861/61/02#2

## HILL DICKINSON

The Metropolitan Borough Council of Stockport Stockport Legal Services Corporate and Support Services Directorate Stopford House Piccadilly Stockport SK1 3XE

Your Ref: Our Ref: 1057713.64.CW.CW Doc Ref: 126344887.1 Date: 14 October 2014

Direct Line: +44 (0)151 600 8683 craig.walker@hilldickinson.com

Please ask for Craig Walker

Dear Sirs,

Re:

The Metropolitan Borough of Stockport (Hazel Grove (A6) to Manchester Airport A555 Classified Road) Compulsory Purchase Order 2013

and

The Metropolitan Borough of Stockport (Hazel Grove (A6) to Manchester Airport A555 Classified Road (Side Roads) Order 2013

Plots: 9/6D, 9/7A and 9/7B

Our Client: Electricity North West Limited

As you know, we act on behalf of Electricity North West Limited who have lodged representations under section 16(1) of the Acquisition of Land Act 1981 insofar as the Orders affect their interests in Plots 9/6D, 9/7A and 9/7B.

Our client's substation is paramount to the delivery of Manchester Airport City Enterprise Zone which has attracted the support of global institutions. The commercial attractiveness of the overall Enterprise Zone which incorporates a series of sites on Manchester Airport, the University Hospital of South Manchester (UHSM) and Wythenshawe Town Centre is to provide affordable electricity connection costs. However lack of capacity within the electricity network is acting as an immediate and critical barrier to the ability to bring forward wider investment specifically at MediPark and Airport City North. The current electricity infrastructure is unable to service the immediate and future needs of planned development across the Enterprise Zone. Without reinforcement to the primary electrical infrastructure at our client's substation site no further development will be possible on MediPark and Airport City North. This is how strategically important this site is to the future of the Enterprise Zone.

However, following the constructive meeting between yourselves and our clients earlier today, we set out below the terms on which it has been agreed our client will withdraw its representations:

In consideration of:

 our client withdrawing its representations under section 16(1) of the Acquisition of Land Act 1981 insofar as the Orders affect their interests in Plots 9/6D, 9/7A and 9/7B; and,

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(b) our client agreeing to grant you a licence to use Plot 9/7B for the purposes of accommodation and storage until 31<sup>st</sup> August 2017

you hereby agree and undertake as follows:

- (c) you will not exercise any compulsory purchase powers to acquire any interest in Plot 9/7B;
- (d) you will not exercise any compulsory purchase powers to acquire any interest in Plots 9/6D and/or 9/7A without first granting (or procuring the grant of) a new lease to replace our client's existing lease dated 19<sup>th</sup> October 1960 and made between The Lord Mayor Aldermen and Citizens of the City of Manchester (1) and The Central Electricity Generating Board (2). The new lease shall be on the same terms as the existing lease (including as to access) save for the following:
  - (i) the term will be 125 years from the date of the grant of the new lease;
  - (ii) the rent will be as existing throughout the new term:
  - (iii) the land demised will be the same as previously demised but excluding Plots 9/6D and 9/7A;
  - (iv) the tenant shall no be longer bound by clauses 2(ii) (save as to user), 2(iii), 2(iv), 2(v), 2(vi), 2(vi), 2(ix) and 2(xvi) insofar as they have already been complied with;
  - (v) clauses 2(viii) shall be deleted;
  - (vi) clauses 2(xiv) and 2(xv) shall be modified so that wherever the landlord's consent is required, such consent shall not be unreasonably withheld or delayed;
  - (vii) the acquiring authority will pay our client's legal and surveyors costs incurred in connection with the preparation and grant of the new lease.

## And the parties hereby further acknowledge and agree:

- suitable vehicle barriers will be incorporated into the design of the carriageway as it
  passes our client's substation to prevent collision with our client's equipment which could
  have the effect of disrupting or damaging the security of the electrical supply to or from our
  client's substation;
- (f) the licence to be granted in respect of Plot 9/7B shall be free of charge but the acquiring authority shall be responsible for returning the land in the same condition as existing once the licence ends;
- (g) nothing contained within this agreement shall affect our client's right to recover (or reduce any such) compensation in respect of the exercise of compulsory powers to compulsorily acquire its interests in Plots 9/6D and 9/7A;
- (h) the parties will co-operate and act reasonably in connection with the matters set out above and in their dealings with each other so as to facilitate the acquiring authority's scheme and our client's obligations as a statutory undertaker.

Please confirm your agreement to these terms by signing and returning the duplicate of this letter, whereupon our client shall forthwith withdraw its representations.

We look forward to hearing from you.

Yours faithfully

Hill Dickinson LLP

