

Report to: Assets and Operations Committee

Report Ref: A1925
Meeting Date: 1st June 2020
Agenda Item: 7
Prepared By: Town Clerk



Subject: Council Offices Transfer

1.0 UPDATE

The council has been waiting some time for Cheshire East Council to progress the transfer of the council offices. The previous delay was in CEC registering the title for the property as they did not have deeds for the whole of the land. In April it was agreed that the most expeditious route forward would be for a transfer without title guarantee and for the Town Council to apply for first registration as part of the transfer. Following this, the transfer documents were passed from CEC to the Town Council and have been reviewed by the council's solicitor and the members of the Council Offices Sub-Committee.

2.0 TRANSFER DOCUMENTS OVERVIEW

There are three core documents which form the transfer. These are explained below, and the outstanding issues highlighted. The council is currently awaiting a response from Cheshire East Council on clauses within the Land Registry TP1 form after which the Council Offices sub-committee will convene to approve the final documents and a date for the transfer will be set.

2.1 CONTRACT

The contract is a standard contract and as per previous transfers. It confirms the freehold of the property is being transferred for £1. There are no outstanding issues with the draft document.

2.2 LAND REGISTRY TRANSFER FORM

The Land Registry TP1 form details any retained rights and covenants placed on the transfer. There is currently some discussion taking place between the councils' solicitors on the content of this document.

As expected, the TP1 retains a pedestrian right of way through the library gardens from Toft Road to the library.

The transfer also contains the following covenants:

- a) To forever use the property for the benefit of the community
- b) To forever keep the unbuilt upon open space at the property laid out and maintained as public gardens and open to the public during daytime hours



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- c) Cheshire East Council (or any public authority exercising statutory democratic functions) shall have the right to use parts of the building free of charge for elections on 10 days notice

The Town Clerk is seeking revised wording on point (b) to ensure it does not prevent the council extended the building or reconfiguring parking space. The Town Clerk is also seeking more precise and limiting wording and a 30-day notice period for point (c).

There is a further covenant expressly excluding from transfer the subsoil rights to two small slivers of land which are regarded as highway.¹

2.3 OVERAGE AGREEMENT

As per previous freehold transfers there will be a 15-year period where overage applies. During this period if the council disposes of the property, or is deemed to dispose of the property, an overage payment to Cheshire East Council is triggered of between 90% and 25% of the market value less improvement costs. The basics and mechanics of the overage agreement are as per the existing agreements for the market hall and public toilets.

Amongst the definitions specifically excluded from the definition of disposal are leases/licences to third parties at a market rent (i.e. commercial tenants) and occupation agreements for a range of uses such as providing community welfare services which gives the council the ability to utilise the building however it determines. Also excluded from the definition of deemed disposal is the implementation of any planning consents for extension or reconfiguration of the building provided it remains materially a community/civic building.

There are no outstanding issues with the draft document.

3.0 DECISION REQUIRED

Report for information – no decisions required.

¹ A slither of the frontage of the grounds and a slither of the south west corner on Stanley Road were transferred from Macclesfield BC to Cheshire CC and are regarded as highway land.



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