

The terms below are provided to give the applicant an indication of responsibilities which will be formulated in a Community Asset Transfer Lease agreement. This document will be completed once the application and supplemental business case has been supported by the Asset Management Board. Once agreed, formal approval will then be sought.

**HEADS OF TERMS FOR A COMMUNITY  
ASSET TRANSFER LEASE**

**GENERAL INFORMATION**

**PROPERTY**

The premises known as;

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As shown edged red for identification purposes only on the attached plan

**TENANTS (ORGANISATION) NAME**

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**CONTACT NAME WITHIN ORGANISATION / AUTHORISED SIGNATORY**

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**COMPANY / REGISTERED CHARITY NUMBER** if applicable

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**ORGANISATION REGISTERED ADDRESS** (address of the premises to be let is not accepted)

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Telephone number: \_\_\_\_\_

Mobile number: \_\_\_\_\_

Email address(s): \_\_\_\_\_

**TENANTS SOLICITOR** (please Give name of specific solicitor as well as firm)

Solicitor address

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Telephone number: \_\_\_\_\_

Mobile number: \_\_\_\_\_

Email address: \_\_\_\_\_

NOTIFICATION: (delete as appropriate) :-

I WILL be legally represented in this transaction

I WILL NOT be legally represented in this transaction

See also the note on LEGAL REPRESENTATION below.

**TERMS OF LEASE**

Term	xxxx Years to commence xxxx
Joint Working Agreement (JWA)	It will be an absolute requirement of the lease that the community organisation (the Tenant) enter into a Joint Working Agreement (JWA) with the Council (the Landlord) for the delivery of the agreed community services from the subject premises. Such document shall be reviewed from time to time for the purpose of ensuring that the services provided continue to meet the needs of the local community.
JWA Break Clause	Both parties shall have the benefit of a break clause within the lease if the terms of the JWA cannot be agreed on any review or if it is found that the terms of the JWA are breached.
Landlord's Break Clause	The lease agreement shall include a break clause in favour of the Landlord, in the event that the Council require the asset (or any part thereof) for wider community development or for the generation of a capital receipt. In operating this Break Option the Council acknowledges that it may have to compensate the applicant where they are legally obliged to repay any grants that have been secured on the premises for purposes of delivering the agreed community service.

Tenant's Break Clause	The lease agreement shall include a break clause in favour of the Tenant to break the lease at any time, subject to the Tenant providing the Landlord with 6 months' notice in writing. In such an event, the Landlord WILL NOT be obligated to compensate the Tenant for any financial obligations that may be due to be repaid as a result of terminating the lease.
Rent	£ <b>xxxxx</b> per annum (if appropriate) exclusive of rates and all other outgoings.
Rent payment dates	Payable monthly by direct debit (where appropriate)
VAT	To be charged/not charged
Any Rent Free Period	Purpose e.g. fitting out etc. or discounted rent period – include reason for rent free.
Landlord and Tenant Act1954	Contracted Out
Rent Review	On the <b>xxxx</b> dates (if appropriate)
Permitted Use	To use the premises as a <b>xxxxxxxx</b> as defined by class <b>D1/D2</b> of The Town and Country Planning (Use Classes) (Amendment) (England) Order 2015 and for no other reason whatsoever without prior written consent from the Council. The Tenant to be responsible for any change of use required under the Town & Country Planning Act 1990 in connection with the proposed use if required.
Rights Granted	<b>xxxx</b>
Rights Reserved	<b>xxxx</b>
Repairing Obligations	The Tenant shall be responsible for all internal and external repairs to the property.
Dilapidations	A Photographic Schedule of Condition to be attached to the Lease
Decoration	The Tenant must paint and decorate in a workmanlike manner the interior walls, ceilings and painted woodwork and the exterior of the said premises with two coats of good quality paint in a colour to be approved by the Council if different to that already, every <b>xxx</b> ( <b>suggest no more than once every 5 years and only in the final year if the lease is 5 years or less</b> )

years and final year of the said term howsoever determined.

Drainage

The Tenant to bear the full cost of repair and maintenance of the drain connecting the said premises to the common sewer and to pay a fair proportion (which is to be determined by the Director of Environment and Development Services) of the expense payable in respect of clearing and repairing of the said sewer.

Electrical Installation

The Tenant shall be responsible for the maintenance and certification, on a three yearly basis by a recognised contractor, of the whole electrical installation within the demised premises and shall have records available for inspection at any given time. An appropriate test certificate must be provided to the Landlord at termination of the tenancy. If no certificate is provided then the Landlord may pass the cost of obtaining a certificate to the Tenant ***even if the lease has expired***

Gas Installation

The Tenant shall be responsible for the maintenance and certification, on an annual basis by a recognised contractor (Gas Safety Register Contractor), of any gas installation and appliance within the demised premises and shall have records available for inspection at any time. An appropriate gas safety test certificate must be provided to the Landlord at termination of the tenancy. If no certificate is provided then the Landlord may pass the cost of obtaining a certificate to the Tenant ***even if the lease has expired***

EPC

An EPC will be provided by the Council as Landlord at commencement of the tenancy. The Tenant shall provide to the Landlord at their own cost an up to EPC during the term should the Tenant make such alterations to make the existing EPC invalid.

Permitted Alterations

No structural alterations should be made to the demised premises without the Landlord's prior written consent. Any structural alterations must be carried out in line with the relevant planning permission or building regulations.

Alienation

The Tenant shall not assign the premises in whole or part.

Sub-letting

The Tenant shall not sublet the premises in whole or part.

Insurance

- Landlord

Against loss or damage by fire lightening explosion aircraft damage riot malicious damage (other than thieves) earthquake storm

damage flood damage burst water pipes third party impact damage and any other risks against which the Council decide to insure against from time to time

The Tenant to pay to the Council by way of an additional charge such sums as may be expended by the Council from time to time in effecting and maintaining a policy of insurance in accordance with its covenant on that behalf contained in the above clause in respect of the demised premises such sums to be paid upon demand

- Tenant      Responsibility for Public Liability to prevailing minimum cover requirement

Business Rates / Taxes      The Tenant shall be responsible for the payment of rates, taxes and all other outgoings in respect of the demised premises

Consents and Permissions      The Tenant shall be responsible for obtaining any planning permission or Building Regulation approval that may be necessary.

Arrears      Should the rent become more than twenty one days in arrears then interest shall be charged on the outstanding balance at a rate of 4% over the current base rate of the Co-operative Bank Plc.

Costs      The Landlord shall charge a reasonable fee for dealing with assignments, changes of use etc. whether or not consent is eventually granted.

Service charge      If relevant

Fire Safety      The Tenant is responsible for obtaining a fire risk assessment for the demise. The Landlord reserves the right to request sight of the assessment at reasonable written notice – not less than 24 hours.

Asbestos      For the purposes of asbestos management the Tenant shall be deemed to be the “dutyholder” under the Control of Asbestos Regulations 2012 and as such shall be solely responsible for full compliance with the dutyholder’s legal obligations under the said regulations (and any subsequent regulations that may come into force in relation to the control and management of asbestos). It is the dutyholder’s responsibility to have an effective Asbestos Management Plan in place for the demised premises and maintain/update the document throughout the tenancy of the premises in accordance with above legislation.

Other clauses	As are usually contained within similar Council leases.
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Legal / Surveyors costs	The Tenant shall pay £xxx towards/be responsible for the Council's reasonable legal costs / and surveyors fees in dealing with the lease.
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**Nothing in these Heads of Terms shall constitute a contract.**

**LEGAL REPRESENTATION - IMPORTANT:**

Rotherham Metropolitan Borough Council strongly recommends that you seek your own legal representation in the consideration of these heads of terms and generally through the process of taking business premises by way of lease. You have the right at any time to seek legal representation.

I agree to the above Heads of Terms and I confirm that I have read and understand my right to seek my own legal representation in the agreement of a lease for RMBC owned premises;

Signed.....

Date.....