



VENTNOR CENTRAL LEASE

TOWN COUNCIL MEETING

REPORT 27/17

10 APRIL 2017

The purpose of this paper is to ask Members to agree to the new Lease for Ventnor Central based on the Heads of Terms agreed at the Town Council's March meeting.

No. DETAIL

1) BACKGROUND

- a) The Town Council has managed Ventnor Central on the basis of a lease from the Isle of Wight Council from 1 October 2014.
 - b) The term of that lease ended on 31 March 2017.
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2) NEW LEASE

- a) The Town Council agreed to take on a new lease to cover the period from 1 April 2017 to the completion of the anticipated sale of the building and site to Sovereign Housing Association later this year.
 - b) Following agreement on the Heads of Terms based on a one-year term ending 31 March 2018 with a one-month notice Break Clause (Clause 37) the Isle of Wight Council has provided a draft for the new lease.
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3) RECOMMENDATION

The Town Council is recommended to accept the draft lease as circulated with this Report and authorise its signature.

Dated

2017

**ISLE OF WIGHT COUNCIL
and
VENTNOR TOWN COUNCIL**

LEASE

Relating to Former Youth Centre, Victoria Street, Ventnor, Isle of Wight PO38 1ET

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This lease is made on the

day of

2017

BETWEEN

- (1) Isle of Wight Council of County Hall, High Street, Newport, Isle of Wight PO30 1UD (the '**Landlord**'); and
- (2) Ventnor Town Council of 1 Salisbury Gardens, Dudley Road, Ventnor, Isle of Wight PO38 1EJ (the '**Tenant**')

AGREED TERMS

1. Interpretation

1.1 The definitions and rules of interpretation set out in this clause apply to this Lease

'Act of Insolvency';

- (a) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant; or
- (b) the making of an application for an administration order or the making of an administration order in relation to the Tenant; or
- (c) the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant; or
- (d) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant; or
- (e) the commencement of a voluntary winding-up in respect of the Tenant, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or
- (f) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant; or
- (g) the striking-off of the Tenant from the Register of Companies or the making of an application for the Tenant to be struck-off; or
- (h) the Tenant otherwise ceasing to exist (but excluding where the Tenant dies); or
- (i) the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant

The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications referred to in the Insolvent Partnerships Order 1994 (*SI 1994/2421*) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications

referred to in the Limited Liability Partnerships Regulations 2001 (*SI 2001/1090*) (as amended)

Act of Insolvency includes any analogous proceedings or events that may be taken pursuant to the legislation of another jurisdiction in relation to a tenant or guarantor incorporated or domiciled in such relevant jurisdiction

‘Annual Rent’; rent at an initial rate of £1 per annum if demanded

‘Contractual Term’; a term of 12 months beginning on and including 1 April 2017 and ending on 31 March 2018

‘CDM Regulations’; the Construction (Design and Management) Regulations 2007 (*SI 2007/320*)

‘Default Interest Rate’; four percentage points above the Interest Rate

‘Insured Risks’; means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks

‘Interest Rate’; interest at the base rate from time to time of National Westminster Bank Plc or if that base rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord

‘LTA 1954’; Landlord and Tenant Act 1954

‘Permitted Use’; As a centre for youth and community facilities only

‘Property’; the land and building being the former Youth Centre, Victoria Street, Ventnor, Isle of Wight, PO38 1ET registered at HM Land Registry under Title Number IW69750 and shown for identification purposes hatched blue on the attached plan

‘Rent Commencement Date’; 1 April 2017

‘Rent Payment Date’; annually in advance on 1 April in each calendar year

‘Reservations’; all of the rights excepted, reserved and granted to the Landlord by this Lease

‘Service Media’; all media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media

‘Third Party Rights’; all rights, covenants and restrictions affecting the Property

‘VAT’; value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax

- 1.2 A reference to this **lease**, except a reference to the date of this Lease or to the grant of the lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it

- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this Lease. A reference to the **Tenant** includes a reference to its successors in title and assigns. A reference to a **guarantor** is to any guarantor of the tenant covenants of this Lease including a guarantor who has entered into an authorised guarantee agreement
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined conclusively (except as to questions of law) by the Landlord
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995
- 1.6 Unless the context otherwise requires, a reference to the **Property** is to the whole and any part of it
- 1.7 A reference to the **term** is to the Contractual Term
- 1.8 A reference to the **end of the term** is to the end of the term however it ends
- 1.9 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 34.5 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 34.6
- 1.10 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England
- 1.11 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it
- 1.12 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them
- 1.13 Any obligation in this Lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person
- 1.14 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this Lease, they are deemed to have the words "without limitation" following them
- 1.15 A **person** includes a corporate or unincorporated body
- 1.16 References to **writing** or **written** do not include faxes **OR** email

1.17 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this Lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule

1.18 Clause, Schedule and paragraph headings do not affect the interpretation of this Lease

2. Grant

2.1 The Landlord with full title guarantee lets the Property to the Tenant for the Contractual Term

2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights

2.3 The grant is made with the Tenant paying the following as rent to the Landlord:

2.3.1 the Annual Rent; and

2.3.2 all interest payable under this Lease; and

2.3.3 all other sums due under this Lease

3. Ancillary rights

3.1 Except as set out in this clause, neither the grant of this Lease nor anything in it confers any right over neighbouring property nor is to be taken to show that the Tenant may have any right over neighbouring property, and section 62 of the LPA 1925 does not apply to this Lease.

3.2 The following rights are reserved in favour of the Property insofar as the Landlord can competently grant same:-

3.2.1 rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term

3.2.2 the right to use and to connect into Service Media at the Property which are in existence at the date of this Lease

4. Rights excepted and reserved

4.1 The following rights are excepted and reserved from this Lease to the Landlord for the benefit of the Landlord's Neighbouring Property and to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:

4.1.1 rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;

4.1.2 the right to use and to connect into Service Media at the Property which are in existence at the date of this Lease

- 4.1.3 at any time during the term, the full and free right to develop any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit;
- 4.1.4 the right to build on or into any boundary wall of the Property in connection with any of the Reservations; and
- 4.1.5 the right to re-route any Service Media at or serving the Property or re-route any means of access to or egress from the Property;
notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property or loss of amenity for the Property
- 4.2 The Landlord reserves the right to enter the Property:
 - 4.2.1 to repair, maintain or replace any Service Media or structure relating to any of the Reservations; and
 - 4.2.2 for any other purpose mentioned in or connected with:
 - (a) this Lease;
 - (b) the Reservations; and
 - (c) the Landlord's interest in the Property
- 4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord
- 4.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant
- 4.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of those Reservations except for:
 - 4.5.1 physical damage to the Property; or
 - 4.5.2 any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord from excluding liability

5. Third Party Rights

- 5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights (insofar as those obligations relate to the Property) and shall not do anything (even if otherwise permitted by this Lease) that may interfere with any Third Party Right

- 5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of any Third Party Right to enter the Property in accordance with its terms

6. The Annual Rent

- 6.1 The Tenant shall pay the Annual Rent by one annual instalment in advance on or before the Rent Payment Date. The payments shall be made by banker's standing order or by any other method that the Landlord requires at any time by giving notice to the Tenant
- 6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on the date of this Lease and shall be the proportion, calculated on a daily basis, in respect of the period from the date of this Lease until the day before the next Rent Payment Date

7. Insurance

- 7.1 The Tenant shall keep the Property (including any plate glass at the Property) insured against loss or damage by the Insured Risks for the full reinstatement cost (taking inflation of building costs into account).
- 7.2 The Tenant shall:
- 7.2.1 give the Landlord notice immediately any matter occurs that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Property;
- 7.2.2 not do or omit anything as a result of which any policy of insurance of the Property or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld,
- 7.2.3 comply at all times with the requirements and recommendations of the insurers relating to the Property; and
- 7.2.4 give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk or of any other event that might affect any insurance policy relating to the Property;
- 7.3 The Tenant shall, subject to obtaining all necessary planning and other consents, use all insurance money received to repair the damage for which the money has been received or (as the case may be) in rebuilding the Property.
- 7.4 If, following damage to or destruction of the Property, the Landlord considers in its reasonable opinion that it is impossible or impractical to reinstate the Property, then either party to this lease may terminate this lease by giving notice to the other. On giving such notice this lease shall determine but this shall be without prejudice to any right or remedy of either party in respect of any breach of the covenants of this lease owed by each party to the other.

- 7.5 The Tenant shall at its own cost effect and maintain with a reputable insurance company a policy or policies of insurance providing public liability insurance with a limit of indemnity of not less than £10,000,000.00 in relation to any one claim or series of claims;
- 7.6 The cover shall be in respect of all risks which may be incurred by the Tenant, arising out of the Tenant's performance of the agreement, including death or personal injury, loss of or damage to property or any other loss.
- 7.7 The terms of any insurance or the amount of cover shall not relieve the Tenant of any liabilities under this lease.

8. Rates and taxes

- 8.1 The Tenant shall pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:
- 8.1.1 any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this Lease; or
- 8.1.2 any taxes, other than VAT payable by the Landlord by reason of the receipt of any of the rents due under this Lease
- 8.2 If any rates, taxes or other impositions are payable in respect of the Property together with other property, the Tenant shall pay a fair proportion of the amount payable
- 8.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord
- 8.4 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost

9. Utilities

- 9.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property
- 9.2 If any of those costs are payable in relation to the Property together with other property, the Tenant shall pay a fair proportion of all those costs
- 9.3 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities

10. Grants

The Tenant shall be responsible and accountable for the application for and administration of any grants or other funding from third parties in respect of operating the Property or undertaking any repairs, upgrades, alterations or other works thereto. Further, the Landlord shall have no responsibility for the provision of any funding towards the Property or any service or use facility provided at the Property

11. VAT

- 11.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this Lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes
- 11.2 Every obligation on the Tenant, under or in connection with this Lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994

12. Default interest and interest

- 12.1 If any Annual Rent or any other money payable under this Lease has not been paid by the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment
- 12.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this Lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this Lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord

13. Costs

- 13.1 The Tenant shall pay the reasonable and proper costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses incurred (both during and after the end of the term) in connection with any of the following:
 - 13.1.1 the enforcement of the tenant covenants of this Lease;
 - 13.1.2 serving any notice in connection with this Lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;

- 13.1.3 serving any notice in connection with this Lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- 13.1.4 the preparation and service of a schedule of dilapidations in connection with this Lease; or
- 13.1.5 any consent or approval applied for under this Lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it)
- 13.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this Lease) that obligation extends to those costs and expenses assessed on a full indemnity basis

14. Compensation on vacating

Any right of the Tenant or anyone deriving title under the Tenant to claim compensation from the Landlord on leaving the Property under the LTA 1954 is excluded, except to the extent that the legislation prevents that right being excluded

15. No deduction, counterclaim or set-off

The Annual Rent and all other money due under this Lease are to be paid by the Tenant or any guarantor (as the case may be) without deduction, counterclaim or set-off

16. Assignments

- 16.1 The Tenant shall not assign the whole or any part of this Lease without the consent of the Landlord, such consent not to be unreasonably withheld
- 16.2 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to all or any of the following conditions:
 - 16.2.1 a condition that the assignor enters into an authorised guarantee agreement which:
 - (a) is in respect of all the tenant covenants of this Lease;
 - (b) is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995;
 - (c) imposes principal debtor liability on the assignor;
 - (d) requires (in the event of a disclaimer of liability under this Lease) the assignor to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
 - (e) is otherwise in a form reasonably required by the Landlord;

- 16.2.2 a condition that a person of standing acceptable to the Landlord enters into a guarantee and indemnity of the tenant covenants of this Lease in such form as the Landlord may reasonably require.
- 16.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an assignment if any of the following circumstances exist at the date of the Tenant's application for consent to assign this Lease:
- 16.3.1 the Annual Rent or any other money due under this Lease is outstanding or there has been a breach of covenant by the Tenant that has not been remedied;
- 16.3.2 in the Landlord's reasonable opinion the assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants and conditions contained in the lease; or
- 16.3.3 the assignee and the Tenant are group companies within the meaning of section 42 of the LTA 1954
- 16.4 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

17. Underlettings

- 17.1 The Tenant shall not underlet the whole or any part of the Property except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld
- 17.2 The Tenant shall not underlet the Property:
- 17.2.1 together with any property or any right over property that is not included within this Lease;
- 17.2.2 at a fine or premium or reverse premium; nor
- 17.2.3 allowing any rent free period to the undertenant
- 17.3 Any underletting by the Tenant shall be by deed and shall include:
- 17.3.1 an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;
- 17.3.2 a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this Lease, except the covenants to pay the rents reserved by this Lease; and
- 17.3.3 provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this Lease,

and shall otherwise be consistent with and include tenant covenants no less onerous (other than as to the Annual Rent) than those in this Lease and in a form approved by the Landlord, such approval not to be unreasonably withheld

17.4 In relation to any underlease granted by the Tenant, the Tenant shall:

17.4.1 not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld;

17.4.2 enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease;

17.5 For the avoidance of doubt any temporary short term hire of the Property or any part thereof shall not constitute a breach of this Lease, provided that no such temporary short term hire shall create any relationship of Landlord and Tenant between the parties thereto

18. Charging

The Tenant shall not charge the whole or any part of this Lease

19. Prohibition of other dealings

Except as expressly permitted by this Lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this Lease or the Property or hold the lease on trust for any person

20. Registration and notification of dealings and occupation

20.1 In this clause a **Transaction** is:

20.1.1 any dealing with this Lease or the devolution or transmission of, or parting with possession of any interest in it; or

20.1.2 the creation of any underlease or other interest out of this Lease, or out of any interest, underlease derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest or underlease; or

20.1.3 the making of any other arrangement for the occupation of the Property

20.2 No later than one month after a Transaction the Tenant shall:

20.2.1 give the Landlord's solicitors notice of the Transaction; and

20.2.2 deliver two certified copies of any document effecting the Transaction to the Landlord's solicitors; and

20.3 If the Landlord so requests, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it

21. Repair and Decoration

21.1 The Tenant shall keep the Property clean and tidy and in good repair but for the avoidance of doubt the Tenant's repairing covenant shall be limited to the extent that

the Property shall be kept in no better repair than is evidenced by the Schedule of Condition annexed to this Lease.

21.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk or by inherent defect, unless and to the extent that:

21.2.1 the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property with the actual or implied authority of any of them; or

21.2.2 the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 7

21.3 Any repairs undertaken by the Tenant shall be completed in accordance with the relevant British Standards (where applicable) and in any event to a good and workmanlike standard

21.4 The Tenant shall keep the Property in good decoration if required by the Landlord

22. Alterations

22.1 The Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property

22.2 The Tenant shall not install any Service Media on the exterior of the Property nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld

22.3 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld

22.4 The Tenant shall not carry out any alteration to the Property which would, or may reasonably be expected to, have an adverse effect on the asset rating in any Energy Performance Certificate commissioned in respect of the Property

22.5 Any alterations undertaken by the Tenant shall be completed in accordance with the relevant British Standards (where applicable) and in any event to a good and workmanlike standard

22.6 The Tenant shall be responsible for obtaining all relevant planning permission, Listed building, building requirements, environmental and any other such consent required for undertaking any alterations to the Property or for the use and occupation thereof, prior to implementing such alterations or use.

23. Signs

23.1 In this clause **Signs** include signs, fascia, placards, boards, posters and advertisements

- 23.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the outside without the consent of the Landlord, such consent not to be unreasonably withheld
- 23.3 Before the end of the term, the Tenant shall remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal
- 23.4 The Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board as the Landlord reasonably requires

24. Returning the Property to the Landlord

- 24.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this Lease DECLARING that the Tenant may but shall not be required to return the Property in any better condition than the Property was in at the start of this Lease
- 24.2 If the Landlord gives the Tenant notice the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal
- 24.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it
- 24.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal
- 24.5 If the Tenant does not comply with its obligations in this clause, then, without prejudice to any other right or remedy of the Landlord, the Tenant shall pay the Landlord an amount equal to the Annual Rent at the rate reserved immediately before the end of the term for the period that it would reasonably take to put the Property into the condition it would have been in had the Tenant performed its obligations under this clause. The amount shall be a debt due on demand from the Tenant to the Landlord

25. Use

- 25.1 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord, its other tenants or any other owner or occupier of neighbouring property
- 25.2 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property

25.3 The Tenant shall not use the premises for residential purposes, nor to provide any form of sleeping accommodation whether permanent or temporary.

26. Compliance with laws

26.1 The Tenant shall comply with all laws relating to:

26.1.1 the Property and the occupation and use of the Property by the Tenant;

26.1.2 the use of all Service Media and machinery and equipment at or serving the Property;

26.1.3 any works carried out at the Property; and

26.1.4 all materials kept at or disposed from the Property

26.2 The Tenant will be responsible for all health and safety matters relating to the use of the Property including compliance with LOLER and PUWER regarding pressure vessels and lifting equipment and all other relevant legislation

26.3 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this Lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier

26.4 Within five working days after receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant shall:

26.4.1 send a copy of the relevant document to the Landlord; and

26.4.2 take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require

26.5 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent such consent not to be unreasonably withheld

26.6 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file. The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term

26.7 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations

26.8 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this Lease

26.9 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended

by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection

27. Encroachments, obstructions and acquisition of rights

27.1 The Tenant shall not grant any right or licence over the Property to a third party

27.2 If a third party makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:

27.2.1 immediately give notice to the Landlord; and

27.2.2 take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action

27.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property

27.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party

27.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property, the Tenant shall:

27.5.1 immediately notify the Landlord; and

27.5.2 take all steps (including proceedings) the Landlord reasonably requires to prevent or secure the removal of the obstruction

28. Breach of repair and maintenance obligation

28.1 The Landlord may enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this Lease relating to the condition or repair of the Property

28.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed provided that the Landlord causes as little interference as possible to the Tenant's use of the Property and if the Landlord carries out any works to the Property in accordance with this clause 31 it shall make good at its sole expense any damage caused to any of the fixtures and fittings or to the Property or both

28.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand

28.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 31

29. Indemnity

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in the Property and loss of amenity of the Property) arising from any breach of any tenant covenants in this Lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them

30. Landlord's covenant for quiet enjoyment

The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this Lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this Lease

31. Re-entry and forfeiture

31.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

31.1.1 any rent is unpaid 21 days after becoming payable whether it has been formally demanded or not;

31.1.2 any breach of any condition of, or tenant covenant, in this Lease;

31.1.3 an Act of Insolvency

31.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this Lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant or any guarantor

32. Liability

32.1 At any time when the Landlord, the Tenant or a guarantor is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this Lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them

32.2 The obligations of the Tenant and any guarantor arising by virtue of this Lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant

32.3 The Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this Lease, (unless and until the Tenant has given the Landlord notice of the failure and the Landlord has not remedied the failure within a reasonable time of service of that notice **OR** unless the Landlord knows it has failed to perform the covenant, or reasonably should know this, and has not remedied that failure within a reasonable time)

33. Entire agreement

- 33.1 This Lease and any documents annexed to it constitute the whole agreement between the parties and supersedes all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to their subject matter
- 33.2 Each party acknowledges that in entering into this Lease and any documents annexed hereto it does not rely on, and shall have no remedies in respect of, any representation or warranty (whether made innocently or negligently) not forming part of this Lease.
- 33.3 Nothing in this Lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this Lease
- 33.4 Nothing in this clause shall limit or exclude any liability for fraud.

34. Notices, consents and approvals

- 34.1 A notice given under or in connection with this Lease shall be:
 - 34.1.1 in writing unless this Lease expressly states otherwise and for the purposes of this clause an e-mail is not in writing;
 - 34.1.2 given:
 - (a) by hand or by pre-paid first-class post or other next working day delivery service at the party's registered office address (if the party is a company) or (in any other case) at the party's principal place of business; or
 - (b) by fax to the party's main fax number
- 34.2 If a notice is given in accordance with clause 34.1, it shall be deemed to have been received:
 - 34.2.1 if delivered by hand, at the time the notice is left at the proper address;
 - 34.2.2 if sent by pre-paid first-class post or other next working day delivery service, on the second working day after posting; or
 - 34.2.3 if sent by fax, at 10.00 am on the next working day after transmission
- 34.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution
- 34.4 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this Lease.
- 34.5 Where the consent of the Landlord is required under this Lease, a consent shall only be valid if it is given by deed, unless:
 - 34.5.1 it is given in writing and signed by a person duly authorised on behalf of the Landlord; and

34.5.2 it expressly states that the Landlord waives the requirement for a deed in that particular case

If a waiver is given, it shall not affect the requirement for a deed for any other consent

34.6 Where the approval of the Landlord is required under this Lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:

34.6.1 the approval is being given in a case of emergency; or

34.6.2 this Lease expressly states that the approval need not be in writing

34.7 If the Landlord gives a consent or approval under this Lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party

35. Governing law and jurisdiction

35.1 This Lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales

35.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Lease or its subject matter or formation (including non-contractual disputes or claims)

36. Exclusion of sections 24-28 of the LTA 1954

36.1 The parties confirm that:

36.1.1 the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this Lease, not less than 14 days before this Lease was entered into a certified copy of which notice is annexed to this Lease;

36.1.2 The Tenant who was duly authorised by the Tenant to do so made a declaration dated _____ in accordance with the requirements of section 38A(3)(b) of the LTA 1954 a certified copy of which declaration is annexed to this Lease; and

36.1.3 there is no agreement for lease to which this Lease gives effect

36.2 The parties agree that the provisions of sections 24 to 28 of the LTA 1954 are excluded in relation to the tenancy created by this Lease

37. Break Clause

37.1 Definitions:

Break Date: a date which is at least 1 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.

- 37.2 Either the Landlord or the Tenant may terminate this lease by serving a Break Notice at any time on the other party.
- 37.3 A Break Notice served by the Landlord shall only be permitted if the Property is required for redevelopment or other purpose
- 37.4 Subject to Clause 37.2, following service of a Break Notice this lease shall terminate on the Break Date.
- 37.5 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.

38. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999

39. Landlord and Tenant (Covenants) Act 1995

This Lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995

IN WITNESS WHEREOF THIS DOCUMENT HAS BEEN EXECUTED AND DELIVERED ON THE DATE FIRST STATED ABOVE.

The Common Seal of the ISLE OF
WIGHT COUNCIL was hereunto
affixed in the presence of

.....
Authorised Signatory

Executed as Deed by
VENTNOR TOWN COUNCIL
by two Council Members

in the presence of:

.....
Authorised Signatory

.....
Signature of Witness

.....
Authorised Signatory

.....
.....
.....
.....
.....
.....

Name and Address of Witness

**SCHEDULE OF CONDITION referred to in the foregoing Lease between Isle of Wight
Council and Ventnor Town Council**

See attached photographs