

# CHESHIRE EAST COUNCIL

## REPORT OF PORTFOLIO HOLDER FOR REGENERATION

---

**Date of Meeting:** 1st November 2016

**Report of:** Executive Director - Place

**Subject/Title:** Lease of the Brine Pump, Middlewich

**Portfolio Holder:** Regeneration

---

### 1.0 Report Summary

- 1.1 The purpose of the report is to seek approval to grant a lease to The Middlewich Heritage Trust (The Trust) for the Brine Pump in Middlewich.
- 1.2 The property has been vacant for a number of years and is in need of substantial renovation.
- 1.3 The Council has advertised the property for a 30 year lease and has received one offer. The proposal has been reviewed in relation to the proposed rent and lease terms, the proposed use, compliance with planning and overall financial value to the Council.
- 1.4 It is considered that the offer from the Middlewich Heritage Trust represents best value to the Council.

### 2.0 Recommendations

- 2.1 It is recommended that the Portfolio Holder for regeneration:
  - 2.1.1 Approves the granting of a 30 year lease for the Property to the Middlewich Heritage Trust.
  - 2.1.2 Authorises the Director of Legal Services to approve and execute all legal documentation and proceed with the practical completion of the lease.

### 3.0 Reasons for Recommendations

- 3.1 The land is deemed to be surplus to the Council's operational requirements.
- 3.2 The grant of a 30 year lease creates the opportunity for the asset to be enhanced for the benefit of residents and reduces the medium term liability for the Council. The leases also enables the Council to retain the long term interest in the site should there be any uplift in its value in the future.

- 3.3 The availability of the site has been advertised on the open market. The offer provided by the Trust was the only offer received by the Council. The Scheme proposed by the Trust is deemed to be deliverable given the parameters of use for the site and it is considered to be the most viable option to the Council.

#### **4.0 Wards Affected**

- 4.1 Middlewich

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

- 5.1 Cllr Simon McGrory  
Cllr Michael Parsons  
Cllr Bernice Walmsley

#### **6.0 Policy Implications**

- 6.1 The land is considered to be surplus to the operational requirements of Cheshire East Council.

#### **7.0 Financial Implications**

- 7.1 A lease to Middlewich Heritage Trust would transfer all liability for maintenance and repairs to Middlewich Heritage Trust. The property is in need of substantial repairs which Middlewich Heritage Trust is planning to undertake at their own cost.
- 7.2 In 2015, Cheshire East Council made a 20% contribution of £23,566 to Middlewich Heritage Trust for urgent repairs to the Brine Pump. The remaining 80% was covered by grant funding which was obtained by Middlewich Heritage Trust. If the lease is granted, the council will not have to make these contributions in future.
- 7.3 The Trust submitted an offer based on a nominal rent of £1 per annum given the investment and yearly expenditure required to bring this asset back in to community. Therefore it is considered that best value has been achieved.
- 7.3 In granting a 30-year lease to Middlewich Heritage Trust the Council will retain the asset value of the land / property in question.

#### **8.0 Legal Implications**

- 8.1 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.
- 8.2 The disposal terms will be considered on their merits against this legal background to achieve the stated purpose in this report.

- 8.3 In transferring assets the Council must behave properly to fulfil its fiduciary duty.

## **9.0 Risk Management**

- 9.1 It is considered that the risk would be minimal as the Council will retain the asset value of the land in question for potential disposal or otherwise when the lease comes to an end.

## **10.0 Background and Options**

- 10.1 The area of land in question is approximately 0.298 acres and is shown on the attached plan. The site comprises of a former Brine Pump which is situated within Brooks Lane Industrial Estate, Middlewich. The Brine Pump is a heritage asset and the condition of the pump house building is in need of repair. The Brine Pump was registered as a Scheduled Monument in 2001.
- 10.2 The Trust's proposed use of the site is to further restore the Pump and promote the site as a heritage asset which can be used by the residents of Cheshire. The Trust is proposing to improve and enhance the property and therefore the Council, and the public, will receive the benefit of a much improved asset.
- 10.3 The Trust will be responsible for obtaining planning permission and Scheduled Monument consent for the proposed improvements works and for a change of use (where necessary).
- 10.4 Letting the property will relieve the Council of its obligations in terms of future holding costs (throughout the duration of the lease).
- 10.5 The Trust can, and has, access to grant funding to carry out repairs. The most recent repairs cost in the region of £100,000, with the Council contributing in the region of £23,566. Without such funding, the structure will continue to deteriorate, creating greater risk for the Council, both from a maintenance and statutory compliance perspective. The work planned by the Trust amount to hundreds of thousands of pounds to bring it up to a safe and usable state.
- 10.6 It is advised that the offer is accepted subject to any further terms and conditions reasonably required by the by the Asset Manager and Director of Legal Services

## 11.0 Access to Information

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

Name: Lee Beckett  
Designation: Surveyor  
Tel No: 01270 686122  
Email: [lee.beckett@cheshireeast.gov.uk](mailto:lee.beckett@cheshireeast.gov.uk)

### Appendix 1: Middlewich Brine Pump

