe Town Centre.
- 3.5 Granting a new lease to CITL will formalise the occupation and generate additional revenue to the Council.

**4.0 Wards Affected**

4.1 Crewe Central Ward

**5.0 Local Ward Members**

5.1 Irene Faseyi

**6.0 Policy Implications including - Carbon reduction  
- Health**

6.1 There are no Policy Implications in this matter

**7.0 Financial Implications**

7.1 The current rent of £5,845.95 is reviewed every 3 years (under the current agreement) in line with the Retail Price Index.

7.2 In granting a new lease and allowing CITL to upgrade the current equipment the Council can expect an increased rental. The new rental figure will be in the region of £10,000 per annum. This is calculated in accordance with the second schedule of the current agreement.

**8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 The current tenant is holding over on the terms of its previous tenancy, which is a secure business tenancy. The tenancy needs to be formalised and the method to do this is to serve a s25 notice on the tenant for renewal of the lease and to specify in the notice the proposed heads of terms. This will allow the Council to enter into negotiations to agree a new lease. If heads of terms for a new lease cannot be agreed the Council can make an application to Court for determination of the terms.

8.2 s123 of The Local Government Act 1972 permits the Council to dispose of its land for the best consideration reasonably obtainable. The revised heads of terms will contain a provision to pay rent, which will be the market rent.

**9.0 Risk Management**

9.1 There are no perceived risk management issues

**10. Alternative Options**

- 10.1 Not to agree a new lease and to allow the tenant to continue to hold over on the terms of the previous tenancy. This would however remove the Council's protection of this being and remaining a contracted out lease.

**11.0 Access to Information**

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

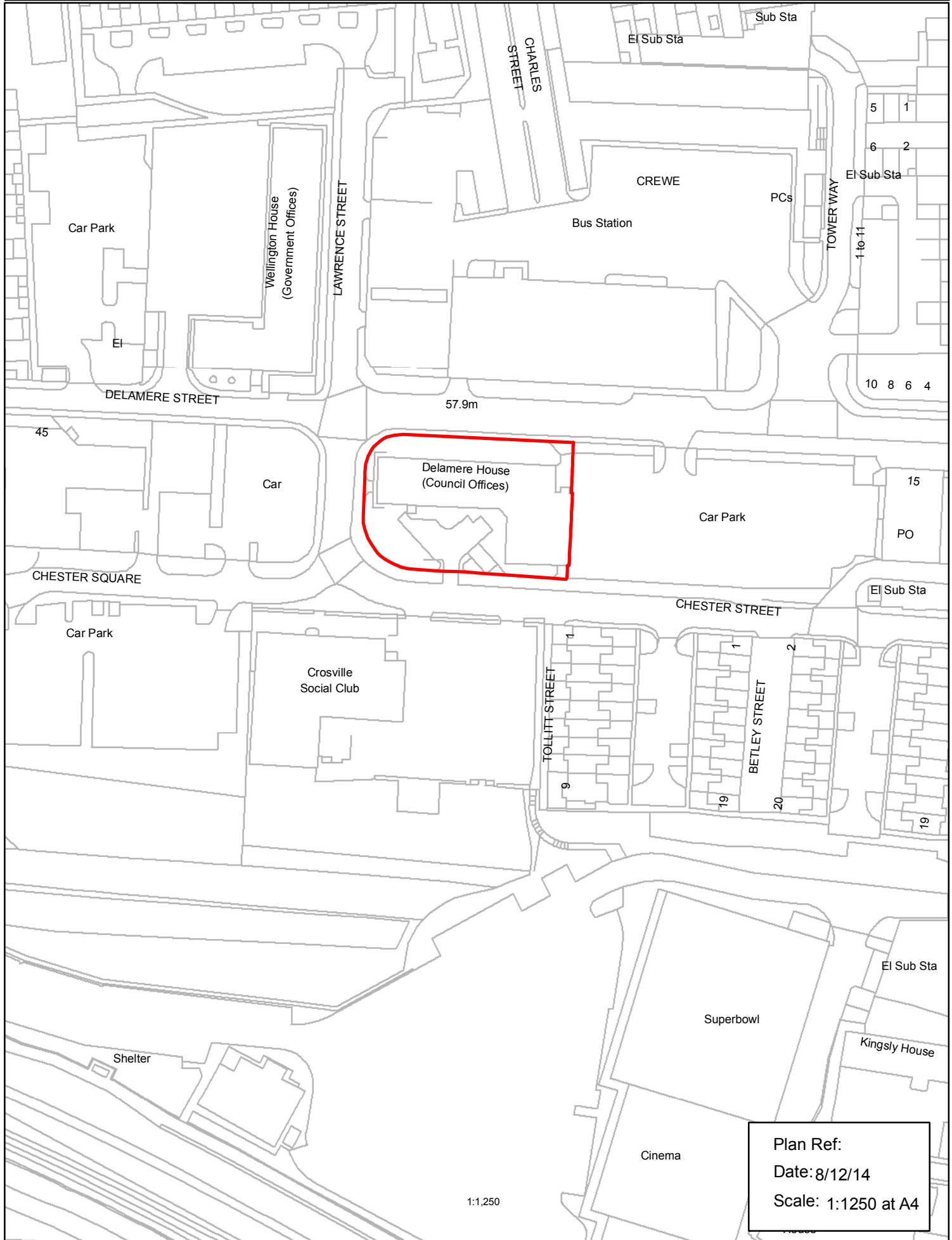
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**CHESHIRE EAST COUNCIL****REPORT TO PORTFOLIO HOLDER – FINANCE**

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**Report of:** Property Services Manager

**Subject/Title:** Renewal of Lease for Telecoms Equipment located at Grosvenor Centre Car Park, Churchill Way, Macclesfield SK11 6BU.

**Date of Meeting:** 22<sup>nd</sup> December 2014

**Portfolio Holder:** Councillor Peter Raynes

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**1.0 Report Summary**

- 1.1 The purpose of this report is to seek approval for the Council (as Landlord) to enter into negotiations and agree a new lease agreement with Vodafone (as tenant), now known as Cornerstone Telecommunications Infrastructure Limited ("CTIL"), for the telecommunications equipment located at Grosvenor Centre Car Park, Churchill Way, Macclesfield SK11 6BU.

**2.0 Decision Requested**

- 2.1 To serve a Section 25 notice in accordance with the Landlord and Tenant Act 1954 terminating the current lease agreement (lease dated 7<sup>th</sup> May 1998 between Macclesfield Borough Council and Vodafone Ltd) and to enter into negotiations for a new lease of the existing demise for a further term of 10 years, on terms and conditions to be determined by the Property Services Manager and Head of Legal Services and Monitoring Officer.

**3.0 Reasons for Recommendations**

- 3.1 The lease agreement with CITL, for the Grosvenor Centre Macclesfield, expired 6<sup>th</sup> May 2008 and the tenant is holding over on the terms of the previous tenancy agreement.
- 3.2 The Agent for the tenant has approached the Council and requested a new lease, but has not served notice on the Council therefore in order to formalise the position and to grant the new tenancy agreement, the existing agreement must be determined in accordance with the Landlord Tenant Act 1954 ("LTA 1954").
- 3.3 The tenant has the protection of the LTA 1954 and therefore has a statutory right to renew the lease. The Council can only oppose renewal of the lease if it can satisfy the grounds specified in the LTA 1954, however compensation may be payable to tenant in those circumstances.
- 3.4 The site is considered to be a key strategic site to CITL within Cheshire East.
- 3.5 Granting a new lease to CITL will formalise the occupation and generate additional revenue to the Council.

#### **4.0 Wards Affected**

4.1 Macclesfield Central Ward

#### **5.0 Local Ward Members**

5.1 Cllr Ken Edwards  
Cllr Janet Jackson

#### **6.0 Policy Implications including - Carbon reduction - Health**

6.1 There are no Policy Implications in this matter

#### **7.0 Financial Implications**

7.1 The current rent of £7,216 per annum is reviewed every 5 years, in line with the Retail Price Index.

7.2 In granting a new lease to CITL the Council will receive additional revenue. The new rental is in the region of £9,500 per annum and is calculated in accordance with the rent review provisions within the existing lease.

#### **8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 The current tenant is holding over on the terms of its previous tenancy, which is a secure business tenancy. The tenancy needs to be formalised and the method to do this is to serve a s25 notice on the tenant for renewal of the lease and to specify in the notice the proposed heads of terms. This will allow the Council to enter into negotiations to agree a new lease. If heads of terms for a new lease cannot be agreed the Council can make an application to Court for determination of the terms.

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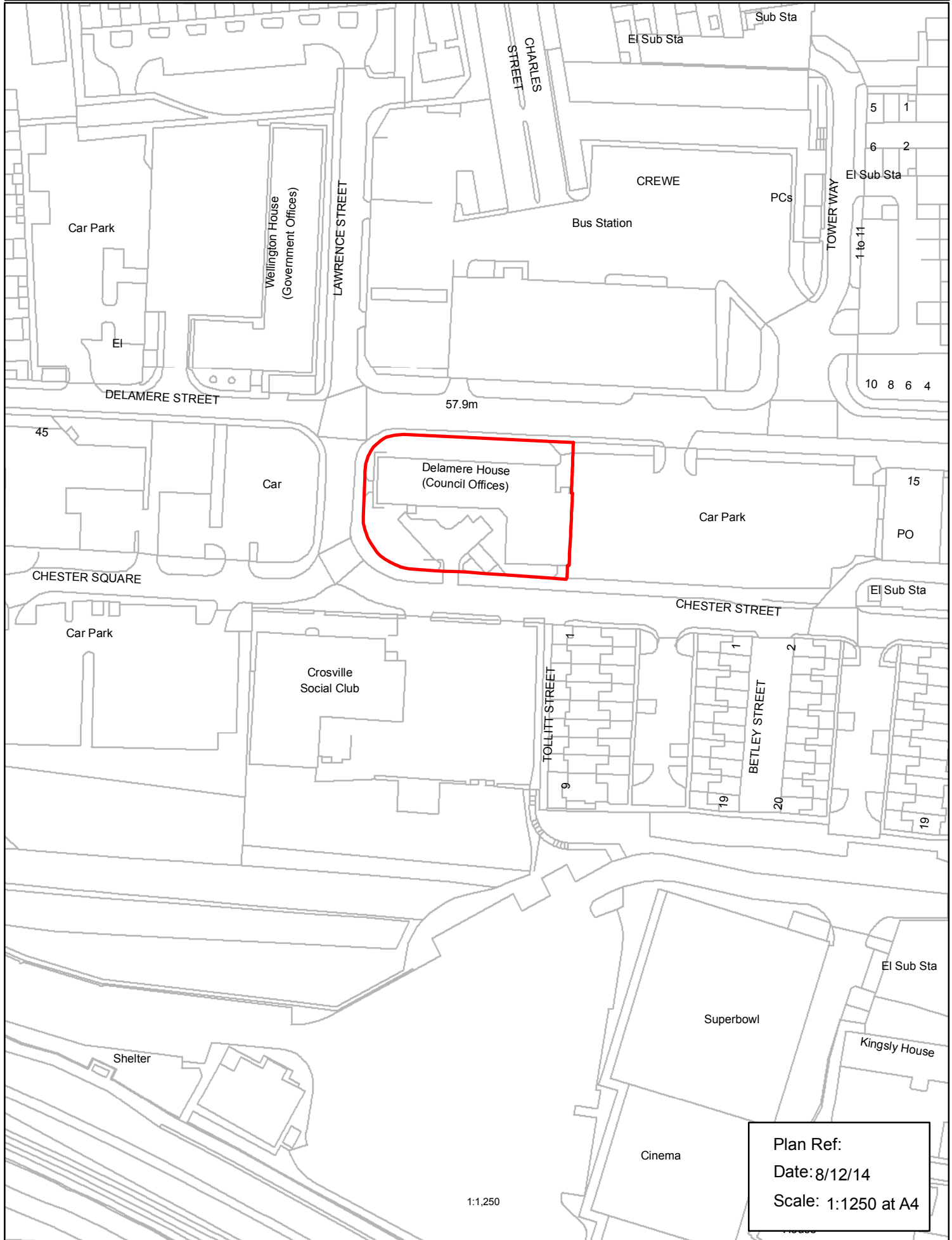
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