



CENTRAL CAR PARK SPACES: HEADS OF TERMS

TOWN COUNCIL MEETING

REPORT 98/21

13 DECEMBER 2021

The purpose of this Report is to ask Members to agree the now provided Heads of Terms for the lease of the four car park spaces required for the new Public Toilet.

No. DETAILS.

1) BACKGROUND

- a) The use of the four parking bays in the Central Car Park for the construction of the new Public Toilet is currently secured under a Tenancy at Will agreed between the Isle of Wight and Town Councils.
 - b) Heads of Terms for the formal Lease have been provided to the Town Council on 6 December 2021.
 - c) A copy of the document is attached to this Report.
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2) RECOMMENDATION

The Town Council is recommended to agree the Heads of Terms subject to any amendments it wishes to request.

Land at Central car park, High Street, Ventnor
Heads of Terms DRAFT V0.1– Ground Lease (Subject to Contract)

Lessor:	Isle of Wight Council, County Hall, High Street, Newport, Isle of Wight, PO30 1UD.
Lessee:	<p>Ventnor Town Council 1 Salisbury Gardens Dudley Road, Ventnor Isle of Wight, PO38 1EJ</p> <p>Is the Lessee existing or new? Existing/New</p>
Lessee Contact Details:	<p>David Bartlett, Town Clerk 1 Salisbury Gardens Dudley Road, Ventnor Isle of Wight, PO38 1EJ E: townclerk@ventnortowncouncil.org.uk T: (01983) 857840</p>
Address and Description of Property:	<p>All that property known as part of the land within Central car park, High Street, Ventnor and shown edged red on the attached plan for identification purposes only.</p> <p>Is the Property currently vacant? Yes/No</p>
Buildings:	<p>Land and buildings or land only? Land only</p>
Any appointed solicitor?	Name – lessee to provide details if applicable
Date of Commencement:	5 May 2022
Term:	25-year lease
Annual Rent:	The annual ground rent will be £2,950.00 per annum, exclusive of VAT on the commencement date of the new lease and on each and every anniversary of this date up to each rent review.
VAT:	VAT is chargeable on the rent Yes
Rent Payment Dates:	5 May in each year
Other Payments:	<p>Insurance charges Yes/No</p> <p>Service charges payable Yes/No</p> <p>In advance Yes/No</p>
Rent reviews:	<p>The annual rent will be reviewed annually on 1 April of each year on an upwards only basis in line with the Retail Prices Index using the following information and calculation:</p> <p>Base RPI Month input month & Year Base Rent input starting rent</p> <p>The indexed rent for a Review Date shall be determined by multiplying the Base Rent by the All Items index value of the RPI for the month two months</p>

	before the month in which that Review Date falls, then dividing the product by the All Items index value of the RPI for the Base RPI Month. The increased amount shall then be added to the rental value of the preceding year.
Outgoings/Utilities:	The Lessees will be responsible for all outgoings relating to the property.
Repairs:	The Lessees will be responsible for all repair and maintenance relating to the Property.
Decorations:	The Lessee will be responsible for keeping any buildings erected or to be erected in good decoration
Alterations:	The Lessee shall not make any external or structural alteration or addition to the property without the consent of the Lessor, such consent not to be unreasonably withheld
Insurances:	The Lessee will be responsible for all insurances relating to the Property and in particular for ensuring there is third party liability insurance cover in force throughout the Term to the Lessor's reasonable satisfaction for a minimum sum of ten Million Pounds Sterling (£10,000,000).
Permitted Use:	The permitted use will be for the provision and management of public toilet facilities only. These will be as constructed in accordance with planning permission 20/00184/FUL and the architects plan numbered 1 annexed to this ground lease.
Rights to be granted:	The Lessee will have a right with or without vehicles over the adjacent land.
Alienation:	The Lessee will not be permitted to share occupation, assign or sublet the Property in whole or in part without the Lessors prior written consent and upon any such assignment a premium of 5% of the purchase price will be payable to the Lessor together with all the Lessor's costs incurred upon completion of any assignment.
Break Options:	<p>Clause wording: The Landlord may terminate this lease by serving a Break Notice at any time on the Tenant.</p> <p>Following service of a Break Notice this lease shall terminate on the Break Date.</p> <p>Termination of this lease on the Break Date shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease.</p> <p>Definitions: Break Date: a date which is at least 6 months after service of the Break Notice. Break Notice: written notice to terminate this lease specifying the Break Date and the reason for the termination.</p>
Charging:	The Lessee is allowed to charge the property without consent Yes /No
Health & Safety:	The Lessee will be responsible for all health & safety matters relating to the use of the Property.
Lessee/lessee Break Options:	<p>Lessee may break on giving not less than twelve months' notice.</p> <p>Lessor to break if the Property is required for redevelopment or other purpose on giving twelve months' notice.</p>
Landlord & Tenant Act Part II	Exclusion of security of tenure applies Yes/No
Legal Fees	The Lessee will contribute £500.00 towards the Lessor's legal fees

Other:	1. By agreeing to this lease, you will have certain contractual and legal obligations which include registering the lease with Land Registry. The Lessees shall be obliged, no later than one month after the lease completion date to register the leasing interest in the Property and on completion of registration the Lessee shall send the Lessor official copies of its 2. The tenant to indemnify the landlord in relation to all rights, covenants and restrictions etc. affecting the Property	
	Signed:..... Print Name:..... Date:..... <u>Other information required by Legal Services</u>	
TF Lettable Unit:	[New lettable Unit] As found on Technology Forge	
Budget Codes:	Rent Code: [N/A] Debtor number is existing [N/A] Contract number if existing [N/A] Insurance code (if recharged): N/A Please confirm if Tenant is to insure Property Yes/ No Service charge code (if applicable): [N/A]	
Executive/Delegated Authority <u>New Lessees only:</u> Are there any meters at the Property will need to be read at completion?	Executive/Cabinet approval Yes/ No Date of approval: 11.03.2021 Delegated Authority Alex Minns/ Ash Curzon Yes/ No Yes/ No If yes, please confirm and provide the relevant reading in the boxes below: [N/A] Gas [N/A] Water [N/A] Electric	