

## HEADS OF TERMS

### Subject to Contract and Any Formal Approval

**Date: 07 September 2023**

The following Heads of Terms comply with 'RICS Code of Leasing Business Premises' Professional Statement (1st Edition February 2020).

The Code states that, where a party is not represented by an RICS member or other property professional they must be advised about the existence of this Code and its supplemental guide and must be recommended to obtain professional advice.

Note: The need for this lease is to allow Nationalgrid to erect a new substation on the site upon which the current Wishing Well (See photo below) has been positioned for many years. This is adjacent to the Bowls Green and is also close to the Pavilions and the Cherry on the Top Ice Cream Shop. The Wishing Well to be constructed by Nationalgrid prior to the lease being granted.



<b>Lease Type</b>	Head Lease
<b>Type of Transaction</b>	New Lease
<b>Landlord</b>	Teignbridge District Council, Forde House, Brunel Road, Newton Abbot, TQ12 4XX.
<b>Tenant</b>	Teignmouth Town Council of Bitton House, Teignmouth, TQ14 9DF
<b>Premises</b>	The land edged red on the attached plan. Plan for identification purposes only.
<b>Rights</b>	The Tenant to have the right to access the Premises across the Landlord's land to construct and maintain the Wishing Well.
<b>Lease Length and Start Date</b>	7 years commencing on the commencement date of the lease.
<b>Landlord and Tenant Act Protection</b>	Lease to benefit from the protection of the 1954 Act: No
<b>Break Rights</b>	Any break rights: Yes  Both the Landlord and the Tenant shall be permitted to break the lease by giving not less than 3 months' prior written notice to the other party at any time.  Details of any break clause payments or pre-conditions: The Tenant to provide vacant possession.
<b>Rent Deposits</b>	Rent deposit required: No
<b>Guarantor(s)</b>	Guarantor required: No
<b>Rent</b>	£1 per annum.
<b>Rent Free Period &amp; Other Incentives</b>	Rent-free period: No
<b>Rent Reviews</b>	None
<b>Interest Rate</b>	Means the rate of 5% above the base lending rate of the Landlord's principal bank.
<b>Interest on Late Rent</b>	The Tenant shall pay interest at the rate of 4% above the Interest Rate on rent payments received more than 21 days after the contractual due date.
<b>VAT</b>	The Premises have not been registered for VAT and therefore will not be chargeable
<b>Assignment, Subletting, Charging and Sharing</b>	Assignment of Whole: Prohibited Sublease Whole: Prohibited Sublease Part: Prohibited Sub-sublease: Prohibited

	<p>Concession / Sharing of Physical Occupation: Prohibited</p> <p>Group Sharing: Prohibited</p> <p>Charging: Prohibited</p>
<b>Repairs</b>	The Tenant is responsible for maintaining the Wishing Well to a reasonable standard, which is sufficient for it not to pose a health and safety hazard to members of the public.
<b>Reinstatement</b>	At termination of the lease, the Tenant to remove the Wishing Well and to make good the surface of the Premises to the completion satisfaction of the Landlord.
<b>Permitted Use</b>	The Premises to be used solely as a site for a Wishing Well.
<b>Landlord's Initial Works</b>	Landlord to undertake works: No
<b>Tenant's Initial Works</b>	Tenant to undertake works: No
<b>Alterations</b>	The Tenant shall not be permitted to make any alterations to the Wishing Well without Landlord's consent, such consent not to be unreasonably withheld or delayed.
<b>Rates and Taxes</b>	Tenant to pay all present and future rates, taxes and other impositions in respect of the Premises including National Non-Domestic Business Rates if applicable.
<b>Outgoings</b>	N/A – There are no services to the Premises.
<b>Premises Insurance</b>	Because the Premises is for land only, premises insurance is not required.
<b>Indemnity &amp; Public Liability Insurance</b>	<p>The Tenant shall indemnify the Landlord against any loss or damage or liability suffered by the Landlord or any third party, howsoever arising from the granting of this Lease and the Tenant's activities.</p> <p>The Tenant shall take out and maintain throughout the Lease period public liability insurance for third party risks with a minimum indemnity limit of five million pounds (£5,000,000) for any one occurrence or series of occurrences arising out of any one event.</p> <p>The Tenant shall provide a copy of its public liability insurance to the Landlord before the commencement of this Lease and during the lease term at the request of the Landlord and to hold this insurance during the period of the Agreement: and an adequate policy of its employer's liability insurance before then commencement of this Agreement.</p> <p>It remains the responsibility of the Tenant in both cases having taken any necessary professional advice, to determine the appropriate level of insurance cover (subject to any minimums stated in this clause) having regards to the nature of its business and the perceived level of risk.</p>
<b>Statutory Requirements</b>	The Tenant shall comply with all legislation, regulations and guidance, Health & Safety requirements and guidance including any revised guidance

	at all times throughout the lease period and will indemnify the Landlord against any non-compliance.
<b>Contamination</b>	Tenant to be liable for contamination on the Premises which has occurred as a direct result of the Tenant's use or miss-use of the Premises and the removal of any such contamination at the end of the lease, however so determined .
<b>Terms &amp; Fees</b>	Each party to be responsible for their own legal and surveyor's fees.
<b>Formal Agreement</b>	The Lease shall contain such other standard and usual terms and conditions as deemed necessary by the Landlord's solicitor and these heads of terms are not intended to form a legally binding agreement.

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**ACCEPTANCE**

We/I have read and understood the Heads of Terms and confirm we/I agree to the said terms and wish to proceed with a lease on this basis.

We/I note the advice above about the existence of this Code and its supplemental guide with the recommendation to obtain professional advice.

Signed: .....

Print name: .....

Date .....