

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 Regeneration

Date: 12 June 2017

Decision in the matter of: Whistlestop Cafe, Congleton - Proposed new Ground Lease

- Decision:**
1. That approval be given to the grant of a new 10 year lease of the land referred to in the report at a rent of £3,450 per annum, with a rent review at year 5 of the term, and subject to a landlord only redevelopment rolling break option, subject to a fixed compensation payment of £40,000, on terms and conditions to be agreed by the Head of Assets and Director of Legal Services.
 2. That approval be given to permit the sublease of the land in accordance with the terms of the new lease.

Background: The Whistlestop Café, Market Street, Congleton is subject to an existing ground lease dated 9 May 2007 between Congleton Borough Council, now Cheshire East Council, as landlord, and John and Pauline Hodson, as tenant, for a term of 10 years, expiring this year.

The lease is a secure business tenancy and as it is coming to an end the tenant has requested its renewal for a new 10 year term and is seeking consent to grant their sub-tenant a new 10 year (less 3 days) sub-lease, at the same time.

The leased area forms part of the adjacent Fairground Car Park. Negotiations to renew this ground lease and provide consent to a further sublease have been conducted on the basis of the Council being able to break the lease during the term should the land be required for redevelopment in the future and subject to the Council compensating the tenant if the lease is terminated early.

The Council has no current use for the leased area and therefore does not need to regain possession of the land currently. The terms agreed are considered best consideration, in accordance with s123 of The Local Government Act 1972 and will allow the tenant to be granted a new lease, with the Council able to obtain vacant possession, by

exercising the break clause, at the appropriate time, if required.

Background Documents:

Whistlestop Cafe PH Paper final
Whistlestop Cafe Market Street Congleton 1250

Approved:

Councillor Don Stockton, Cabinet Member for Regeneration

Date:

12th June 2017

Advising Officer:

Joanne Jones, Property Services Manager