



GUIDANCE NOTES FOR COMPLETING THE MODEL LEASE
FOR LEASING CHURCH HALLS
(as of March 2022)

Background

Parish finances are limited, and many parishes rely on letting church halls for income. The diocese has developed model legal documents to streamline the process of entering into a lease. The aim is to provide parishes with proper protection at a lower cost.

This approach also recognises that prospective tenants will be concerned to safeguard available cash resources and limit exposure to potentially expensive legal fees and would therefore also benefit from a simpler and more affordable process.

As a charity, every PCC has:

- (a) a general legal duty to make the best reasonable use of all their assets,
- (b) a specific legal duty to ensure that any letting of property is on the best terms that can reasonably be obtained and, to this end,
- (c) a specific legal duty to obtain proper professional advice on the terms of any such letting.

These Guidance Notes (to be reviewed annually) accordingly set out:

- (a) the legal requirements parishes need to follow when letting church halls
- (b) the process to be followed in agreeing terms for the letting with a prospective tenant and
- (c) how the Model Lease should be used

to help PCCs to let church halls in accordance with their duties and as economically and efficiently as possible.

The Model Lease is only to be used to let:

- (a) church halls (whether in whole or part) and
- (b) for a term of less than 7 years and
- (c) for a rent of not more than £30,000 per annum

Where it is intended to let a church hall for 7 years or more, to share or hire out a church building or to enter into other arrangements for its use (eg carrying out works) different processes and different model legal documents will be involved. Model legal documents for these purposes and separate guidance notes may be available.

The PCC must check whether any part of the land to be leased or over which rights or access are to be granted (eg. a car park, garden or pathway) is consecrated land. This can be done by contacting the Parish Property Support Team or the Archdeacon. If consecrated land is involved, different processes and different model legal documents (if available) will be involved. It will also be necessary for the PCC to petition for a faculty under which authority can be given for the Lease or licence or access to be granted. This is necessary although a lease or a licence or access will be validly granted if the Model Lease is used.

There are seven stages to letting a church hall under this process:

	Description
Stage 1	Negotiating Heads of Terms with the proposed tenant (i.e. the key commercial terms of the Lease and creation of a clear plan showing the extent of the property to be let).
Stage 2	Obtaining professional advice that the letting is the best reasonable use of the property and that the terms proposed are the best terms reasonably obtainable.
Stage 3	Seeking LDF review of the proposed letting and its terms.
Stage 4	Filling in the Model Lease in accordance with the Heads of Terms and agreeing it with the Tenant.
Stage 5	Obtaining formal approval from the Diocesan Authority.
Stage 6	Protecting the PCC's position at the end of the Lease.
Stage 7	Signing and dating the Lease.

PCCs are however reminded of their fiduciary obligations as charity trustees as set out in the Charities Act 2011, Trusts of Land and Appointment of Trustees Act 1996 and the Trustee Act 2000.

Following these Guidance Notes will help PCCs to ensure compliance with their legal duties, provide a streamlined process for completing the letting and keep the time and cost required from professional advisers to a minimum. It is therefore important to adhere to them.

Stage 1: Negotiating Heads of Terms

The commercial terms for the letting which need to be negotiated with the prospective tenant are set out (with appropriate commentary) in the MODEL HEADS OF TERMS forming APPENDIX 1 to these Guidance Notes.

A separate and blank Word version of the Model Heads of Terms, for due completion, can be downloaded from the following link:

<https://www.london.anglican.org/wp-content/uploads/2022/01/APPENDIX-1-MODEL-HEADS-OF-TERMS.docx>

Once Heads of Terms have been agreed and reviewed by the LDF (Stage 3), these commercial terms will need to be incorporated into the Lease Particulars section at the beginning of the Model Lease (Stage 4). The Model Heads of Terms and the Lease Particulars are set out in the same order.

The Lease Particulars are intended to be self-explanatory and include explanatory notes in red text, which should be deleted when the Lease Particulars have been filled in.

While PCCs or tenants may have good reason for seeking to alter the black text of the Model Lease, it is strongly recommended that no such alterations are made. Prior legal advice should be sought in relation to any such alteration (see below under **Stage 4: Filling in the Lease**), which will also need to be considered by the LDF as part of its Stage 3 review. PCCs and prospective tenants should also be aware that altering black text will likely incur delay and additional professional costs. This is because the black text contains the legal framework for the Lease, ensures that leases across the Diocese are standardised and minimises any legal work required on behalf of the LDF as Diocesan Authority.

Heads of Terms should be negotiated with professional support¹ (note comments below under **Stage 2: Obtaining Professional Advice**). Wherever assistance comes from, these Guidance Notes must be followed carefully.

It will often be the case that tenants looking to take a lease of a church hall will also want to carry out fitting out or other works to the premises before taking full occupation – and may also want to install fibre connections for the provision of data and IT services to the premises. Additional documents and different procedures may apply to such matters – and PCC's should make early contact with professional support if such matters need to be addressed for a particular letting.

Prior to agreeing Heads of Terms, the parties should agree a timetable for completion of the Lease and allocate responsibility for fulfilment of any conditions. This avoids transactions stagnating and ensures a timely advance of the transaction. At the very least the timetable should include a date for the parties to complete the Lease.

Stage 2: Obtaining Professional Advice

The PCC's specific legal duty is:

¹ Some diocesan areas may have additional resource to call on for help as is the case in Edmonton with EAST (Edmonton Area Support Team).

- (a) to obtain and consider written advice on the proposed letting from someone it reasonably believes to have the necessary ability and practical experience to provide competent advice on the proposed letting and on the rental valuation and other terms of the proposed letting and
- (b) itself then to decide it is satisfied, having considered that advice, that the terms of the letting are the best that can reasonably be obtained for the PCC.

Professional support will most often be a surveyor with an independent surveying firm who will produce a report for the PCC on the proposed letting terms to satisfy this legal duty. It is not a legal requirement that the PCC must retain an independent surveyor to provide this advice although it is recommended by LDF as best practice. However, provided the PCC is satisfied that the person giving advice has the necessary ability and practical experience to do so that advice should qualify as being competent. The LDF will need to be satisfied that competent advice has been obtained as part of its Stage 3 review of the letting.

PCCs can contact Parish Property Support for help in identifying a professional advisor. PCCs should consider, at the very outset, how and when to instruct a surveyor (or engage any other appropriate person) to advise it on the proposed letting. It may be more efficient and cost effective (and generally in the PCC's interests) for the adviser to negotiate the Heads of Terms for the proposed letting on behalf of the PCC, as well as providing the required advice on their acceptability.

Please ensure that the adviser is provided with a copy of these Guidance Notes and the Model Lease.

Setting an appropriate level of rent will obviously be key to securing the best letting terms reasonably obtainable. This will usually mean securing a competitive open market rent. PCCs do however have some leeway to agree a lower-than-commercial rent, where its charitable or missional objectives match those of the prospective tenant and where the Tenant is itself a charity - provided always that the PCC will in practice derive a genuine benefit from the letting, in its pursuit of those objectives. The benefit derived will need to be commensurate with the discount in rent from open market levels.

In the course of negotiating the Heads of Terms, it is recommended that the PCC considers the financial strength of any proposed tenant, in particular its ability to pay the rent over the period of the Lease. If appropriate the Tenant could be requested to offer a guarantor in respect of its obligations under the proposed lease. If a guarantor is agreed, the terms of the Model Lease relating to a guarantor should be applied. If not, those terms, mainly (but not exclusively) in clause 8 of the Lease and the whole of the 9th Schedule should be deleted and any instructions in the Lease Particulars should be followed.

Stage 3: Seeking LDF Review

Once the Heads of Terms are agreed in principle with the Tenant, send them, with the surveyor's or competent person's written advice and the building's EPC (which must have a rating between A and E), to the Parish Property Support Administrator at the LDF (preferably by email) for review. The email address is : sarah.wall@london.anglican.org.

This review is to provide reasonable assurance to the LDF as Diocesan Authority that due process has been followed in the letting of church buildings and that the longer term interests of the PCC have been taken into

account. In addition, title to most church buildings owned by PCCs will be held in the name of the LDF as the Diocesan Authority – in which case the LDF will need to join in the Lease with the PCC, as Landlord.

The LDF may give unqualified approval to the proposed Lease or may give conditional approval setting out any changes that it suggests the PCC should make or other considerations it should take into account. If conditional approval is given, it will be necessary for the relevant papers to be resubmitted to the LDF for review, once any suggested changes or other considerations have been taken in account.

Stage 4: Filling in the Lease

Following LDF approval of the proposed letting under Stage 3, the key information from the Heads of Terms can be inserted into the Lease Particulars of the Model Lease. The following final details should then also be incorporated where indicated in red text:

Front Page	The year, the full name of the church, the Tenant and any guarantor, a short description of the property and the name of the Church
Pages 2, 3 & 4	Follow instructions included in the Model Lease
Page 5	The year (in words). The full date should not be completed at this stage
Page 7 (Para 4.0)	If relevant, the number of occasions each year on which the PCC is entitled to use the church building during periods when the Tenant is entitled to occupy
Page 15 (Para 6.0)	Review and change if required the level of insurance cover
Page 18 (Para 2.2)	The name of the person making the declaration and the date of the declaration (see Stage 6)
Page 19 (Para 4.3)	Details of the PCC and Tenant addresses for the service of notices
Page 19 (Para 5.0)	The amount of any contribution to professional fees to be made by the Tenant
Page 20 (Para 10)	To be deleted where the Tenant is NOT a charity or otherwise retained and the name of the charity inserted
Page 25 (Schedule 9)	Delete this schedule if there is no guarantor
Page 29 (Annex)	Insert plan(s)
Page 30 (et seq)	Complete the relevant signature blocks with details of the PCC, the Tenant and any guarantor – and delete any signature blocks and all instructions in red that do not apply.

Although PCCs or Tenants may wish to alter black text in the Model Lease, it is strongly recommended that the black text remains unaltered for the reasons set out in Stage 1.

PCCs should consider, once Heads of Terms have been agreed, how, when and to what extent to instruct solicitors:

- (a) to advise them on the proposed letting
- (b) to approve the final form of the Lease, if it is to be prepared by the PCC and

- (c) to deal with the legal formalities of finalising, signing and completing the Lease

It will likely be more efficient and cost effective (and generally in the PCC's better interests) for solicitors to be instructed following the LDF Stage 3 review, either to prepare the final form of Lease in line with the above instructions or to approve that final form, if it is to be prepared by the PCC.

PCCs should note the requirement under **Stage 5: Obtaining Formal Diocesan Authority Approval** for the PCC's solicitors to provide written confirmation to the LDF that the Lease is in satisfactory form in accordance with these Guidance Notes.)

Either the solicitors or the PCC should then send the final form of Lease to the Tenant for approval and -on receipt of such approval – apply for formal Diocesan Authority approval (Stage 5). Assuming the above steps to have been undertaken properly, such approval ought to be a simple and speedy formality.

PCCs can contact Parish Property Support for help identifying a solicitor.

Stage 5: Obtaining Formal Diocesan Authority Approval

Once the final form of Lease has been drafted and approved by the PCC's solicitors and approved by the Tenant, the next step is to obtain formal LDF approval as Diocesan Authority.

The final form of Lease must be sent to the LDF, together with written confirmation from the PCC and the PCC's solicitors addressed to the LDF, that:

- (a) the Lease is in accordance with the Heads of Terms and the written report of advice from the PCC's surveyor or other competent person and
- (b) the black text of the Model Lease has not been altered or, if it has, written confirmation of the alterations made and of the solicitors' advice to the PCC on their acceptability to the PCC (having regard to these Guidance Notes).

Just as the PCC must obtain initial Diocesan Authority approval at Stage 3 it must equally obtain formal Diocesan Authority approval at this Stage 5. The Diocesan Authority may give unqualified approval to the proposed lease or may give conditional approval, setting out any considerations to be taken into account for unqualified approval to be granted. If conditional approval is given, it will be necessary for the relevant papers to be resubmitted to the LDF for approval, once any such considerations have been taken in account.

Stage 6: Protecting the PCC's Position at the end of the Lease

Unless precise legal steps are taken to disapply their statutory rights, Tenants of church halls will gain security of tenure rights, which means:

- (a) they will have an automatic statutory right, at the end of their Lease, to require PCCs to grant them a further Lease of their property, largely (although not exclusively) regardless of the PCC's wishes or intentions for the church hall; and
- (b) Tenants may be entitled to statutory compensation if the Landlord is entitled to terminate the tenancy.

It is accordingly essential that the proper legal steps are taken to disapply these rights, before the Lease is granted. This will retain a discretion for the PCC on whether – and if so on what terms – to grant any further lease to the Tenant.

Given the critical importance of getting this right – and the adverse consequences of any failure to do so - it is STRONGLY recommended that the PCC's solicitor is instructed to take the necessary steps to disapply the rights concerned.

The rights are disapplied by:

- (a) the PCC serving a formal Notice on the Tenant, before the Lease is signed, under the Landlord and Tenant Act 1954, and
- (b) the Tenant signing a declaration or statutory declaration, before the Lease is signed, to the effect that it has received the Notice and agrees to the disapplication of the rights.

If either of these steps is not followed strictly in accordance with all applicable legal requirements, the Tenant will retain its statutory rights and will be entitled to a further lease at the end of the term.

The current standard forms of Notice, declaration and statutory declaration are prescribed by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 (SI2003/3096) and can be found on the following government website:

<https://www.legislation.gov.uk/uksi/2003/3096/schedule/2/made>

No lease of a church hall is to be signed unless and until copies of the relevant Notice and declaration (or statutory declaration), certified as true copies by the PCC's solicitors, have been sent to the LDF and acknowledged by it as satisfactory.

Before the Lease is completed, details of the name of the person signing the declaration (or statutory declaration) on behalf of the Tenant and the date of signature should be inserted in Paragraph 2.2 of the Sixth Schedule to the Lease.

Stage 7: Signing and Dating the Lease

The appropriate signatories will depend on whether the Tenant (and if appropriate, the guarantor) is a company, a sole trader, a partnership or a charity.

It is important to get the right people to sign the Lease in the right way and at the right time so that its validity is not open to challenge. It is also important to ensure that the proper legal and procedural steps for completion of the Lease are duly followed.

It is therefore again recommended that the PCC's solicitors are instructed to assume responsibility for this and to deal with the formalities of completing the Lease. [*PCCs should advise their solicitors to accept digital signatures where permissible as this makes the signing process considerably quicker and easier to officiate.*]

The process for signing the Lease should be as follows:

1. Three identical final copies of the Lease should be signed by all parties, one to be retained by the PCC, one by the Tenant and one by the LDF
2. First the PCC and the Tenant (and if there is one, the guarantor) should sign all the copies; using only the appropriate signature blocks (superfluous blocks having been deleted)
3. All three copies should be sent to the Parish Support Team at the LDF for confirmation that the Lease has been properly executed and for signature by the LDF
4. Then the LDF should send all three copies back to the PCC's solicitors, who will then be in a position formally to complete it with the Tenant (or its solicitor)
5. Finally, the PCC should provide one completed copy of the Lease to the Tenant and another to the LDF, retaining the third for itself together with the original statutory declaration which should be kept safely with the PCC's other legal documents.

APPENDIX 1: MODEL HEADS OF TERMS for use in conjunction with the Model Lease.

Landlord

These words must be included in the Heads of Terms.

London Diocesan Fund of 36 Causton Street, London, SW1P 4AU (registered charity number 241083) acting as Diocesan Authority on behalf of the Parochial Church Council (PCC)

Parochial Church Council

INSERT DETAILS

The Parochial Church Council of the Ecclesiastical Parish of

(Charity number:)

Address Post code

Tenant

The Tenant might be an individual, a partnership, a limited company, a charity or a CIO. Its identity must be clear in the Lease, especially in the signature block at the end . Insert Tenant’s name and address and company/charity number as appropriate. If the lease is being granted to an individual/s who are trading under another name, also insert the trading name and the wording “trading as (insert trading name)”.

INSERT DETAILS

Guarantor

If there is to be a personal or company guarantor, the same comments apply here as apply for the Tenant – except that a charity cannot stand as guarantor for a Tenant. Insert Guarantor’s name and address and company number as appropriate. If there is not to be a guarantor, insert “None”.

INSERT DETAILS

Property

Specify the property name, address and as precise a description as possible of the property that is to be leased. If it is not the whole of the building the description should identify the principal rooms, ancillary spaces

(kitchen, toilets, hallways), storage areas and any outside space to be leased as appropriate. It should also identify any rights (eg access, car parking) over the rest of the building or over adjoining Church property that the Tenant will need to be able to use the Property. Standard rights have been included in the Model Lease for pedestrian access to the Property, for the use of common areas within the building and for the passage of services and utilities to the Property. If specific additional rights are required, these will need to be included expressly in the Model Lease – and the PCC’s solicitors should be instructed to include the necessary drafting.

If any part of the Property is consecrated land, please note the comments above under Background.

INSERT DETAILS

Church Property

This is to identify any adjoining property (including any other PCC land and the Church land) over which the Tenant is to have any rights or access. If the whole building is to be leased, this may simply be the adjoining Church land. If only part of the building is to be leased, it will include the rest of the building – and may also include adjoining PCC or Church land.

Plans of any relevant Church Property are essential, in the same way as for the Property – and should identify all of the Church Property in the same way but edged blue.

If any rights or access to be granted to the Tenant are over consecrated land, please note the comments above under Background.

INSERT DETAILS

Church

There are various references within the Model Lease to the Church adjoining or neighbouring the Property. Simply include the common name of the Church and its four digit reference number.

INSERT DETAILS

Plan(s)

Plans of the property to be leased are essential:

- Where the whole building is to be leased a site plan from a Land Registry document or from Google Maps may be inserted. Contact the Parish Property Department at the LDF as they may hold or be able to obtain a plan.
- Where only part of the building is to be leased a copy of an architectural drawing or similar plan prepared for this purpose may be inserted. Any such plan will need accurately to identify the Property – and should not simply be a sketch drawing of it.

In either case, the building, or the parts of it being leased to the Tenant must be edged in red. Where the Property is only part of the building, the red line should be on the inside of the walls of the area being leased.

PLAN OR PLANS ANNEXED TO THESE HEADS OF TERMS

Term and Termination

Term

Insert length of time in years for which the Lease is to be granted. This can be up to a maximum of 7 years less one day from a specific date or from the date the Lease is granted. Longer leases require more stringent legal, surveying and valuation formalities and can be less flexible than a lease for less than 7 years which can be renewed as appropriate.

It will most often be appropriate for the term to be up to 5 years. If the term is to be longer than 5 years, it will likely be appropriate for the Rent to be fixed by reference to the second or third options identified under Rent below (ie including provision for specified annual uplifts). The first option for Rent is simply a fixed annual sum for each year of the Term, which is generally only appropriate for terms of up to 5 years.

Termination by Tenant

Tenants may seek to negotiate rights to terminate the Lease at some point or points before the end of the Term (commonly known as break rights). Because these rights can take a range of forms and apply in a range of circumstances, the Model Lease does not include any such termination rights. It is suggested that, if appropriate, PCCs should simply seek to agree a shorter term, to expire at what would otherwise have been a break date.

If PCCs are nevertheless concerned to grant a longer lease with a break right for the Tenant, they should instruct their professional advisor accordingly and the PCC's solicitor should incorporate an appropriate break clause in the Lease. This will need to be subject to advice from a suitably qualified person that the inclusion of such a break right for the Tenant is appropriate and has been adequately reflected in the level of rent proposed – because the inclusion of a break right is of commercial benefit to the Tenant and should be properly reflected in the rent to be paid.

Termination by PCC

The PCC may also want the ability to terminate the Lease at some point or points before the end of the Term. This is most commonly because the PCC wishes to secure a longer term relationship with the Tenant but may anticipate using the property for its own purposes at an as yet undefined future date.

PCCs should note that the inclusion of a Landlord's right to break is unusual in the market. It may well be resisted by many prospective tenants. As it is also a significant commercial disadvantage to the Tenant, it will likely have a material adverse impact on the level of rent a prospective tenant is prepared to offer for the Lease.

It is therefore again suggested that, if appropriate, PCCs should simply seek to agree a shorter term, to expire at what would otherwise have been a break date.

If PCCs are nevertheless concerned to grant a longer lease with a break right for the PCC, they should again instruct their professional advisor accordingly and the PCC's solicitor should incorporate an appropriate break clause in the Lease.

The drafting of any break clause included in the Lease will need to be approved by the LDF, as part of the process for obtaining formal Diocesan Authority approval (at Stage 3 and Stage 5).

INSERT DETAILS

[] years

A right for the Landlord to terminate the Lease at any time after the [second] anniversary of the Term by serving not less than [six] months' prior written notice on the Tenant.

Rent

Subject to advice from a suitably qualified person (please refer to the comments in the main body of these Guidance Notes) the rent could be:

- Option 1 A fixed annual sum for each year of the whole term (where the term is 5 years or less)
- Option 2 An increasing sum (upwards only), starting at an agreed initial rent and increasing annually by the rate of inflation as measured by the Retail Price Index each year
- Option 3 An increasing sum, starting at an agreed initial rent at term commencement and increasing by a set amount after an agreed initial period/ each year as set out in the Lease

The Heads of Terms should specify that the annual rent is payable in advance and by agreed instalments. In addition they should set out the payment period (monthly or quarterly), the date of the first payment (usually on completion of the Lease) and the date of any rent review (usually the anniversary of the Lease).

INSERT DETAILS

Rent Commencement Date

As noted above, the start date for the payment of rent will usually be the date on which the Lease is completed – in which case insert “On completion of the Lease” below. Subject (as above) to advice from a suitably qualified person, it may be that an initial period will be agreed (usually of up to a few months from lease completion) during which no rent is payable. This is commonly known as a rent free period and is often agreed by landlords as a contribution to the initial costs to the Tenant of preparing the Property for its own use. If a rent free period is to be given, insert “[] months from completion of the Lease” below.

Rent free periods are usually linked to the carrying out of agreed alterations to the Property by the Tenant. Please refer to the comments in this respect at the end of the Background section of the Guidance Notes.

INSERT DETAILS

Permitted use

Specify the purpose for which the premises may be used under the Lease – eg nursery school, worship, social club, exercise class, etc. including out-of-hours storage of the Tenant’s equipment

INSERT DETAILS

Permitted hours

Specify the days/ hours of use if the Tenant is not to have exclusive use of the property on a 24/7 basis throughout the term. For example: weekdays between 08.00 and 17.30 hours during school/nursery term time only. These times should include an allowance for setting up and clearing away for each period of use. Consider and specify any days to be excluded, eg for weddings, funerals, Bank Holidays, Easter/Christmas, Elections etc.

The Model Lease is only for use where the Tenant will have the use of the property either exclusively or for the majority of the time, perhaps limited to school/nursery term times in the case of leases to such tenants. If the Tenant’s use of the property is to be significantly limited, it will be more appropriate for occupation to be governed either by a form of licence or by a form of hiring agreement.

INSERT DETAILS

Tenant Repairing Responsibilities

It will generally be appropriate to ask the Tenant to keep the interior of the Property in good and tenable repair and condition and in a clean and tidy state.

See Paragraph 9.0 of the Third Schedule to the Model Lease.

Unless there is good reason to do otherwise, the inclusion of the words in the box below in the Heads of Terms should be the same in all cases.

INSERT DETAILS

The Tenant will keep the interior of the Property in good and tenable repair and condition and in a clean and tidy state.

Alterations

If the building will need to be altered or otherwise fitted out at the start of the Term to meet the Tenant's requirements, the alterations should so far as possible be described in the Heads of Terms. As noted at the end of Stage 1: Negotiating Heads of Terms in the Guidance Notes, additional documents and different procedures may apply to such works. The prior written consent of the Landlord and the PCC will be required – and may need to be documented by way of a formal Licence for Alterations. If any such works are required by the Tenant, include the words in square brackets below in the Heads of Terms and make arrangements for the Tenant to supply the PCC as soon as possible with plans, specifications and any other relevant information in relation to the works.

(Note: the PCC has the right to ask that at the end of the Lease the Tenant reinstates the property to its original form.)

See Paragraphs 14 and 19 and the Third Schedule to the Model Lease

The inclusion of the words in the box below in the Heads of Terms will be the same in all cases.

Absolute prohibition on structural and external alterations.

Internal non structural alterations will be permitted, subject to the prior written consent of the Landlord and the PCC in a separate document.

[The Tenant will supply as soon as possible full details of its proposed fitting out works to the Property (including plans, specifications, method statements etc), for the prior written approval of the Landlord and the PCC which, on approval, will be the subject of a licence for alterations.]

Assignment & Underletting

It is standard practice for church hall leases to exclude any rights for the Tenant to dispose of its interest under the Lease.

See Paragraph 17 of the Third Schedule to the Model Lease.

The inclusion of the words in the box below in the Heads of Terms will be the same in all cases.

An absolute prohibition on the Tenant assigning, charging, underletting or otherwise parting with or sharing possession or occupation of the whole or any part of the Property, at any time during the Term.

Security of Tenure

Please refer to the comments in the Guidance Notes at Stage 6: Protecting the PCC's position at the End of the Lease and Paragraphs 1 and 2 of the Sixth Schedule to the Model Lease.

The inclusion of the words in the box below in the Heads of Terms will be the same in all cases.

The tenancy to be created by the Lease will be excluded from the security of tenure and compensation provisions of the Landlord and Tenant Act 1954.

Insurance

See Paragraph 6.0 of the Fourth Schedule and Paragraph 4 of the Third Schedule to the Model Lease.

The inclusion of the words in the box below in the Heads of Terms will be the same in all cases.

The Landlord will be responsible for buildings insurance in relation to the Property. The whole or a reasonable proportion of the cost of the premiums for such insurance is to be recoverable from the Tenant.

The Tenant will be responsible for maintaining its own appropriate business interruption, public liability, contents and third party insurance cover.

Professional Costs

If the Tenant is willing to accept the Model Lease document in its standard form, each party will pay their own professional costs unless otherwise agreed. If the Tenant wants to make alterations to the Model Lease black text,

other than in relation to the points stated above, the Tenant should pay for the PCC's professional costs (legal and surveying advice as necessary) to consider, negotiate and make the proposed alterations.

PCC's Adviser

Insert name, address and contact details

INSERT DETAILS

PCC's Solicitor

Insert name, address and contact details

INSERT DETAILS

Landlord's Adviser (if applicable)

Insert name, address and contact details

INSERT DETAILS

Landlord's Solicitor (if applicable)

Insert name, address and contact details

INSERT DETAILS

Tenant's Adviser (if applicable)

Insert name, address and contact details

INSERT DETAILS

Tenant's Solicitor

Insert name, address and contact details

INSERT DETAILS
