

Telecommunications & Mobile Phone Masts



There are major changes underway in the mobile phone industry. For many years, Network Operators competed with each other to secure greater coverage and, in order to do this, they acquired and built large networks of mast sites with each Network Operator competing against the other to secure the better coverage by acquiring more and more such sites.

The approach of the Network Operators has now fundamentally changed in that they have adopted a business model, whereby they are collaborating with a view to sharing mast sites and therefore, reducing the overall number of sites required, in many cases very much to the detriment of land owners and site providers who believed they had a secure income for many years to come.

Vodafone and O2 have been working together, as have T-Mobile and Hutchison 3G UK Limited. Along with the merger of Orange and T-Mobile, this effectively brings about a situation whereby there are only two groups of companies requiring sites and therefore they are looking to shed a large number of sites.

This has serious consequences for many site providers who run the risk of losing their income if they are not properly advised. In some cases, the Network Operators do have the ability to legitimately bring their lease agreements to an end but, in other circumstances, they are unable to bring their agreements to an end and they are therefore offering to surrender those agreements. These offers are sometimes made on the basis that they will pay a premium sum and also allow the site owner to keep the mast in the hope that another company may have the need for it and offer to rent it.

There are a number of pitfalls with this approach and therefore, any site provider, receiving any communication from one of the Network Operators regarding the termination of a telecommunications site lease agreement, or indeed any other matter relating to their mast site, should seek specialist advice. In some instances, site providers have signed agreements with the Network Operators effectively signing away the right to receive many years further rental income.

The law relating to telecommunication sites is a complex area by virtue of the fact that telecommunications operators, over and beyond the rights they are granted under the general law relating to business leases, have further statutory rights granted under the provisions of the Telecommunications Legislation. The consequence of this is that it may prove difficult, though not impossible, to remove telecommunications operators from sites, for example, where the site owner seeks to redevelop the site. It is therefore also very important that any land owner considering either granting a lease to a telecommunications operator or, indeed renewing one, should seek advice from professionals experienced in this specific field.

Any land owner considering redeveloping a site upon which a telephone mast is situated, should factor into their plans the time it will take to remove the operator and also the possibility that Court proceedings may be required to do so.

For further information, advice or just an informal discussion, please contact Michael Watson. Direct Dial: 0113 297 1850. Mobile No: 07960 061987.
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