

**NORTH LANARKSHIRE COUNCIL  
REPORT**

<b>To: POLICY AND RESOURCES (REGENERATION AND INFRASTRUCTURE) SUB COMMITTEE</b>		<b>Subject:  PROPOSED LEASE RENEWAL, TELECOMMUNICATIONS BASE STATION AT FLEMING HOUSE, CUMBERNAULD</b>
<b>From: ASSISTANT CHIEF EXECUTIVE INFRASTRUCTURE</b>		
<b>Date: 23 February 2017</b>	<b>Ref: DM/AF</b>	<b>TENANT: CORNERSTONE TELECOMMUNICATIONS INFRASTRUCTURE LIMITED</b>

**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to seek Committee approval for the renewal of the existing lease to Cornerstone Telecommunications Infrastructure Limited (CTIL) in respect of a telecommunications base station at Fleming House, Cumbernauld.

**2. BACKGROUND**

- 2.1 The existing lease agreement for the telecommunications base station, which is held by Vodafone Limited, expired in 2014 and currently continues on an annual basis.
- 2.2 Vodafone Ltd has entered into an agreement with Telefónica UK Limited under which the two companies plan to jointly operate and manage a single network grid across the UK. These arrangements will be overseen by CTIL which is a joint venture company owned by Telefónica UK Limited and Vodafone Ltd. It is proposed to grant the new lease in the name of CTIL.
- 2.3 CTIL is planning to invest in the infrastructure on site and therefore seeking a long term tenancy to secure its investment.

**3. DESCRIPTION**

- 3.1 The building comprises an 8 storey office block which is owned by North Lanarkshire Council. The section of the roof space occupied by the CTIL apparatus extends to 20 sq m or thereby.
- 3.2 The lease agreement to CTIL will cover an equipment cabin and maximum of 9 antennae and 2 microwave dishes (restricted to 300 mm in diameter per dish) which will be installed on the existing steel tower.

**4. NEGOTIATIONS**

- 4.1 Provisional agreement for a new 20 year lease has been reached with the tenant on the following main terms and conditions:
- i) **Lease Duration:** 20 years.
  - ii) **Date of Entry:** Conclusion of missives or as agreed between parties.

- iii) **Rental:** £13,000 per annum exclusive of VAT.
- iv) **Equipment:** A maximum of 9 antennae and 2 dishes (comprising a maximum diameter of 300mm) together with ancillary equipment.
- v) **Site Sharing:** The Tenant, subject to Landlord's consent, will be permitted to share equipment with third parties subject to payment of 30% of the income received.
- vi) **Wayleave:** The Tenant requires power and communications cabling in order to link to their network. Subject to Landlord's approval, the link will be installed between Fleming House and Central Way which will feed into the Tenant's network. A wayleave agreement, separate to the lease will be entered into by the Landlord and Tenant. A one off disturbance payment of £1,000 will be made to the Landlord for this element.
- vii) **Alienation:** The Tenant may not assign or sublet in part or whole to a third party (other than Vodafone or Telefonica) without the consent of the Landlord. The Tenant may assign or sub-let in whole to Vodafone and/or Telefonica without Landlord's consent.
- viii) **Legal Costs:** The Tenant will be responsible for Landlord's legal and surveyors fees in relation to the transaction.

All other terms and conditions to be agreed by the Assistant Chief Executive Infrastructure.

## **5. CORPORATE CONSIDERATIONS**

- 5.1 It is considered good estate management practice to secure a long term tenant and secure additional rental on commercial terms.
- 5.2 This report is consistent with current leasing policy dated 25 July 2011.

## **6. RECOMMENDATIONS**

- 6.1 It is recommended that the Sub-Committee agrees to the renewal of the existing lease to CTIL or their nominees in respect of a telecommunications base station at Fleming House for 20 years.
- 6.2 All other terms and conditions to be adjusted by the Assistant Chief Executive Infrastructure.

RP 

**ROBERT STEENSON**  
Assistant Chief Executive Infrastructure.

Members seeking further information on the contents of this report are asked to contact Mary Anne Robb, Business Manager (Estates) on 01236 632667.

# LOCATION PLAN - For Information Only

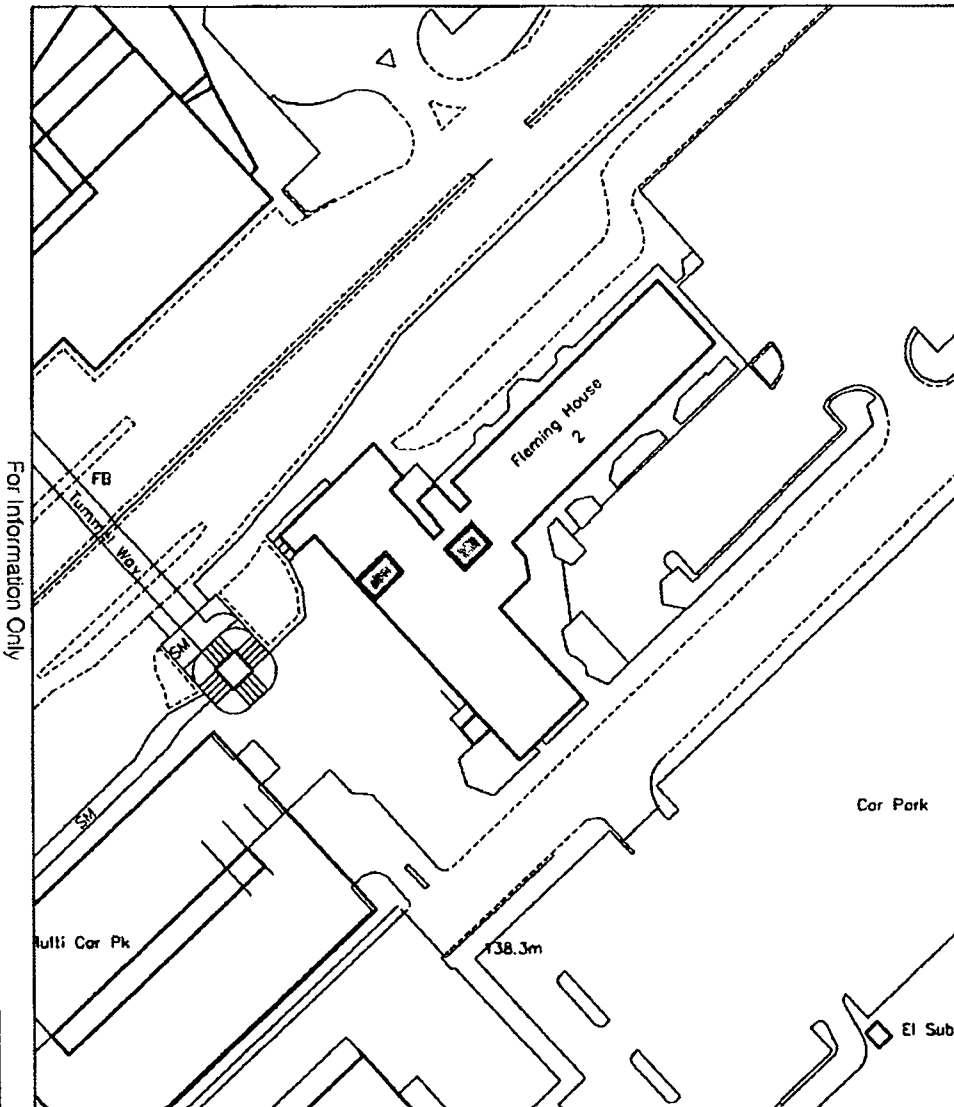
Title: CTIL Telecommunications Base Station Scale 1:NTS



Town: Fleming House, Cumbernauld

Date: 16/12/2016

## INFRASTRUCTURE



## CARTOGRAPHIC & MAPPING SERVICES

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