

CABINET – 5TH FEBRUARY 2009

Report of the Director of Governance and Procurement

ITEM 9 COMMUNITY ASSETS PROGRAMME – GORSE COVERT COMMUNITY CENTRE

Purpose of Report

To consider an offer of central government funding to refurbish Gorse Covert Community Centre, Maxwell Drive, Loughborough

Recommendations

1. That authority is given to the Director of Governance and Procurement to accept an offer of £738,605 from the Community Assets Fund to invest in the refurbishment of Gorse Covert Community Centre.
2. That a leasehold interest of 40 years term in the Gorse Covert Community Centre and commencing on a date to be agreed by the Director of Governance and Procurement during 2009 be granted to the Gorse Covert Community Association Ltd at a peppercorn rent
3. That authority is given to the Director of Governance and Procurement to enter into a tripartite Deed of Dedication with the Gorse Covert Community Association Ltd and the Big Lottery Fund in respect of the future use of the Gorse Covert Community Centre.
4. That the sum of £738,605 be included in the Capital Plan and phased over 2008/09 and 2009/10 towards the refurbishment of Gorse Covert Community Centre
5. That authority is given to the Director of Governance and Procurement to let a contract under the Nottinghamshire Framework agreement to Messrs. G.F. Tomlinson of Alfreton Road, Derby for the refurbishment of Gorse Covert Community Centre

Reasons

1. To obtain access to funding and allow the scheme to proceed to implementation
2. To satisfy the conditions of the offer of grant funding and the rules of the Community Assets programme
3. To satisfy the conditions of the offer of grant
4. To ensure that adequate financial resources are made available for the scheme to be carried out
5. To maximise value for money, reduce tendering costs and ensure optimum levels of performance and delivery

Policy Context

The Community Strategy has a key theme of prosperity matters aimed at improving and supporting a dynamic local economy. A related theme “Partnership Matters” aims at working in partnership to deliver actions and desired outcomes.

Background

Grant Offer and Capital Delivery Plan

The full background to the offer of funding for the refurbishment of Gorse Covert Community Centre under the Community Assets Programme was outlined in the Cabinet Report of 24th April 2008 (Minute 211).

In October 2008 (02 October – Minute 86) Cabinet agreed to accept an advance lead payment of £34,895 from the Community Assets Fund.

Since October 2008 the scheme has been developed to the detailed design stage and a tender sum has been negotiated through the Nottinghamshire County Council Framework Agreement. The firm selected for this scheme by Nottinghamshire County Council is G.F. Tomlinson of Derby. The Contract form is the New Engineering Contract and the negotiated contract sum is £810,000, including professional fees, contingencies and all incidentals.

The Capital Delivery Plan for the refurbishment of Gorse Covert Community Centre has been approved by the Big Lottery Fund and the scheme can now proceed to implementation. Deducting the lead payment of £34,895 from the grant offer of £773,500 leaves a balance of £738,605 still to be claimed. When added to the funds in the current Capital Programme this gives an available budget of £810,605

The scheme programme anticipates commencement of work in February 2009 and completion by the end of August 2009. The contractor has produced a 24 week programme of work to deliver the scheme.

Since Christmas 2008 the occupants and users of the Gorse Covert Community Centre have been relocated to other premises on a temporary basis. The building is currently vacant and available for immediate possession by the contractor

Grant Conditions

This funding is subject to the standard conditions of Big Lottery Funding and there are two specific requirements that apply to the Community Assets Programme.

The first condition is that the Council provides long term security to the Gorse Covert Community Association in the form of a 40 year occupational lease of the Gorse Covert Community Centre at a peppercorn rent. The document is attached as Appendix A to this report. The Community Association has agreed the terms of the lease and the Big Lottery Fund has approved the contents of this document.

A second condition requires the Council, the Gorse Covert Community Association and the Big Lottery Fund to enter into a tripartite agreement regarding the future use of the Gorse Covert Community Centre. The effect of this agreement is that the Council cannot grant a lease to any organisation other than the Gorse Covert

Community Association without the express consent of the Big Lottery Fund. The Council and the Gorse Covert Community Association also covenant that the building use will not change without the express consent of the Big Lottery Fund. These covenants are for the purpose of ensuring that the grant conditions are fulfilled and that the building remains available to the Gorse Covert Community Association for use by local people.

The Deed of Dedication is included as Appendix 2

Financial Implications

The Community Assets Fund is a 100% funding programme and the Council is not required to make any contribution, other than the funds that are already allocated in the Capital Programme. Any unforeseen costs will be referred to the Community Assets Fund and will not fall to the Council's Capital plan.

The Council holds a small revenue budget to cover vandalism and emergency repairs to Gorse Covert Community Centre. This will remain at the same level under the new lease arrangements. No additional revenue costs will be incurred as a result of this scheme.

Professional property, surveying and legal advice has been provided by the Council to the Community Association in developing and delivering this scheme at no cost to the Association.

Risk Management

The risks associated with the decision Cabinet is asked to make and proposed actions to mitigate those risks are set out in the table below.

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
Insufficient Capital Funds available	Low	High	Contingencies are included in the tender sum to cover unforeseen works. The New Engineering Contract allows for specifications to be varied if cost issues arise
Community Association is unable to operate the building in a financially sustainable way	Low	Medium	Service level agreements (reviewed on an annual basis) will allow for close monitoring of financial performance. The funding conditions do allow the Council to transfer the lease to another Community organisation if problems cannot be resolved.

Key Decision: Yes

Background Papers: Grant offer from Big Lottery Fund

Officer to contact: John Leney 01509 63467
email: john.leney@charnwood.gov.uk

Appendix I

THIS LEASE is made the _____ day of

BETWEEN

- (1) **THE COUNCIL OF THE BOROUGH OF CHARNWOOD** of Southfields Loughborough Leicestershire LE11 2TX ('the Landlord') and
- (2) **GORSE COVERT COMMUNITY ASSOCIATION LIMITED** of Maxwell Drive Loughborough Leicestershire ('the Tenant')

NOW THIS DEED WITNESSES as follows:

1. Definitions and interpretation

For all purposes of this Lease the terms defined in this clause have the meanings specified.

1.1 'the Charity' means Gorse Covert Community Association Limited an incorporated registered charity Company No 5174095.

1.2 'the Conduits' means the pipes sewers drains mains ducts conduits gutters watercourses wires cables channels flues and all other conducting media including any fixings louvres cowls covers and any other ancillary apparatus that are in on over or under the Premises.

1.3 'consent of the Landlord' or words to similar effect are references to a prior written consent signed by or on behalf of the Landlord and references to the need for anything to be 'approved by the Landlord' or words to similar effect are references to the need for a prior written approval by or on behalf of the Landlord.

1.4 'development' means as defined by the Town and Country Planning Act 1990 section 55.

1.5 'the Gorse Covert District Shopping Centre Lease' means a lease dated 9 October 1981 between (1) the Landlord and (2) Key Markets Limited

1.6 'the Insurance Rent' means the sum which the Landlord incurs in insuring the Premises against the Insured Risks

1.7 'the Insured Risks' means the risks of loss or damage by fire storm tempest earthquake lightning explosion riot civil commotion malicious damage impact by vehicles and by aircraft and articles dropped from aircraft other than war risks flood damage and bursting and overflowing of water pipes and tanks and such other risks whether or not in the nature of the foregoing as the Landlord acting reasonably from time to time decides to insure against.

1.8 'Interest' means interest payable during the period from the date on which the payment is due to the date of payment both before and after any judgment at the Interest Rate then prevailing or should the base rate referred to in clause 1.9 cease to exist at another rate of interest closely comparable with the Interest Rate decided on by the Landlord acting reasonably.

1.9 'the Interest Rate' means the rate of 3% per year above the base lending rate of HSBC plc or such other bank being a member of the Committee of London and Scottish Bankers as the Landlord may from time to time nominate in writing.

1.10 'the Landlord' includes the person or persons from time to time entitled to possession of the Premises when this Lease comes to an end.

1.11 'the last year of the Term' means the actual last year of the Term howsoever it determines and references to the 'end of the Term' are references to the end of the Term whensoever and howsoever it determines.

1.12 'this Lease' includes any document supplemental to or collateral with this document or entered into in accordance with this document unless expressly stated to the contrary

1.13 'losses' means liabilities damages or losses awards of damages or compensation penalties costs disbursements and expenses arising from any claim demand action or proceedings.

1.14 'the Permitted Use' means use of the Premises as a Community Centre to provide facilities for the advancement of education social welfare and recreation and leisure time occupation to the inhabitants of North Loughborough and the neighbourhood thereof

1.15 'the Plan' means the plan attached hereto

1.16 'the Planning Acts' means the Town and Country Planning Act 1990 the Planning (Listed Buildings and Conservation Areas) Act 1990 the Planning (Consequential Provisions) Act 1990 the Planning (Hazardous Substances) Act 1990 the Planning and Compensation Act 1991 and all statutes regulations and orders included by virtue of clause 1.28

1.17 'the Premises' means the premises described in the First Schedule

1.18 'the Principal Rent' means one peppercorn per annum (if demanded)

1.19 'the Rents' means the Principal Rent and 'Rents' shall be construed accordingly

1.20 'the Tenant' includes any person who is for the time being bound by the tenant covenants of this Lease.

1.21 "the Term' means forty years commencing on and including [
]

1.22 'VAT' means value added tax or any other tax of a similar nature and unless otherwise expressly stated all references to rents or other sums payable by the Tenant are exclusive of VAT

1.23 'the 1954 Act' means the Landlord and Tenant Act 1954 and all statutes regulations and orders included by virtue of clause 1.30

1.24 'the 1995 Act' means the Landlord and Tenant (Covenants) Act 1995 and all statutes, regulations and orders included by virtue of clause 1.30

1.25 Gender and number

Words importing one gender include all other genders; words importing the singular include the plural and vice versa.

1.26 Headings

The clause paragraph and schedule headings and the table of contents do not form part of this document and are not to be taken into account in its construction or interpretation.

1.27 Joint and several liability

Where any party to this Lease for the time being comprises two or more persons obligations expressed or implied to be made by or with that party are deemed to be made by or with the persons comprising that party jointly and severally.

1.28 Obligation not to permit or suffer

Any covenant by the Tenant not to do anything includes an obligation to use reasonable endeavours not to permit or suffer that thing to be done by another person where the Tenant is aware that the thing is being done.

1.29 References to clauses and schedules

Any reference in this document to a clause sub-clause paragraph subparagraph or schedule without further designation is to be construed as a reference to the clause sub-clause paragraph sub-paragraph or schedule of this document so numbered.

1.30 References to statutes

Unless expressly stated to the contrary any reference to a specific statute includes any statutory extension or modification amendment or re-enactment of that statute

and any regulations or orders made under it and any general reference to a statute includes any regulations or orders made under that statute.

1.31 Terms from the 1995 Act

Where the expressions 'landlord covenants' or 'tenant covenants' are used in this Lease they are to have the same meaning as is given by the 1995 Act section 28(1).

2. **Recitals**

2.1 The Tenant is a charity and will hold the Premises in that capacity

2.2 The Tenant is not an exempt charity within the meaning of the Charities Act 1993.

2.3 The restrictions on disposition imposed by Section 36 of the Charities Act 1993 will apply to the Premises (subject to sub section (9) of that section).

3. **Demise**

The Landlord demises the Premises to the Tenant **TOGETHER WITH** the rights set out in Part 2 of the Schedule to the Gorse Covert District Shopping Centre Lease **EXCEPTING AND RESERVING** to the Landlord its servants agents and licensees and all other persons granted by the Landlord the rights set out in Part 3 of the Schedule to the Gorse Covert District Shopping Centre Lease **TO HOLD** the Premises to the Tenant for the Term **YIELDING AND PAYING** to the Landlord the Rent.

4. **The Tenant's Covenants**

4.1 Rents

4.1.1 To pay the Principal Rent on each anniversary of the commencement of the Term (if demanded).

4.1.2 To pay the Insurance Rent within 14 working days after written demand.

4.2 Outgoings and VAT

To pay and indemnify the Landlord against

4.2.1 all rates taxes assessments duties charges impositions and outgoings that are now or may at any time during the Term be charged assessed or imposed on the Premises or on the owner or occupier of them whether of a capital or recurring nature; and

4.2.2 all VAT that may from time to time be charged on any sums payable by the Tenant under this Lease; and

4.2.3 all VAT incurred in relation to any costs that the Tenant is obliged to pay or in respect of which he is required to indemnify the Landlord under the terms of this Lease, save where such VAT is recoverable or available for set-off by the Landlord as input tax.

4.3 Cost of services consumed

To pay to the suppliers and indemnify the Landlord against all charges for electricity water gas telephone and other services or data consumed or used at or in relation to the Premises and to comply with the lawful requirements and regulations of their respective suppliers (including meter rents and installation and standing charges).

4.4 Repair cleaning and decoration

4.4.1 Repair of the Premises

To repair and maintain those parts of the Premises identified in Part I of the Second Schedule except for damage caused by one or more of the Insured Risks save to the extent that the insurance money is irrecoverable due to any

act or default of the Tenant or anyone at the Premises expressly or by implication with his authority and under his control.

4.4.2 Cleaning and tidying

To keep the Premises clean and tidy and clear of all rubbish.

4.4.3 Care of abutting land

Not to cause any land roads or pavements abutting the Premises to be untidy or dirty and in particular but without prejudice to the generality of the foregoing not to deposit refuse or other materials on them.

4.5 Waste and alterations

4.5.1 Not to:

4.5.1.1 commit any waste;

4.5.1.2 make any addition to the Premises or unite the Premises with any adjoining premises;

4.5.1.3 make any alterations to the Premises unless he first:

4.5.1.3.1 obtains and complies with the necessary consents of the competent authorities and pays their charges for them; and

4.5.1.3.2 makes an application to the Landlord for consent supported by drawings and where appropriate a specification in duplicate prepared by an architect or a member of some other appropriate profession who must supervise the work throughout to completion; and

4.5.1.3.3 enters into any covenants the Landlord requires as to the execution and reinstatement of the alterations; and

4.5.1.3.4 obtains the consent of the Landlord, whose consent may not be unreasonably withheld or delayed.

4.5.2 Removal of alterations

In the event of a breach of any of the terms and conditions of clause 4.5.1 becoming apparent the Landlord shall be at liberty to remove all unauthorised alterations and additions and to reinstate the Premises and the cost thereof shall be a debt due from the Tenant to the Landlord and be forthwith recoverable by action.

4.6 Connection to the Conduits

The Tenant must not make any connection with the Conduits except in accordance with plans and specifications approved by the Landlord whose approval may not be unreasonably withheld or delayed and subject to consent to make the connection having previously been obtained from the competent authority undertaker or supplier.

4.7 Aerials signs and advertisements

4.7.1 Not to erect any pole or mast or install any cable or wire on the Premises whether in connection with telecommunications or otherwise;

4.7.2 Not to place on any external part or parts of the Premises any aerial dish or receiver for the reception of electronic or other signals;

4.7.3 Not to fix to or exhibit on the outside of the Premises or fix to or exhibit through any window of the Premises or display anywhere on the Premises any placard sign notice fascia board or advertisement or advertising hoarding illuminated or otherwise;

except such as may be expressly agreed in writing in advance by the Landlord such approval not to be unreasonably withheld or delayed upon such reasonable terms and conditions as the Landlord thinks fit.

4.8 Statutory obligations

4.8.1 To comply in all respects with the requirements of any statutes applicable to the Premises or the trade or business for the time being carried on there and any other obligations so applicable imposed by law or by any byelaws.

4.8.2 Without prejudice to the generality of clause 4.8.1 to execute all works and provide and maintain all arrangements on or in respect of the Premises or the use to which they are being put that are required in order to comply with the requirements of any statute already or in the future to be passed or the requirements of any government department local authority or other public or competent authority or court of competent jurisdiction regardless of whether the requirements are imposed on the owner the occupier or any other person.

4.8.2 Without prejudice to the generality of clause 4.8.1 not do in or near the Premises anything by reason of which the Landlord may incur any losses under any statute.

4.8.3 To comply with all statutory requirements affecting the use of the Premises including the Health and Safety Fire Precautions Environmental Health Regulations and any Planning Conditions imposed and to indemnify the Landlord against any fines or penalties for non-compliance.

4.8.4 Without prejudice to the generality of clause 4.8.1 to comply with the provisions of the Construction (Design and Management) Regulations and fulfil in relation to all and any works all the obligations as set out in or reasonably be inferred from such Regulations and make a declaration to that effect to the Health and Safety Executive in accordance with the Approved Code of Practice.

4.9 Access of Landlord and notice to repair

4.9.1 To permit the Landlord on reasonable notice during normal business hours except in emergency:

4.9.1.1 to enter the Premises to ascertain whether or not the covenants and conditions of this Lease have been observed and performed;

4.9.1.2 to view the state of repair and condition of the Premises and to open up floors and other parts of the Premises where that is necessary in order to do so; and

4.9.1.3 to serve on the Tenant or notwithstanding clause 7.5 leave on the Premises a notice specifying the works required to remedy any breach of the Tenant's obligations in this Lease the Tenant immediately to execute the same

provided that any opening-up must be made good by and at the cost of the Landlord if it reveals no breach of the terms of this Lease. The Tenant must carry out the works specified in a notice to repair immediately including making good any opening up that revealed a breach of the terms of this Lease.

4.10 Alienation prohibited

4.10.1 Not to assign sublet part with or share possession of the whole or any part of the Premises save that the whole of the Premises may be assigned to another person for the purposes only of the Permitted Use

4.10.2 Not to mortgage or charge the Premises in any way.

4.10.3 Not hold the Premises on trust for another.

4.11 Nuisance and residential restrictions

4.11.1 Nuisance

Not to do anything on the Premises or allow anything to remain on them that may be or become or cause a nuisance or annoyance disturbance inconvenience injury or damage to the Landlord or his tenants or the owners or occupiers of adjacent or neighbouring premises.

4.11.2 Offensive trades and immoral purposes

Not to use the Premises for any dangerous noxious noisy or offensive trade business manufacture or occupation or any illegal or immoral act or purpose nor for the purposes of betting or gaming or holding of auction sales.

4.12 Undesirable use

4.12.1 Noxious emissions

Not to cause or permit any gritty noxious or offensive emissions from any engine furnace chimney or other apparatus on the Premises without using all reasonable means for preventing or counteracting the emissions.

4.12.2 Damage to the Conduits and environment

Not to permit any oil or grease or any deleterious objectionable dangerous poisonous or explosive matter or substance to be discharged into any of the Conduits and to take all reasonable measures to ensure that any effluent discharged into the Conduits does not harm the environment or corrode or otherwise harm the Conduits or cause obstruction or deposit in them.

4.12.3 Poisons and pollutants

Not to permit the discharge into any of the Conduits of any fluid of a poisonous or noxious nature or of a kind likely to sicken or injure the fish or that does in fact destroy them or likely to contaminate or pollute the water of any stream or river.

4.12.4 Spillages and contamination

To take all practicable precautions to ensure that no noxious substances are spilled or deposited on the Premises and that contamination does not occur.

4.12.5 Controlled special or radioactive waste

Not to deposit on the Premises any controlled waste as defined in the Environmental Protection Act 1990 or special waste as defined in the Control of Pollution (Special Waste) Regulations 1980 or radioactive waste as defined in the Radioactive Substances Act 1993 section 18 or any other substance that may produce concentrations or accumulations of noxious gasses or noxious liquids that may cause pollution of the environment or harm to human health.

4.12.6 Notice of spillages and inspection

Within 14 days of the spilling or deposit on the Premises of any noxious substance in a quantity that may cause serious damage to or pollution of the environment or serious damage to property or serious harm to human health the Tenant must inform the Landlord of this and permit him to enter and inspect the Premises.

4.12.7 Indemnity for damage and pollution

To indemnify the Landlord and keep it indemnified against any losses in respect of damage to or pollution of the environment or damage to property or harm to human health caused by the Premises or any substance on them whether in liquid or solid form or in the form of gas or vapour.

4.13 Costs of applications notices and recovery of arrears

To pay to the Landlord on an indemnity basis all costs fees charges disbursements and expenses including without prejudice to the generality of the above those payable to counsel solicitors and surveyors incurred by the Landlord in relation to or incidental to the contemplation preparation and service of a notice under the Law

of Property Act 1925 section 146 or the contemplation or taking of proceedings under sections 146 or 147 of that Act even if forfeiture is avoided otherwise than by relief granted by the court.

4.14 Planning and development

4.14.1 Compliance with the Planning Acts

To observe and comply with the provisions and requirements of the Planning Acts affecting the Premises whether as to the Permitted Use or otherwise and to indemnify the Landlord and keep it indemnified both during the Term and following the end of it against all losses in respect of any contravention of those Acts.

4.14.2 Consent for applications

Not to make any application for planning permission without the consent of the Landlord whose consent may not be unreasonably withheld or delayed

4.14.3 Permissions and notices

To obtain at its own expense any planning permissions and serve any notices that may be required to carry out any development on or at the Premises.

4.14.4 Charges and levies

Subject only to any statutory direction to the contrary the Tenant must pay and satisfy any charge or levy that may subsequently be imposed under the Planning Acts in respect of the carrying out or maintenance of any development on or at the Premises.

4.14.5 Conditions for development

Notwithstanding any consent that may be granted by the Landlord under this Lease the Tenant must not carry out any development on or at the Premises until all necessary notices under the Planning Acts have been served and copies produced to the Landlord all necessary permissions under the Planning Acts have been obtained and produced to the Landlord and the Landlord has acknowledged that every necessary planning permission is acceptable

to him such acknowledgement not to be unreasonably withheld. The Landlord may refuse to acknowledge his acceptance of a planning permission on the grounds that any condition contained in it or anything omitted from it or the period referred to in it would in the reasonable opinion of the Landlord be or be likely to be prejudicial to the Landlord or to his reversionary interest in the Premises whether during or following the end of the Term.

4.14.6 Completion of development

Where a condition of any planning permission granted for development begun before the end of the Term requires works to be carried out to the Premises by a date after the end of the Term the Tenant must unless the Landlord directs otherwise finish those works before the end of the Term.

4.14.7 Security for compliance with conditions

In any case where a planning permission is granted subject to conditions and if the Landlord reasonably so requires the Tenant must provide sufficient security for his compliance with the conditions and must not implement the planning permission until the security has been provided.

4.15.1 Evidence of compliance with this Lease

If so requested the Tenant to produce to the Landlord or its surveyor any plans documents and other evidence the Landlord reasonably requires to satisfy himself that the provisions of this Lease have been complied with.

4.16 Indemnities

4.16.1 To keep the Landlord fully indemnified against all losses arising directly or indirectly out of any act omission or negligence of the Tenant or any persons at the Premises expressly or impliedly with his authority and under his control or any breach or non-observance by the Tenant of the covenants conditions or other provisions of this Lease or any of the matters to which this demise is subject.

4.16.2 To observe and perform the covenants referred to in the Charges Register of the Landlord's freehold title number LT83895 so far as the same are still subsisting and capable of being enforced and affect the Premises and indemnify the Landlord against any breach non-observance or non-performance thereof.

4.17 Re-letting boards and viewing

To permit the Landlord at any time during the last six months of the Term howsoever determined to enter the Premises and fix and retain anywhere on them a board advertising them for re-letting. While any such board is on the Premises the Tenant must permit viewing of the Premises at reasonable times of the day.

4.18 Obstruction and encroachment

4.18.1 Obstruction of windows

The Tenant must not stop up darken or obstruct any window or light belonging to the Premises.

4.18.2 Encroachments

The Tenant must take all reasonable steps to prevent the construction of any new window light opening doorway path passage pipe or the making of any encroachment or the acquisition of any easement in relation to the Premises and must notify the Landlord immediately if any such thing is constructed encroachment is made or easement acquired or if any attempt is made to encroach or acquire an easement. At the request of the Landlord the Tenant must adopt such means as are reasonably required to prevent the making of any encroachment or the acquisition of any easement.

4.19 Yielding up

At the expiration of the Term or sooner determination to yield up the Premises with vacant possession decorated and repaired in accordance with and in the condition required by the provisions of this Lease give up all keys of the Premises to the Landlord remove the Tenant's fixtures and fittings if requested to do so by the Landlord and if required so to do by the Landlord remove all signs erected by the Tenant or any of his predecessors in title in on or near the Premises immediately making good any damage caused by their removal.

4.20 Interest on arrears

To pay interest on the Rent or any other sums due under this Lease that are not paid within 21 days of the date due whether formally demanded or not the interest to be recoverable as rent. Nothing in this clause entitles the Tenant to withhold or delay any payment of the Rent or any other sum due under this Lease or affects the rights of the Landlord in relation to any non-payment.

4.21 Statutory notices

To give full particulars to the Landlord of any notice direction order or proposal relating to the Premises made given or issued to the Tenant by any government department or local public regulatory or other authority or court within 7 days of receipt and if so requested by the Landlord must produce it to the Landlord. The Tenant must without delay take all necessary steps to comply with the notice direction or order. At the request of the Landlord but at his own cost the Tenant must make or join with the Landlord in making any objection or representation the Landlord deems expedient against or in respect of any notice direction order or proposal.

4.22 Keyholders

To ensure that at all times the Landlord has written notice of the name home address and home telephone number of at least 2 keyholders of the Premises.

4.23 Viewing on sale of reversion

The Tenant must on reasonable notice at any time during the Term permit prospective purchasers of the Landlord's reversion or any other interest superior to the Term or agents instructed in connection with the sale of the reversion or such an interest to view the Premises without interruption provided they have the prior written authority of the Landlord or his agents.

4.24 Defective premises

To give notice to the Landlord of any defect in the Premises that might give rise to an obligation on the Landlord to do or refrain from doing anything in order to comply with the provisions of this Lease or the duty of care imposed on the Landlord whether pursuant to the Defective Premises Act 1972 or otherwise and must at all times display and maintain any notices the Landlord from time to time reasonably requires him to display at the Premises.

4.25 Exercise of the Landlord's rights

The Tenant must permit the Landlord to exercise any of the rights granted to him by virtue of the provisions of this Lease at all times during the Term without interruption or interference.

4.26 Cesser of business

The Tenant must not cease carrying on business in the Premises or leave the Premises unused for more than 14 days without notifying the Landlord and providing such caretaking or security arrangements for the protection of the Premises as the Landlord reasonably requires.

4.27 Overloading the Premises

4.27.1 Not to suspend any heavy load from the ceilings or main structure of the Premises nor impose undue loads on the floors without firstly obtaining the Landlord's written consent.

4.27.2 Not to overload the electricity and other service installations plant and machinery within the Premises.

4.28 Insurance

4.28.1 Policy avoidance and additional premiums

Not to do or omit anything that could cause any insurance policy on or in relation to the Premises to become wholly or partly void or voidable or do or omit anything by which additional insurance premiums may become payable unless he has previously notified the Landlord and has agreed to pay such additional premiums.

4.28.2 Fire-fighting equipment

To keep the Premises supplied with such fire fighting equipment as the insurers and the fire authority require and maintain the equipment to the reasonable satisfaction of the insurers and the fire authority and in efficient

working order. At least once in every calendar year the Tenant must cause any sprinkler system and other fire fighting equipment to be inspected by a competent person.

4.28.3 Combustible materials

Not to store on the Premises or bring onto them anything of a specially combustible flammable or explosive nature and to comply with the requirements and recommendations of the fire authority and the reasonable requirements of the Landlord as to fire precautions relating to the Premises.

4.28.4 Fire escapes equipment and doors

Not to obstruct the access to any fire equipment or the means of escape from the Premises or lock any fire door while the Premises are occupied.

4.28.5 Notice of events affecting the policy

To give immediate notice to the Landlord of any event that might affect any insurance policy on or relating to the Premises and any event against which the Landlord may have insured under this Lease.

4.28.6 Notice of convictions

To give immediate notice to the Landlord of any conviction judgment or finding of any court or tribunal relating to the Tenant or any director other officer or major shareholder of the Tenant of such a nature as to be likely to affect the decision of any insurer or underwriter to grant or to continue any such insurance.

4.28.7 Other insurance

If at any time the Tenant is entitled to the benefit of any insurance of the Premises that is not effected or maintained in pursuance of any obligation contained in this Lease the Tenant must apply all money received by virtue of

that insurance in making good the loss or damage in respect of which the money is received.

5. Landlord's covenants

5.1 Quiet enjoyment

The Landlord covenants with the Tenant to permit the Tenant peaceably and quietly to hold and enjoy the Premises without any interruption or disturbance from or by the Landlord or any person claiming under or in trust for him.

5.2 Insurance

5.2.1 To insure the Premises in the joint names of the Landlord and the Tenant and any other person the Landlord reasonably requires unless the insurance is vitiated by any act of the Tenant or by anyone at the Premises expressly or by implication with his authority and to supply to the Tenant a copy of every policy of insurance and any variation thereof or change thereto effected by the Landlord

5.2.2 Office

Insurance is to be effected in such substantial and reputable insurance office or with such underwriters and through such agency as the Landlord from time to time decides.

5.2.3 Insurance cover

To effect insurance for the sum that the Landlord is from time to time advised is the full cost of rebuilding and reinstating the Premises including VAT architects surveyors engineers solicitors and all other professional persons fees the fees payable on any applications for planning permission or other permits or consents that may be required in relation to rebuilding or reinstating the Premises the cost of preparation of the site including shoring-up debris removal demolition site clearance and any works that may be required by statute and incidental expenses.

5.2.4 Risks insured

Insurance must be effected against damage or destruction by any of the Insured Risks to the extent that such insurance may ordinarily be arranged with a substantial and reputable insurer for properties such as the Premises subject to such excesses exclusions or limitations as the insurer requires.

5.2.5 Reinstatement and termination

5.2.5.1 Obligation to reinstate

Subject to the provisions of clause 5.2.5.2 and subject to the Landlord securing planning permission and other permits and consents ('permissions') that are required under the Planning Acts or otherwise enable him to rebuild and reinstate the Premises the Landlord must as soon as reasonably practicable apply all money received in respect of the insurance except sums in respect of loss of the Rent in rebuilding or reinstating the Premises

5.2.5.2 Relief from the obligation to reinstate

The Landlord need not rebuild or reinstate the Premises if and for so long as rebuilding or reinstatement is prevented because:

- 5.2.5.2.1 the Landlord despite using his best endeavours cannot obtain any necessary permission; or
- 5.2.5.2.2 any permission is granted subject to a lawful condition with which it is impossible for or in all the circumstances it is unreasonable to expect the Landlord to comply; or
- 5.2.5.2.3 there is some defect or deficiency in the site on which the rebuilding or reinstatement is to take place that renders it impossible or means it can only be undertaken at a cost that is unreasonable in all the circumstances; or
- 5.2.5.2.4 the Landlord is unable to obtain access to the site to rebuild or reinstate; or
- 5.2.5.2.5 the rebuilding or reinstating is prevented by war act of God government action strike or lock-out; or
- 5.2.5.2.6 because of the occurrence of any other circumstances beyond the Landlord's control.

5.2.6 Notice to terminate

If at the end of a period of 2 years commencing on the date of the damage or destruction the Premises are still not fit for the Tenant's occupation and use either the Landlord or the Tenant may by notice served at any time within 6 months of the end of that period ('a notice to terminate following failure to reinstate') implement the provisions of clause 5.2.7.

5.2.7 Termination following failure to reinstate

On service of a notice to terminate following failure to reinstate the Term is to cease absolutely but without prejudice to any rights or remedies that may have accrued and all money received in respect of the insurance effected by the Landlord pursuant to this Lease is to belong to the Landlord absolutely.

5.2.8 Reinstatement on refusal of money through default

If at any time the Premises or any part of them are damaged or destroyed by one or more of the Insured Risks and the insurance money under the policy of insurance effected by the Landlord pursuant to his obligations contained in this Lease is wholly or partly irrecoverable because of any act or default of the Tenant or of anyone at the Premises expressly or by implication with his authority the Tenant must immediately at the option of the Landlord either rebuild and reinstate the Premises or the part of them destroyed or damaged to the reasonable satisfaction and under the supervision of the Landlord's surveyor in which case on completion of the rebuilding and refurbishment the Landlord must pay to the Tenant the amount that the Landlord has actually received under the insurance policy in respect of the destruction or damage or pay to the Landlord on demand with interest the amount of the insurance money so irrecoverable.

5.2.9 Copy policy

To produce to the Tenant on demand a copy of the policy and the last premium renewal receipt or reasonable evidence of the terms of the policy and the fact that the last premium has been paid

5.2.10 Noting of the Tenant's interest

To ensure that the interest of the Tenant is noted or endorsed on the policy.

5.2.11 Change of risks

To notify the Tenant of any material change in the risks covered by the policy from time to time.

5.3 Repair of the Premises

To repair and maintain those parts of the Premises identified in Part 2 of the Second Schedule except for damage caused by one or more of the Insured Risks save to the extent that the insurance money is irrecoverable due to any act or default of the Tenant or anyone at the Premises expressly or by implication with his authority and under his control.

6. Provisos

6.1 Forfeiture

If and whenever during the Term:

- 6.1.1 the Rents are outstanding for 21 days after becoming due, whether formally demanded or not; or
- 6.1.2 the Tenant breaches any covenant or other term of this Lease; or
- 6.1.3 the Tenant being an individual becomes bankrupt; or
- 6.1.4 the Tenant being a company enters into liquidation whether compulsory or voluntary; or

6.1.5 the Tenant enters into an arrangement for the benefit of its creditors;

or

6.1.6 the Tenant has any distress or execution levied on its goods

and where the Tenant is more than one person if and whenever any of the events referred to in this clause happens to any one or more of them the Landlord may at any time re-enter the Premises or any part of them in the name of the whole even if any previous right of re-entry has been waived and thereupon the Term is to cease absolutely but without prejudice to any rights or remedies that may have accrued to the Landlord against the Tenant in respect of any breach of covenant or other term of this Lease including the breach in respect of which the re-entry is made.

6.2 Exclusion of the sections 24-28 of the 1954 Act

6.2.1 Notices and declarations

On _____ the Landlord served notice on the Tenant pursuant to the provisions of section 38A(3) of the 1954 Act as inserted by the Regulatory Reform (Business Tenancies) (England) and Wales) Order 2003 and on _____ the Tenant made a _____ declaration pursuant to schedule 2 of the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.

6.2.2 Agreement to exclude

Pursuant to the provisions of section 38A(1) of the 1954 Act as inserted by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 the parties agree that the provisions of sections 24-28 inclusive of the 1954 Act are to be excluded in relation to the tenancy created by this Lease.

7. Miscellaneous

7.1 Exclusion of warranty as to use

Nothing in this Lease or in any consent granted by the Landlord under this Lease is to imply or warrant that the Premises may lawfully be used under the Planning Acts for the Permitted Use.

7.2 Representations

The Tenant acknowledges that this Lease has not been entered into in reliance wholly or partly on any statement or representation made by or on behalf of the Landlord, except any such statement or representation expressly set out in this Lease.

7.3 Tenant's property

If after the Tenant has vacated the Premises at the end of the Term any property of his remains in or on the Premises and he fails to remove it within 14 days after a written request from the Landlord to do so or if the Landlord is unable to make such a request to the Tenant 21 days from the first attempt make it then the Landlord may as the agent of the Tenant sell that property. The Tenant must indemnify the Landlord against any liability incurred by the Landlord to any third party whose property is sold by him in the mistaken belief held in good faith which is to be presumed unless the contrary is proved that the property belonged to the Tenant. If having made reasonable efforts to do so the Landlord is unable to locate the Tenant then the Landlord may retain the proceeds of sale absolutely unless the Tenant claims them within 3 months of the date upon which he vacated the Premises. The Tenant must indemnify the Landlord against any damage occasioned to the Premises and any losses caused by or related to the presence of the property in or on the Premises

7.4 Compensation on vacating excluded

Any statutory right of the Tenant to claim compensation from the Landlord on vacating the Premises is excluded to the extent that the law allows.

7.5 Notices

7.5.1 Form and service of notices

A notice under this Lease must be in writing and, unless the receiving party or his authorised agent acknowledges receipt is valid if and only if:

7.5.1.1 it is given by hand sent by registered post or recorded delivery or sent by fax provided that a confirmatory copy is given by hand or sent by registered post or recorded delivery on the same day, and

7.5.1.2 it is served:

7.5.1.1.1 where the receiving party is a company incorporated within Great Britain at the registered office;

7.5.1.1.2 where the receiving party is the Tenant and the Tenant is not such a company at the Premises; and

7.5.1.1.3 where the receiving party is the Landlord and the Landlord is not such a company at the Landlords that address shown in this Lease or at any address specified in a notice given by the Landlord to the Tenant or by that party to the other parties.

7.5.2 Deemed delivery

7.5.2.1 By registered post or recorded delivery

Unless it is returned through the Royal Mail undelivered a notice sent by registered post or recorded delivery is to be treated as served on the third working day after posting whenever and whether or not it is received.

7.5.2.2 By fax

A notice sent by fax is to be treated as served on the day upon which it is sent, or the next working day where the fax is sent after 1600 hours or on a day that is not a working day whenever and whether or not it or the confirmatory copy is received unless the confirmatory copy is returned through the Royal Mail undelivered.

7.5.2.3 'A working day'

References to 'a working day' are references to a day when the United Kingdom clearing banks are open for business in the City of London.

7.5.3 Joint recipients

If the receiving party consists of more than one person a notice to one of them is notice to all.

7.6 New Lease

This Lease is a new tenancy for the purposes of the 1995 Act Section 1.

7.7 Agreement for lease

It is certified that there is no agreement for lease to which this Lease gives effect.

7.8 Arbitration

Any dispute relating to this Lease shall be decided by arbitration under the Arbitration Act 1996 by a single arbitrator appointed by the parties to the dispute. If they cannot agree on that appointment the then President of the Institute of Chartered Surveyors may appoint the arbitrator at the request of any party.

7.9 Limitation of Liability

The Tenant may terminate this Lease at any time on giving not less than six months prior written notice to the Landlord (or such shorter notice as the Landlord may in its absolute discretion accept) in which event termination shall occur at 12 noon on the date specified in the said notice but such termination shall be without prejudice to any previously accrued liability of the Tenant to the Landlord

7.10 The parties agree that the provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Lease.

IN WITNESS whereof the parties hereto have executed this Deed the day and year first before written:

THE FIRST SCHEDULE

The Premises

The Gorse Covert Community Centre Maxwell Drive Loughborough Leicestershire shown for the purpose of identification only edged red on the Plan. The expression 'the Premises' includes:

1. all buildings erections structures fixtures fittings and appurtenances on the Premises from time to time;
2. all additions alterations and improvements carried out during the Term; and
3. the Conduits but excludes any fixtures installed by the Tenant that can be removed from the Premises without defacing the Premises. Unless the contrary is expressly stated the Premises includes any part or parts of the Premises.

THE SECOND SCHEDULE

Repairing obligations

Part I

The Tenant's repair and maintenance obligations

- All Internal redecoration including repairs to minor plaster cracks
- Soft furnishings including carpets and other floor coverings
- Light bulbs and fluorescent tubes
- Smoke detectors (including periodic testing)
- Emergency lighting repairs and maintenance (including periodic testing)
- Maintenance and servicing of fire extinguishers
- Maintenance, testing and servicing of fire alarm
- Fire exit signage
- Suspended ceiling tiles (installed by Tenant)
- Building cleaning, including windows and sanitary ware

- Minor repairs such as door ironmongery, kitchen cupboards catches and hinges
- Plugs and chains to sinks and wash hand basins
- Cookers and any other appliances or portable heaters
- Burst pipes resulting in lack of use of heating (subject to heating in working order)
- Annual testing of electrical portable appliances (plug in type)
- Any improvement works
- Neglect or wilful damage
- Carrying out a fire risk assessment audit for the building and ensuring that the action plan has been acted upon and is regularly updated
- Cost of energy and fuel

Part 2

The Landlord's repair and maintenance obligations

- Any fencing that the Landlord erects around the Premises
- Internal/external structure of the building including:
 - External redecoration
 - Roof
 - Gutters and rainwater pipes
 - Windows
 - Glazing
 - Doors (internal and external)
 - Skirtings and architraves
 - Internal plaster
 - Sanitary ware and splash backs
 - Water services, pipe work and tanks

- Sinks, kitchen units, work surfaces and splash backs
- Servicing, maintenance and repairs of gas central heating boiler plant
- Original electrical wiring circuits and associated sockets and fittings

THE COMMON SEAL of THE COUNCIL OF)
THE BOROUGH OF CHARNWOOD)
 was hereunto affixed to this Deed in the presence of:)

Authorised Signatory:

EXECUTED as a DEED by GORSE COVERT)
COMMUNITY ASSOCIATION LIMITED)
 acting by two of its Members duly authorised)

Appendix 2

TRIPARTITE DEED OF DEDICATION

DATED the _____ day of _____ 200
BETWEEN **CHARNWOOD BOROUGH COUNCIL** of Southfields Loughborough
Leicestershire LE11 2TX (“the Lead Organisation”) (1),
GORSE COVERT COMMUNITY ASSOCIATION LIMITED of Maxwell Drive
Loughborough Leicestershire (“the Delivery Organisation”) (2)
and
the **BIG LOTTERY FUND** of 1 Plough Place London EC4A 1DE (“the Fund”) (2)

BACKGROUND

- (A) The Lead Organisation has agreed to a project being carried out on land currently belonging to the Lead Organisation, with the use of money to be provided by the Fund.
- (B) The Lead Organisation and the Delivery Organisation have agreed to enter into this Deed in recognition of the fact that the project is to be funded in whole or in part by the Fund.
- (C) The lead Organisation has agreed to enter into an agreement with the Delivery Organisation to manage and operate the Project. The Lead Organisation acknowledges that it will remain directly responsible to the Fund for all aspects of the Project and monitoring of the Project by the Fund, pursuant to the obligations contained in the Terms and Conditions of the grant.

NOW THIS DEED WITNESSETH

Definitions

In this Deed the following words and phrases shall have the following meanings save where the context otherwise requires

“the land”	means all that land and buildings at Gorse Covert Community Centre Loughborough Leicestershire as the same is registered at the Land Registry under title number LT83895 [and as edged red on the Plan]
“the plan”	means the plan attached hereto
“the project”	means the project to be funded under URN:[] and subject to the Fund’s Standard Terms and Conditions of grant
‘Terms and Conditions’	means the Big Lottery Fund Standard Terms and Conditions of grant attached hereto

Unless the contrary intention is expressed the defined terms in the standard conditions shall have the same meaning here.

Unless the contrary intention appears references in this deed to

parties and other persons include their successors and assigns.

an obligation of the Lead Organisation to do something shall include an obligation to procure that it is done and an obligation not to do something shall include an obligation not to permit, suffer or allow it; and

a defined term shall include each and every part.

In consideration of the Fund funding the project the Lead Organisation hereby covenants with the Fund that in respect of the land the Lead Organisation will:-

- (a) not without the prior written consent of the Fund, assign, transfer or charge the land or grant any lease or licence, agree to grant any lease or licence or enter into or permit any parting with possession or sharing arrangements whatsoever in respect of the land except to the Delivery Organisation;
- (b) not, save with the prior written consent of the Fund, to use the land other than for the purpose of the project; and
- (c) not damage or destroy the project.

- 3. The Fund may assign the benefit of this Deed to such person as it thinks fit.

- 4.1 The Lead Organisation represents that it has power to execute and deliver this Deed and the execution and performance of this Deed has been validly authorised and that this Deed will be valid legal and binding on the Lead Organisation.
- 4.2 The Delivery Organisation represents that it has power to execute and deliver this Deed and the execution and performance of this Deed has been validly authorised and that this Deed will be valid legal and binding on the Delivery Organisation.
- 5. Without prejudice to any right or remedy of the Fund for breach of covenant occurring before the expiration of this deed, this deed shall expire ten years from the date of this deed.
- 6. The Lead Organisation hereby consents to and applies on Form RX1 (or such other form as may be prescribed from time to time) to the Chief Land Registrar for the registration at the Land Registry against the title to the land or any part of the land which is now or at any time during the ownership of the Lead Organisation registered at the Land Registry of a restriction in substantially the following terms:-

" No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed on behalf of the Big Lottery Fund of 1

Plough Place, London, EC4A 1DE by its conveyancer" and shall deliver to the Fund an official copy of such title showing registration of the restriction.

Executed as a deed by the
BIG LOTTERY FUND
by

Chief Executive
Date:

Executed as a deed by
CHARWOOD BOROUGH COUNCIL
By:
Position: Authorised Signatory
Date:

Executed as a deed by
GORSE COVERT COMMUNITY ORGANISATION LIMITED
By: [Two of its members duly authorised]
Position:
Date: