

**Dated** \_\_\_\_\_ **20[ ]**

**STOKE ON TRENT CITY COUNCIL**

**and**

**[ ]**

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**LEASE**  
**relating to New Medical Centre at South Longton,**  
**Coronation Avenue, Stoke-On-Trent**

**TIR GP LEASE OF PART**

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## PRESCRIBED CLAUSES

**LR1 Date of lease**

[ ]

**LR2 Title number(s)**

**LR2.1 Landlord's title number(s)**

SF545014

**LR2.2 Other title numbers**

[ ]

**LR3 Parties to this lease**

**Landlord**

**STOKE ON TRENT CITY COUNCIL** of Civic Centre, Glebe Street, Stoke-On-Trent, ST4 1HH

**Tenant**

[ ] of [ ]<sup>1</sup>

**Guarantor**

None

**LR4 Property**

**In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail.**

See the definition of "Property" in clause 1.1 of this lease.

**LR5 Prescribed statements etc.**

**LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.**

None.

**LR5.2 This lease is made under, or by reference to, provisions of:**

None.

**LR6 Term for which the Property is leased**

The term as specified in this lease at clause 1.1 in the definition of "Contractual Term".

**LR7 Premium**

None.

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<sup>1</sup> Insert details of all of the GPs that will comprise the Tenant.

**LR8 Prohibitions or restrictions on disposing of this lease**

This lease contains a provision that prohibits or restricts dispositions.

**LR9 Rights of acquisition etc.**

**LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land**

None

**LR9.2 Tenant's covenant to (or offer to) surrender this lease**

None.

**LR9.3 Landlord's contractual rights to acquire this lease**

None.

**LR10 Restrictive covenants given in this lease by the Landlord in respect of land other than the Property**

None.

**LR11 Easements**

**LR11.1 Easements granted by this lease for the benefit of the Property**

The easements as specified in clause 3 of this lease.

**LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property**

The easements as specified in clause 4 of this lease.

**LR12 Estate rentcharge burdening the Property**

None.

**LR13 Application for standard form of restriction**

None.

**LR14 Declaration of trust where there is more than one person comprising the Tenant**

None.

THIS LEASE is dated

20[ ]

## PARTIES

- (1) **STOKE ON TRENT CITY COUNCIL** of Civic Centre, Glebe Street, Stoke-On-Trent, ST4 1HH (Landlord); and
- (2) **DOCTORS [ ]** of [ ]<sup>2</sup> (Tenant).

## AGREED TERMS

### 1 INTERPRETATION

The following definitions and rules of interpretation apply in this lease.

#### 1.1 Definitions:

**Act of Insolvency** means:

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

PROVIDED ALWAYS that where the Tenant consists of more than one individual who collectively are in partnership with a view to operating the Contracted Practice, the happening of an event that would ordinarily constitute an Act of Insolvency in respect of one of those named individuals shall not be treated as an Act of Insolvency for the purposes of this Lease where (unless there are no other Partners from the Contracted Practice who are not already named parties to the Lease) that individual is replaced by another GP from the Contracted Practice as Tenant within a reasonable period following the date of the event constituting an Act of Insolvency.

The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications

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<sup>2</sup> Insert name and address details of all GPs.

referred to in the Insolvent Partnerships Order 1994 (SI 1994/2421) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (SI 2001/1090) (as amended).

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

**Additional Sums** means the aggregate on a full indemnity basis of:

- (a) all charges relating to the supply, consumption and removal of electricity, gas, water, sewage, fuel, data and other utilities to and from the Property where not separately metered and paid direct to the utility provider by the Tenant; and
- (b) the payment of non-domestic rates payable in respect of the Property where not paid directly by the Tenant to the billing authority;

**Annual Rent** means a peppercorn per annum (if demanded).

**APMS Contract** means a contract to provide alternative provider medical services made pursuant to Section 92 of the National Health Service Act 2006 or any subsequent or similar legislation.

**Building** means [South Longton Medical Centre] of which the Property and other Lettable Units form part and refers to each and every part of the Building shown edged [ ] on Plan 2.

**CDM Regulations** means the Construction (Design and Management) Regulations 2015.

**Clinical Commissioning Group** means any clinical commissioning group established pursuant to the Health and Social Care Act 2012 and any successor body to the commissioning function.

**Common Parts** means the areas and amenities made available from time to time by the Landlord for use in common by the tenants and occupiers of the Building, other non-structural parts of the Building, Shared Areas, any common Service Media, any common plant and machinery (including any fire alarm system serving the Property and other parts of the Building), all entrance halls, landings, lifts, lift-shafts, staircases, passages and areas designated for the keeping and collecting of refuse and the External Common Parts but excluding the Structure.

**Contractual Term** means a term of [ ] years beginning on, [ ] including the date of this lease and ending on, and including [ ].

**Contracted Practice** means any person, persons or organisation with a Core Contract.

**Core Contract** means an APMS Contract, GMS Contract or PMS Contract held by the Contracted Practice or such other alternate or replacement contract from time to time introduced for the provision of health and social care and community services within or in connection with the national health service to members of the public that is in receipt of NHS Funding.

**Current Market Rent** means [£ ].

**Default Interest Rate** means 4% per annum above the Interest Rate.

**Energy Assessor** means an individual who is a member of an accreditation scheme approved by the Secretary of State in accordance with regulation 22 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118) or regulation 30 of the Building Regulations 2010 (SI 2010/2214).

**Energy Performance Certificate** means a certificate as defined in regulation 2(1) of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

**External Common Parts** means the car park, footpaths, forecourts, loading bays, service roads, estate roads, landscaped areas and other external areas of the Site including any plant or machinery situated outside the Building but benefitting the Building.

**GIA** means Gross Internal Area as ascertained in accordance with "RICS Property Measurement" published by the Royal Institution of Chartered Surveyors and having regard to its Practice Standards GN60/2010 Valuation of Medical Centre and Surgery Premises 2nd edition (or in each case any substitution from time to time).

**GMS Contract** means a contract to provide general medical services made pursuant to section 84 of the National Health Act 2006 or any subsequent or similar legislation.

**GP** means a person who is registered as a medical practitioner with the General Medical Council under the provisions of the Medical Act 1983 or any subsequent or similar legislation.

**Insured Risks** means the risks and events that a reasonable landlord of a property of the same type as the Building would commonly insure against together with such other risks as the Landlord acting reasonably may from time to time require and Insured Risk shall mean any of the Insured Risks.

**Interest Rate** means the base rate from time to time of Barclays Bank PLC, or if that base rate stops being used or published then a comparable commercial rate reasonably determined by the Landlord.

**Inherent Defect** means any defect or want of repair which manifests itself and is attributable to faulty or defective workmanship in the design, specification, construction and materials used in the construction and the specification in the construction of the Property.

**Landlord Break Date** means any of the following:

- (a) In the event of a limb (a) Landlord Break Event occurring, the date identified in the Landlord Break Notice which shall be a date no sooner than 14 days following the service of the Landlord Break Notice or alternatively such date as is specified in the Landlord's Break Notice; or
- (b) In the event of a limb (b) Landlord Break Event occurring, the date identified in the Landlord Break Notice which shall be a date no later than 14 days following the service of the Landlord Break Notice or alternatively such date as is specified in the Landlord's Break Notice.

**Landlord Break Event** means any of the following:

- (a) the Tenant ceases to be a Contracted Practice and subject to clauses 38.4 and 38.5 and 38.6 any challenge of the NHS Funder's decision to terminate the Tenant's Core Contract has been unsuccessful or withdrawn by the Tenant; or
- (b) the Tenant has, for a consecutive and continuing period of two or more calendar months leading up to and including the date on which the Landlord's Break Notice is served, materially ceased to provide or procure the provision of essential services under its Core Contract.

**Landlord Break Notice** means a notice served by the Landlord on the Tenant to determine the lease, issued on or after a Landlord Break Event.

**Landlord's Neighbouring Property** means each and every part of the adjoining and neighbouring property in which the Landlord has an interest.

**Lettable Unit** means all accommodation within the Building from time to time let or otherwise exclusively occupied, or capable of, or designed, or intended for letting and exclusive occupation.

**Lift(s)** means all lifts and lift machinery and equipment in the Property and the Building (if any).

**LTA 1954** means Landlord and Tenant Act 1954.

**Major Plant** means Lifts, boilers, the heating system, the air conditioning system and any other plant and machinery in the Building, but which exclusively or non-exclusively serve the Property.

**NHS Body** has the same meaning given as at the date hereof to a health service body in section 9(4) of the National Health Service Act 2006 and shall also include any body referred to in section 30 of the National Health Service Act 2006 or any qualifying company as defined in Section 300 of the Health and Social Care Act 2012 and any health service body referred to in any updates or re-enactments of statutes from time to time in force together with any successor to any of the statutory functions of the Tenant and the Secretary of State for Health and the phrase "NHS Bodies" shall be construed accordingly.

**NHS Funding** means reimbursement from the NHS Funder for the Annual Rent.

**NHS Funding Agreement** means the agreement dated [ ] 2019 and made between (1) NHS England (2) the Landlord.

**NHS Funder** means the NHS Commissioning Board (known as NHS England) or any Clinical Commissioning Groups or any statutory successors which, amongst other things, provides NHS Funding.

**Permitted Hours** means [ ] on Mondays to Fridays and [ ]<sup>3</sup> on Saturdays and such additional hours as the Tenant is required to work pursuant to its Core Contract.

**Permitted Use** means use as a primary care health centre and for associated purposes thereto provided that use of any part of the Property as a retail and/or dispensing pharmacy shall be prohibited (such prohibition shall in no way fetter the right of health professionals at the Property who are licensed to dispense and/or distribute medication or related products from dispensing and/or distributing such medication or related products in the normal course of providing general healthcare services to members of the public) and provided further that such uses are wholly within class D1 of the Schedule to the Town and Country Planning (Use Classes) Order 1987 (or any substitution of such order from time to time).

**Plan 1** means the plan attached to this lease marked "Plan 1".

**Plan 2** means the plan attached to this lease marked "Plan 2".

**PMS Contract** means a contract to provide personal medical services made pursuant to Section 92 of the National Health Service Act 2006 or any subsequent or similar legislation.

**Premises Costs Directions** means National Health Service (General Medical Services – Premises Costs) Directions 2013 or any other statement of fees and allowances or the like which may be substituted.

**President** means the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on his behalf.

**Property** means Part of the Building as outlined in red on Plan 1, representing a GIA of [ ] and bounded by and including:

- (a) the floorboards;
- (b) and all internal surfaces of the ceilings;
- (c) the interior plaster finishes of exterior walls and columns;
- (d) the plaster finishes of the interior load-bearing walls and columns that adjoin another Lettable Unit or the Common Parts or the Structure;

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<sup>3</sup> To be determined on a case by case basis and possibly in accordance with the planning consent for the Building

- (e) the doors and windows within the interior, load-bearing walls and columns that adjoin another Lettable Unit or the Common Parts and their frames and fittings;
- (f) one half of the thickness of the interior, non-load-bearing walls and columns that adjoin another Lettable Unit or the Common Parts;
- (g) the doors and windows within the interior, non-load-bearing walls and columns that adjoin the Common Parts and their frames and fittings;

but excluding:

- (h) any part of the Structure; and
- (i) all Service Media within that part of the Building but which do not exclusively or non-exclusively serve that part of the Building; and
- (j) any Major Plant.

**Public Authority** means a public authority constituted to deliver health care services within or in connection with the national health service.

**Recommendation Report** means a report as defined in regulation 4 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

**Reservations** means all of the rights excepted, reserved and granted to the Landlord by this lease.

**Rent Payment Dates** means 25 March, 24 June, 29 September and 25 December.

**Service Charge** means the Tenant's Proportion of the Service Costs in any Service Charge Year.

**Service Charge Year** means the annual accounting period relating to the Services and the Service Costs beginning on [ ] in [ ] and each subsequent year during the term, or otherwise as the Landlord may decide and notify the Tenant.

**Service Media** means all media for the supply or removal of heat electricity, gas, water, sewage, ventilation, air-conditioning, energy, telecommunications, data, fire and other alarm systems and all other services and utilities and all structures, machinery and equipment ancillary to those media.

**Services** means the services listed in clause 7.1.

**Shared Areas** means those parts of the Building shown hatched [ ] on Plan [ ] or such other areas which are provided by the Landlord from time to time acting reasonably for the use of the Tenant and in common with the other occupiers of the Building.

**Structure** means main structural walls, foundations, roofs and roof supports and the exterior of the Building including exterior window frames and external doors and frames and the whole of any interior load-bearing walls and columns within the Building (other than their plasterwork) and other than the doors and windows and their frames and fittings within such walls.

**Tenant Break Date** means the later of

- (a) 5 (five) calendar months after the date the Tenant serves a Tenant Break Notice on the Landlord; or
- (b) the date the Core Contract held by the Tenant or (if different) the Contracted Practice they represent, determines.

**Tenant Break Event** means any of the following

- (a) the Tenant has received notice from the NHS Funder to terminate (whether immediately or otherwise) its Core Contract; or
- (b) the Tenant has served notice on the NHS Funder to terminate its Core Contract; or
- (c) the term of the Tenant's Core Contract (where applicable) has expired or is set to expire and there is no intention on the part of the NHS Funder and or the Tenant to enter into a new or renewal Core Contract.

**Tenant Break Notice** means a notice served by the Tenant on the Landlord to determine the lease, such notice to include (where appropriate and known) the date upon which the Core Contract shall determine.

**Tenant's Proportion** means a fair proportion having regard to the Tenant's GIA of the Property and apportioned Shared Areas in relation to the total GIA of all Lettable Units and the Shared Areas.

**Terms of Entry** means entry to the Property by the Landlord (or other person so authorised by it) shall always be subject to compliance with the following terms and conditions governing such entry:

- (a) the Landlord (except in the case of emergency) giving the Tenant 24 hours' prior written notice of such proposed entry;
- (b) the Landlord (or other person so authorised by it) fully complying with the Tenant's reasonable requirements in respect of such entry (including the timing of and presence of a Tenant's representative at such entry);
- (c) the persons entering the Property causing as little disturbance and/or inconvenience to the Property the Tenant and the Tenant's business as is reasonably practicable; and
- (d) the Landlord promptly making good any physical damage caused to the Property and the Tenant's goods stock chattels fixtures and fittings to the Tenant's reasonable satisfaction.

**Third Party Rights** means all rights, covenants and restrictions affecting the Building including the matters referred to at the date of this lease.

**Uninsured Risk** means the risks against which the Landlord does not or cannot insure for any reason whatsoever including without prejudice to the generality to the foregoing any risks which are not insured against because:

- (a) insurance cover is not normally available in the insurance market; and/or
- (b) insurance cover is not normally available at reasonable rates; and/or
- (c) insurance cover is not normally available without unreasonable conditions; and/or
- (d) they have been excluded by the insurer.

**VAT** means value added tax chargeable under the VATA 1994 and any similar replacement tax and any similar additional tax.

**VATA 1994** means Value Added Tax Act 1994.

**[Variable Rent** means 5% of the Current Market Rent at the date of this lease and then as reviewed in accordance with **Error! Reference source not found.**<sup>4</sup>.]

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<sup>4</sup> This is a 5% of CMR allowance towards external and structural repair and insurance – to be agreed with Landlord.

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to its successors in title and assigns.
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined conclusively (except as to questions of law) but reasonably by the Landlord.
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, references to the **Building**, the **Common Parts**, the **Shared Areas**, a **Lettable Unit** and the **Property** are to the whole and any part of them or it.
- 1.7 The expression **neighbouring property** does not include the Building.
- 1.8 A reference to the **term** is to the Contractual Term
- 1.9 A reference to the **end of the term** is to the end of the term however it ends.
- 1.10 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 42.5 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 42.6.
- 1.11 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.12 A reference to laws in general is a reference to all local, national and directly applicable supra-national laws as amended, extended or re-enacted from time to time and shall include all subordinate laws made from time to time under them and all orders, notices, codes of practice and guidance made under them.
- 1.13 Unless otherwise specified, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision and all orders, notices, codes of practice and guidance made under it.
- 1.14 Any obligation on the Tenant not to do something includes an obligation not to allow that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.15 Unless the context otherwise requires, any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.16 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.17 A reference to **writing** or **written** does not include fax or e-mail.
- 1.18 Unless the context otherwise requires, references to clauses and Schedules are to the clauses and Schedules of this lease and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.19 Clause, Schedule and paragraph headings shall not affect the interpretation of this lease.
- 1.20 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

- 1.21 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

## **2 GRANT**

- 2.1 The Landlord lets the Property with full title guarantee to the Tenant for the Contractual Term.
- 2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights.
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
- 2.3.1 the Annual Rent;
  - 2.3.2 the Additional Sums;
  - 2.3.3 the Service Charge;
  - 2.3.4 (to the extent payable) all VAT in respect of the above sums;
  - 2.3.5 all interest payable under this lease; and
  - 2.3.6 all other sums due under this lease.

## **3 ANCILLARY RIGHTS**

- 3.1 The Landlord grants the Tenant the following rights (the **Rights**):
- 3.1.1 the right to support and protection from the Common Parts to the extent that the Common Parts provide support and protection to the Property at the date of this lease;
  - 3.1.2 the right to use such of the External Common Parts as designated by the Landlord from time to time for the purposes of vehicular and pedestrian access to and egress from the interior of the Building and to and from the parts of the Common Parts referred to in clause 3.1.3 to clause 3.1.6;
  - 3.1.3 the exclusive right to park [ ] private cars or motorbikes belonging to the Tenant, its employees and visitors within the area edged green on Plan 2 [and the exclusive right to park 1 ambulance in the ambulance bay together] with the nonexclusive right to use the car parking spaces in the External Common Parts on a first come first served basis;
  - 3.1.4 the right to use such areas (if any) as designated by the Landlord from time to time for keeping bicycles belonging to the Tenant, its employees and visitors;
  - 3.1.5 the right to use such areas as designated by the Landlord from time to time for loading and unloading goods and materials;
  - 3.1.6 the right to use the bin store;
  - 3.1.7 the right to use the Shared Areas;
  - 3.1.8 the right to use and to connect into any Service Media at the Building that belong to the Landlord and serve (but do not form part of) the Property;
  - 3.1.9 the right to display the name and logo of the Tenant (and any authorised undertenant) and information relating to the hours of operating and services offered from the Property on a sign or noticeboard provided by the Landlord in the entrance hall of the Building and on the Common Parts at the entrance to the Property, in each case and outside on the exterior of the Building in a form and manner reasonably approved by the Landlord; and

- 3.1.10 the right to enter the Common Parts or any other Lettable Unit so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease.
- 3.2 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.
- 3.3 The Rights are granted subject to the Third Party Rights insofar as the Third Party Rights affect the Common Parts and the Tenant shall not do anything that may interfere with any Third Party Right.
- 3.4 The Tenant shall exercise the Rights (other than the Right mentioned in clause 3.1.1) only in connection with its use of the Property for the Permitted Use and only during the Permitted Hours and in accordance with any reasonable regulations made by the Landlord as mentioned in clause 3.1.
- 3.5 The Tenant shall comply with all laws relating to its use of the Common Parts pursuant to the Rights.
- 3.6 Subject to clause 3.9, in relation to the Rights mentioned in clause 3.1.2 to clause 3.1.7, the Landlord may, at its discretion, change the route of any means of access to or egress over the Common Parts and the Landlord's Neighbouring Property from the Property or the interior of the Building and may change the area within the Common Parts and the Landlord's Neighbouring Property over which any of those Rights are exercised.
- 3.7 Subject to clause 3.9, in relation to the Rights mentioned in clauses 3.1(c) to 3.1(d) and clause 3.1(f) the Landlord may from time to time acting reasonably designate within the Common Parts or the Landlord's Neighbouring Property the spaces or bins (as the case may be) in respect of which the Tenant may exercise that Right.
- 3.8 Subject to clause 3.9, in relation to the Rights mentioned in clause 3.1.8, the Landlord may, in its reasonable discretion, re-route or replace over the Common Parts or the Landlord's Neighbouring Property any such Service Media and that Right shall then apply in relation to the Service Media as re-routed or replaced
- 3.9 In the exercise of the Landlord's discretion or right to designate under clauses 3.6 – 3.8 inclusive the Landlord will use reasonable endeavours to ensure that the altered rights are not materially less commodious than the previous rights.
- 3.10 In exercising the Right mentioned in clause 3.1.10, the Tenant shall:
- 3.10.1 except in case of emergency, give reasonable prior written notice to the Landlord and any occupiers of the relevant Lettable Unit(s) of its intention to exercise that Right;
- 3.10.2 where reasonably required by the Landlord or the occupier of the relevant Lettable Unit(s), exercise that Right only if accompanied by a representative of the Landlord and/or the tenant and/or the occupier of the relevant Lettable Unit(s);
- 3.10.3 cause as little damage as reasonably possible to the Common Parts and the other Lettable Units and to any property belonging to or used by the Landlord or the tenants or occupiers of the other Lettable Units;
- 3.10.4 cause as little inconvenience as reasonably possible to the Landlord and the tenants and occupiers of the other Lettable Units as is reasonably practicable; and
- 3.10.5 promptly make good (to the reasonable satisfaction of the Landlord and also where appropriate to the reasonable satisfaction of the occupier of any relevant Lettable Unit(s)) any damage caused to the Common Parts (or to any property belonging to or used by the Landlord) by reason of the Tenant exercising that Right.
- 3.11 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over the Common Parts or any other Lettable Unit or any neighbouring property nor is to be taken to show that the Tenant may have any right over the Common Parts or any other Lettable Unit or any neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease.

#### 4 RIGHTS EXCEPTED AND RESERVED

4.1 The following rights are excepted and reserved from this lease to the Landlord for the benefit of the Building and the Landlord's Neighbouring Property:

- 4.1.1 rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
- 4.1.2 the right to use and to connect into Service Media at, but not forming part of, the Property; the right to install and construct Service Media at the Property to serve any part of the Building (whether or not such Service Media also serve the Property); and the right to re-route any Service Media mentioned in this clause;
- 4.1.3 at any time during the term, the full and free right to develop the Landlord's Neighbouring Property and any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit;
- 4.1.4 the right to erect scaffolding at the Property or the Building and attach it to any part of the Property or the Building in connection with any of the Reservations;
- 4.1.5 the right to attach any structure, fixture or fitting to the boundary of the Property in connection with any of the Reservations;
- 4.1.6 the right to re-route any means of access to or egress from the Property or the Building and to change the areas over which the Rights mentioned in clause 3.1.2 to clause 3.1.10 are exercised;
- 4.1.7 the right to re-route and replace any Service Media over which the Rights mentioned in clause 3.1.8 are exercised;

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property or the Common Parts or loss of amenity for the Property or the Common Parts provided that they do not materially adversely affect the use and enjoyment of the Property for the Permitted Use.

4.2 Subject always to observance of the Terms of Entry, the Landlord reserves the right to enter the Property:

- 4.2.1 to repair, maintain, install, construct, re-route or replace any Service Media or structure relating to any of the Reservations;
- 4.2.2 to carry out any works to any other Lettable Unit; and
- 4.2.3 for any other purpose mentioned in or connected with:
  - (a) this lease;
  - (b) the Reservations; and
  - (c) the Landlord's interest in the Property, the Building or the Landlord's Neighbouring Property.

4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord.

4.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours) provided that where reasonably practicable the Landlord will exercise such rights outside the usual business hours and, except in the case of an

emergency, after having given reasonable notice (which need not be in writing) to the Tenant and provided further that entry pursuant to this clause is subject to the Landlord or those entering the Property complying with the reasonable requirements of the Tenant.

4.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of the Reservations except for:

4.5.1 physical damage to the Property; or

4.5.2 any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord from excluding liability.

## 5 THIRD PARTY RIGHTS

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

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

## 6 THE ANNUAL RENT

6.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord reasonably requires at any time by giving notice to the Tenant. The Landlord shall provide the Tenant with a valid invoice, including provision for payment of VAT where VAT is payable, although this shall not be a precondition to the payment of the Annual Rent.

6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on the date of this lease and shall be the proportion, calculated on a daily basis, in respect of the period beginning on the date of this lease and ending on the day before the next Rent Payment Date.

6.3 The Annual Rent and all money due under this lease are to be paid by the Tenant without deduction, counterclaim or set-off.

## 7 SERVICES AND SERVICE CHARGE

7.1 In this clause 7 the following expressions shall have the following meanings:

7.1.1 "**Service Costs**" means those Service Costs that are further defined in Part 2 of Schedule 1.

7.1.2 "**Services**" means those services referred to in Part 1 of Schedule 1;

7.1.3 "**Service Charge Account**" means any account set up and maintained by the Landlord into which the Service Charge payments by the occupiers of the Building are paid;

7.2 The following costs shall always be excluded from the Service Costs:

7.2.1 unless improvement constitutes the most economic method of repair (or as a reasonable economic alternative to repair), the cost of improvements to the Building;

7.2.2 the cost of repair and maintenance of the Structure;

7.2.3 the costs of replacement of Major Plant where beyond economic repair;

- 7.2.4 any costs relating to the initial construction of the Building.
  - 7.2.5 unless and to the extent that the Landlord's insurance is vitiated or made void by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property or the Common Parts with the actual or implied authority of any of them the cost of repair of the Property and/or Building following damage or destruction by an Insured Risk;
  - 7.2.6 the management costs (which shall include, without limitation, costs of lettings, costs of collecting rent, the cost of granting consents, the cost of implementing rent reviews and conducting disputes with other tenants of the Building) other than those specifically identified as being within the Services;
  - 7.2.7 the cost of any repair of the Building which is recovered by the Landlord under a collateral warranty;
  - 7.2.8 the costs of remedying Inherent Defects of the Building;
  - 7.2.9 any shortfall in the costs of providing any of the Services due to the Landlord having agreed a special concession with any occupier;
  - 7.2.10 the maintenance or operation of any premises within the Building occupied by the Landlord for its own purposes (except where such use is wholly or partly in connection with the management of the Building itself);
  - 7.2.11 any future redevelopment of the Building;
- 7.3 The Landlord shall use all reasonable endeavours to deliver the Services to a specification and standard which is reasonably necessary to ensure that the Tenant is compliant with its obligations, from time to time, in respect of the working environment that the Tenant is required to maintain under its Core Contract and or in order to comply with the requirements of the Care Quality Commission (or such other successor organisation) provided that the Tenant has informed the Landlord in writing of such obligations and requirements identifying what additional works or measures are required to comply with such obligations and requirements and to the extent that any such works or measures go beyond those which would ordinarily be provided by a landlord of a commercial premises and are then any part of the costs incurred by the Landlord in delivering these cannot or should not be recovered from other occupiers via the Service Charge, the Tenant will reimburse the Landlord the whole or the balance of the irrecoverable costs.
- 7.4 The Landlord shall not be obliged to carry out any works where the need for those works has arisen by reason of any damage or destruction by a risk against which the Landlord is not obliged to insure.
- 7.5 The Landlord shall not be obliged to provide any of the Services outside the Permitted Hours
- 7.6 The Landlord shall not be liable for:
- 7.6.1 any interruption in, or disruption to, the provision of any of the Services for any reason that is outside the reasonable control of the Landlord; or
  - 7.6.2 any injury, loss or damage suffered by the Tenant as a result of any absence or insufficiency of any of the Services or of any breakdown or defect in any Service Media, except where due to the negligence of the Landlord.
- 7.7 The Tenant shall (at the request of the Landlord) request the NHS Funder to make payments or reimbursement of the any reimbursable Service Costs direct to the Landlord.
- 7.8 Before or as soon as possible after the start of each Service Charge Year, the Landlord shall prepare and send the Tenant:

- 7.8.1 an estimate of the Service Costs for that Service Charge Year; and
- 7.8.2 a statement of the estimated Service Charge for that Service Charge Year.
- 7.9 The Tenant shall pay the estimated Service Charge for each Service Charge Year in four equal instalments on each of the Rent Payment Dates.
- 7.10 In relation to the Service Charge Year current at the date of this lease, the Tenant's obligations to pay the estimated Service Charge and the actual Service Charge shall be limited to an apportioned part of those amounts, such apportioned part to be calculated on a daily basis for the period from and including the date of this lease to the end of the Service Charge Year. The estimated Service Charge for which the Tenant is liable shall be paid in equal instalments on the date of this lease and the remaining Rent Payment Days during the period from and including the date of this lease until the end of the Service Charge Year.
- 7.11 As soon as reasonably practicable after the end of each Service Charge Year, the Landlord shall prepare and send to the Tenant a statement showing:
- 7.11.1 the Service Costs for that Service Charge Year; and
- 7.11.2 the Service Charge for that Service Charge Year.
- The person giving the statement shall be appropriately qualified and shall have experience in dealing with service charges.
- 7.12 If any cost is omitted from the calculation of the Service Charge in any Service Charge Year (for the purposes of this clause "the Original Year") then the Landlord shall be entitled to include it in the estimate and statement of the Service Charge in any following Service Charge Year except to the extent that the cost in question would be a Variable Cost in the year in which the Landlord wishes to include the cost in its calculation of the Service Charge.
- 7.13 Otherwise, and except in the case of manifest error or a dispute pursued pursuant to clause 7.21, the Service Charge statement shall be conclusive as to all matters of fact to which it refers.
- 7.14 Where the Landlord ceases to provide any Service by reason of the damage to or destruction of the Common Parts and/or the Property by an Insured Risk and the costs of that Service shall not be included in the Service Charge.
- 7.15 If, in respect of any Service Charge Year, the Landlord's estimate of the Service Charge is:
- 7.15.1 less than the Service Charge, the Tenant shall pay the difference within 21 days of written demand; or
- 7.15.2 more than the Service Charge, the Landlord shall credit the difference against the Tenant's next instalment of the estimated Service Charge (and where the difference exceeds the next instalment then the balance of the difference shall be credited against each succeeding instalment until it is fully credited).
- 7.16 The Landlord shall pay the Service Costs in relation to any unlet parts of the Building.
- 7.17 The Landlord shall use reasonable endeavours to provide the Services.
- 7.18 The Landlord shall use reasonable endeavours to ensure that the procurement process, the provision of Services and all matters relating to the calculation and assessment of the Service Costs is as clear and transparent as possible.
- 7.19 The Landlord shall use reasonable endeavours to handle the recovery of Service Charge in a transparent and reasonable manner.

- 7.20 The Landlord shall use reasonable endeavours to give the Tenant notice of any significant plans or variations in actual Service Costs that are likely to have a material adverse impact on the Tenant.
- 7.21 Any dispute concerning the Service Charge or any payment on account or any other matter arising under this clause 7 may be determined by an independent surveyor nominated in default of agreement by or on behalf of the President of the Royal Institution of Chartered Surveyors to act as an expert whose determination shall be final and binding on the parties subject to the statutory rights of challenge on the grounds of lack of jurisdiction or serious irregularity, and appeals on a point of law.
- 7.22 Any surveyor appointed pursuant to clause 7.21 shall give the Landlord and the Tenant an opportunity to make written representations and to make written counter-representations commenting on the representations of the other party. The parties will provide (or procure that others provide) the Surveyor with such assistance and documents as the Surveyor reasonably requires for the purpose of reaching a decision on the dispute.

## **8 INSURANCE**

8.1 The Landlord covenants to:

- 8.1.1 keep the Building insured against loss or damage by the Insured Risks for its full reinstatement cost (taking inflation of building costs into account) with reputable insurers; together with insurance cover to include the costs of demolition / site clearance and all appropriate professional fees; and
- 8.1.2 have suitable insurance in place to cover the cost of temporary accommodation for the Tenant which is suitable for the Tenant for the Permitted Use, in the event that the Tenant has to vacate the Property due to damage or destruction to the Property and/or Building, such cover to last for at least 3 years; and
- 8.1.3 have suitable public liability insurance in place in relation to the Common Parts.

PROVIDED THAT the Landlord shall not be obliged to insure any part of the Property installed by the Tenant and any Tenant's fixtures and fittings.

- 8.2 The Landlord shall use reasonable endeavours to note the Tenant's interest in the Property on any insurance policy taken out in accordance with clause 8.1.1 above.
- 8.3 In relation to the insurance procured pursuant to clause 8.1 the Landlord shall on the Tenant's written request as soon as reasonably practicable provide the Tenant with a copy of the insurance policy, provided that the Landlord shall not be required to do so more than once in any 12 month period.
- 8.4 The Landlord's obligation to insure is subject to:
- 8.4.1 any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
- 8.4.2 insurance being available in the London insurance market on reasonable terms acceptable to the Landlord.

8.5 The Tenant shall:

- 8.5.1 immediately inform the Landlord if any matter occurs in relation to the Tenant or the Property that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Building and shall give the Landlord notice of that matter;
- 8.5.2 not do or omit anything as a result of which any insurance for the Building or any neighbouring property which has been notified to the Tenant from time to time may become void or voidable or otherwise prejudiced, or the payment of any insurance money may be

withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased insurance or additional premium may become payable;

- 8.5.3 comply at all times with the requirements and recommendations of the insurers that are from time to time identified to the Tenant which relate to the Property and the use by the Tenant of the Common Parts;
  - 8.5.4 give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk (to the extent that the Insured Risk has been notified to the Tenant by the Landlord);
  - 8.5.5 not effect any insurance of the Property, but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property pay those proceeds or cause them to be paid to the Landlord; and
  - 8.5.6 pay the Landlord an amount equal to any insurance money that the insurers of the Building refuse to pay (in relation to the Building) by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property or the Common Parts with the actual or implied authority of any of them.
- 8.6 The Landlord shall, where it has not elected to terminate the lease in accordance with clause 8.9, subject to obtaining all necessary planning and other consents, use all insurance money received (other than for loss of rent) in connection with any damage to the Building to repair the damage for which the money has been received or (as the case may be) in rebuilding the Building. The Landlord shall not be obliged to:
- 8.6.1 provide accommodation or facilities identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property and its access, services and amenities is provided; or
  - 8.6.2 repair or rebuild the Building after a notice has been served pursuant to clause 8.9 or clause 8.10.
- 8.7 The Landlord shall at its sole cost meet any shortfall between any insurance monies received as a result of any damage or destruction (whether such shortfall is due to the fact that the damage or destruction was caused by an Uninsured Risk or otherwise) unless and to the extent that:-
- 8.7.1 In the case of an Insured Risk, the insurance in relation to the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them; or
  - 8.7.2 In the case of an Uninsured Risk, the damage or destruction has occurred as a consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them.
- 8.8 If the Property is damaged or destroyed so as to be unfit for occupation and use or if the Common Parts are damaged or destroyed so as to make the Property inaccessible or unusable then (unless in the case of an Insured Risk the insurance in relation to the Property or the Common Parts has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property or the Common Parts with the actual or implied authority of any of them) payment of the Annual Rent or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use or the Common Parts have been reinstated so as to make the Property accessible or useable (as the case may be), or until the end of three years from the date of damage or destruction, if sooner.

8.9 If, following damage to or destruction of the Building or Common Parts (whether by an Insured Risk, Uninsured Risk or otherwise), so as to make the Property unfit for occupation and use or inaccessible or unusable the Landlord may acting reasonably having regard to, amongst other things, the extent of the damage and destruction terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance shall belong to the Landlord.

8.10 Provided that the Tenant has, in all material respects, complied with its obligations in this clause, the Tenant may terminate this lease by giving notice to the Landlord if, following damage or destruction of the Property or the Common Parts (whether by an Insured Risk, Uninsured Risk or otherwise), either:

8.10.1 the Property has not been reinstated so as to be accessible and fit for occupation and use within three years after the date of damage or destruction; or

8.10.2 the Landlord has not substantially commenced the reinstatement of the Property and/or (to the extent that the same is needed so as to make the Property accessible) the Building or Common Parts within 6 months after the date of damage or destruction.

On giving this notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance shall belong to the Landlord.

8.11 In relation to any insurance effected by the Landlord under this clause, the Landlord shall at the request of the Tenant (but not more often than once in any 12 month period) supply the Tenant with full details of the insurance policy and evidence of payment of the current year's premiums.

## **9 ADDITIONAL SUMS**

The Tenant shall pay to the Landlord the Additional Sums and any other sums due under this lease within 28 days of demand.

## **10 RATES AND TAXES**

10.1 The Tenant shall pay all present and future rates, taxes and other impositions and outgoings payable in respect of the Property, its use and any works carried out there, except:

10.1.1 any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or

10.1.2 any taxes (other than VAT payable under the lease and insurance premium tax) payable by the Landlord by reason of the receipt of any of the rents due under this lease.

10.2 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord.

## **11 UTILITIES**

11.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications and data and other services and utilities to or from the Property.

11.2 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.

## **12 COMMON ITEMS**

12.1 The Tenant shall pay the Landlord within 7 days of written demand the Tenant's Proportion of all proper costs payable by the Landlord for the maintenance, repair, lighting, cleaning and renewal of all Service

Media, structures and other items not on the Building but capable of being used by the Building in common with other land.

- 12.2 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any of those Service Media structures or other items.

### **13 VAT**

- 13.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.

- 13.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

- 13.3 The Landlord shall provide a copy to the Tenant of its acknowledgement from HMRC to tax the Property, if it so chooses to elect to charge VAT during the Term.

### **14 DEFAULT INTEREST AND INTEREST**

- 14.1 If any Annual Rent or any other money payable under this lease has not been paid within 21 days of the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest on that amount at the Default Interest Rate (both before and after any judgment). Such interest shall accrue on a daily basis for the period from and including the due date to and including the date of payment.

- 14.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from and including the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

### **15 COSTS**

- 15.1 The Tenant shall pay the proper costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in connection with or in contemplation of any of the following:

15.1.1 the enforcement of the tenant covenants of this lease;

15.1.2 preparing and/or serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;

15.1.3 preparing and/or serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;

15.1.4 the preparation negotiation and service of a schedule of dilapidations in connection with this lease which are served either during or within 56 working days after the determination of the lease (howsoever the same shall occur); or

15.1.5 any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonable to withhold it or the Landlord has imposed unreasonable conditions on such consent) PROVIDED THAT the Landlord's costs in respect of any consent or approval must be reasonable.

- 15.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis.

## **16 SET-OFF**

The Annual Rent and all other amounts due under this lease shall be paid by the Tenant or any guarantor (as the case may be) in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

## **17 REGISTRATION OF THIS LEASE**

Promptly following the grant of this lease, the Tenant shall apply to register this lease at HM Land Registry. The Tenant shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly. Within one month after completion of the registration, the Tenant shall send the Landlord official copies of its title.

## **18 ASSIGNMENTS**

- 18.1 Save where permitted by clause 18.5 the Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

- 18.2 The Tenant shall not assign part only of this lease.

- 18.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an assignment if any of the following circumstances exist at the date of the Tenant's application for consent to assign this lease:

18.3.1 the Annual Rent, or any other money due and demanded, under this lease is outstanding or there is a material breach of covenant by the Tenant that has not been remedied;

18.3.2 in the Landlord's reasonable opinion the assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants and conditions contained in this lease;

- 18.4 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

- 18.5 The Tenant may assign the whole of this lease without consent of the Landlord to:

18.5.1 other GPs or another GP or (where relevant) non GP Partners in the same practice as the Tenant (provided that the Tenant or at least one of their number continues to be a GP of a Contracted Practice operating in whole or part of the Property and provided further that following the proposed assignment, the Tenant's legal estate must be held by at least (2) individuals) and provided further that an assignment to non GP Partners would not lead to a reduction in NHS Funding); or

18.5.2 a Contracted Practice; or

18.5.3 a NHS Body

PROVIDED THAT the Tenant shall notify the Landlord by prior written notice at least 10 days before the proposed assignment of the intention to assign the Lease and prior to the date of such assignment obtain from the assignee a direct covenant with the Landlord in such form as the Landlord may reasonably require that the assignee will during the Contractual Term perform and observe the covenants on the part of the Tenant contained in the lease.

## **19 UNDERLETTINGS**

- 19.1 The Tenant shall not underlet the whole of the Property.
- 19.2 The Tenant shall not underlet part only of the Property except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 19.3 The Tenant shall not underlet any part of the Property:
- 19.3.1 together with any property or any right over property that is not included within this lease;
  - 19.3.2 at a fine or premium or reverse premium; nor
  - 19.3.3 allowing any rent free period to the undertenant.
- 19.4 The Tenant shall not underlet any part of the Property unless, before the underlease is granted, the Tenant has given the Landlord:
- 19.4.1 a certified copy of the notice served on the undertenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy to be created by the underlease; and
  - 19.4.2 a certified copy of the declaration or statutory declaration made by the undertenant in accordance with the requirements of section 38A(3)(b) of the LTA 1954.
- 19.5 Any underletting by the Tenant shall be by deed and shall include:
- 19.5.1 an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;
  - 19.5.2 provisions prohibiting the subtenant to underlet;
  - 19.5.3 a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and
  - 19.5.4 provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease,
- and shall otherwise be consistent with and include tenant covenants no less onerous (other than as to the level of Annual Rent and the prohibition on underletting) than those in this lease and in a form approved by the Landlord, such approval not to be unreasonably withheld or delayed.
- 19.6 In relation to any underlease granted by the Tenant, the Tenant shall:
- 19.6.1 not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld;
  - 19.6.2 enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease.

## **20 SHARING OCCUPATION**

- 20.1 The Tenant may share occupation of the Property with GPs, private organisations and associated health personnel who are supporting the Tenant in delivering services falling within the Permitted Use or with a NHS Body or Public Authority and on condition that:-
- 20.1.1 no tenancy is created by that occupation; and

20.1.2 the Landlord is promptly advised in writing at the beginning and end of any sharing arrangement of the arrangement and of the identity of the sharing GPs and associated health personnel or a NHS Body or Public Authority; and

20.1.3 there is no breach of clause 36.3.

## **21 CHARGING**

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

## **22 PROHIBITION OF OTHER DEALINGS**

Except as expressly permitted by this lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at HM Land Registry or by reason only of joint legal ownership).

## **23 REGISTRATION AND NOTIFICATION OF DEALINGS AND OCCUPATION**

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

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

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

23.1.3 the making of any other arrangement for the occupation of the Property.

23.2 In respect of every Transaction that is registrable at HM Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall (or shall procure that) any requisitions raised by HM Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the Landlord official copies of its title (and where applicable of the undertenant's title).

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

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

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

23.3.3 pay the Landlord's solicitors a registration fee of £50 (plus VAT); and

23.3.4 deliver to the Landlord's solicitors a copy of any Energy Performance Certificate and Recommendation Report issued as a result of the Transaction.

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

## **24 CLOSURE OF THE REGISTERED TITLE OF THIS LEASE**

Within one month after the end of the term (and notwithstanding that the term has ended), the Tenant shall make an application to close the registered title of this lease and shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord informed of the progress and completion of its application.

## **25 REPAIRS**

- 25.1 The Tenant shall keep the Property clean and tidy and in good repair and condition and shall ensure that any Service Media within and exclusively serving the Property is kept in good working order.
- 25.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that the Landlord's insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property or Common Parts with the actual or implied authority of any of them.
- 25.3 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Uninsured Risk unless the disrepair is caused by an act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property or Common Parts with the actual or implied authority of any of them.
- 25.4 The Tenant shall not cause, nor permit, allow or suffer any person at the Building with the Tenant's consent (express or implied) to cause, any negligent or deliberate damage to the Common Parts, Structure or any other part of the Building.

## **26 DECORATION**

- 26.1 The Tenant shall decorate the Property every 5 years and also in the last three months before the end of the term provided that the Tenant shall not be obliged to decorate the Property more than once in any 3 year period.
- 26.2 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.
- 26.3 All decoration carried out in the last three months of the term shall also be carried out to the reasonable satisfaction of the Landlord and using materials, designs and colours approved by the Landlord.

## **27 ALTERATIONS AND SIGNS**

- 27.1 The Tenant shall not make any internal alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed, other than as mentioned in clause 27.2. The Tenant shall not make any external or structural alteration to the Property.
- 27.2 The Tenant may:
- 27.2.1 make internal non-structural alterations with the consent of the Landlord (not to be unreasonably withheld or delayed) and
  - 27.2.2 erect demountable non- structural partitions (without consent of the Landlord)
- provided that the Tenant shall:
- 27.2.3 not carry out any such works until it has given the Landlord two copies of the plans and/or specification for the intended works; and
  - 27.2.4 make good any damage to the Property and to any part of the Common Parts.
- 27.3 The Tenant shall not install nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld.
- 27.4 The Tenant shall not attach any sign, fascia, placard, board, poster or advertisement to the Property so as to be seen from the outside of the Building without the Landlord's consent (not to be unreasonably withheld or delayed).

- 27.5 The Tenant shall not carry out any alteration to the Property which would, or may reasonably be expected to, have an adverse effect on the asset rating in any Energy Performance Certificate commissioned in respect of the Property.
- 27.6 Where the consent of the Landlord is required under this clause, the Landlord shall use reasonable endeavours to determine the Tenant's application for consent within 30 working days of receiving all the information that the Landlord reasonably considers necessary to allow the Landlord to determine the application.
- 27.7 The Tenant shall pay the Landlord's proper and reasonable professional fees in respect of the Landlord providing consent under this clause 27.

## **28 RETURNING THE PROPERTY TO THE LANDLORD**

- 28.1 At the end of the term the Tenant shall, subject to clause 28.2:
- 28.1.1 return the Property to the Landlord free of all third party occupational interests and in the repair and condition required by this lease;
  - 28.1.2 remove items it has fixed to the Property and remove all signage installed by the Tenant at the Property or elsewhere at the Building, and make good any damage caused to the Property or Building by that removal; and
  - 28.1.3 deliver to the Landlord any registers or records maintained by the Tenant pursuant to any statutory duty that relate to the Property including any health & safety file, fire risk assessment, EPC and asbestos survey.
- 28.2 If the Landlord reasonably so requires and gives the Tenant notice no later than three months before the end of the term (time shall be of the essence), the Tenant shall remove and make good any alterations it has made to the Property at any time during the term (or during any period of occupation prior to the Contractual Term), and well and substantially to reinstate the Property in such manner as the Landlord shall reasonably direct and to its reasonable satisfaction.
- 28.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.
- 28.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

## **29 USE**

- 29.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.
- 29.2 The Tenant shall not use the Property outside the Permitted Hours.
- 29.3 If the Permitted Hours are extended beyond 08:00 – 20:00 on working days and 08:00 – 13:00 on Saturdays to allow the Tenant to meet its obligations under the Core Contract that the Tenant (or, if different, the Contracted Practice they represent) holds, the Tenant shall observe all reasonable and proper regulations that the Landlord makes relating to that use and shall pay the Landlord all costs (or, where other tenants are similarly using the Building outside of the Permitted Hours, a fair proportion of the costs) incurred by the Landlord in connection with that use, including the whole of the cost of any Services provided by the Landlord attributable to the use by the Tenant of the Property outside 08:00 – 20:00 on working days and 08:00 – 13:00 on Saturdays.
- 29.4 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord, the other tenants or occupiers of the Lettable Units or any owner or occupier of neighbouring property.

29.5 The Tenant shall not overload any structural part of the Building nor any Service Media at or serving the Property.

### **30 MANAGEMENT OF THE BUILDING**

30.1 The Tenant shall observe all reasonable and proper regulations made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant relating to the use of the Common Parts and the management of the Building.

30.2 Nothing in this lease shall impose or be deemed to impose any restriction on the use of any other Lettable Unit or any neighbouring property.

30.3 The Tenant shall:

30.3.1 keep and dispose of all clinical waste generated on the Property (if any) in such a way as shall comply with all relevant statutory provisions and in accordance with best medical practice at its own cost and so as not to cause a nuisance or annoyance to neighbours or neighbouring property and not dispose of the same in communal bins in the bin store; and

30.3.2 if drugs or other chemicals are kept on the Property, comply with all relevant statutory provisions and to store the same securely and in accordance with best medical practice.

### **31 COMPLIANCE WITH LAWS**

31.1 The Tenant shall comply with all laws relating to:

31.1.1 the Property and the occupation and use of the Property by the Tenant for the Permitted Use;

31.1.2 the use or operation of all Service Media and machinery and equipment at or serving the Property whether or not used or operated, and shall, where necessary, replace or convert such Service Media within or exclusively serving the Property so that it is capable of lawful use or operation;

31.1.3 any works carried out at the Property by the Tenant or any occupier; and

31.1.4 all materials kept at or disposed from the Property.

31.2 The Landlord shall promptly carry out all works to the Common Parts that are necessary to make the use of the Property lawful to the extent that such works are excluded from the Tenant's responsibilities pursuant to the proviso in clause 31.1.

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

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

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

31.4.2 in so far as it relates to the Property, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.

31.5 The Tenant shall not apply for any planning permission for the Property.

- 31.6 Where works are carried out to the Property by or on behalf of the Tenant, the Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file.
- 31.7 Where works are carried out to the Property by or on behalf of the Tenant, the Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.
- 31.8 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 31.9 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection save where this forms part of the Service Media.

## **32 ENERGY PERFORMANCE CERTIFICATES**

- 32.1 The Tenant shall:
- 32.1.1 cooperate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain an Energy Performance Certificate and Recommendation Report for the Property or the Building including providing the Landlord with copies of any plans or other information held by the Tenant that would assist in obtaining an Energy Performance Certificate; and
  - 32.1.2 allow such access to any Energy Assessor appointed by the Landlord as is reasonably necessary to inspect the Property for the purposes of preparing an Energy Performance Certificate and/or Recommendation Report for the Property or the Building.
- 32.2 The Tenant shall not commission an Energy Performance Certificate for the Property without the Landlord's consent such consent not to be unreasonably withheld.
- 32.3 At the written request of the Tenant, the Landlord shall provide the Tenant with a copy of any Energy Performance Certificate relating to the Property held by the Landlord, provided that the Tenant shall pay the reasonable cost of providing the copy to the Landlord.

## **33 ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS**

- 33.1 Save as permitted under this lease, the Tenant shall not grant any right or licence over the Property to a third party.
- 33.2 If a third party makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:
- 33.2.1 immediately inform the Landlord and shall give the Landlord notice of that encroachment or action; and
  - 33.2.2 take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action.
- 33.3 The Tenant shall not obstruct the flow of light or air to the Property or any other part of the Building nor obstruct any means of access to the Property or any other part of the Building.
- 33.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or any other part of the Building or that the means of access to the Property or any other part of the Building is enjoyed with the consent of any third party.

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

33.5.1 immediately inform the Landlord and shall give the Landlord notice of that action; and

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

#### **34 BREACH OF REPAIR AND MAINTENANCE OBLIGATIONS**

34.1 The Landlord may on reasonable notice and, to the extent practicable, outside the usual Permitted Hours enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property. Any entry to the Property pursuant to this clause shall be subject to the Landlord (or their agents) complying with any reasonable requirements required by the Tenant.

34.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed.

34.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable within 7 days of written demand.

34.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 39.

#### **35 INDEMNITY**

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

#### **36 CONTRACTED PRACTICE**

36.1 The Tenant covenants that it is a Contracted Practice.

36.2 This Clause 36 shall not apply at any time when the Tenant is an NHS Body and shall not preclude an assignment to an NHS Body or preclude the Tenant from taking steps to become an NHS Body.

36.3 The Tenant covenants to use all reasonable (but commercially prudent) endeavours not to do anything or permit anything to be done which is within its reasonable control which will materially adversely affect its entitlement to NHS Funding of the Annual Rent unless otherwise agreed in this lease, arises as a result of something done in compliance with this Lease or is agreed in writing by the Landlord. For the avoidance of doubt, and without limitation, situations that will be outside the Tenant's control shall include a change in the NHS Funding regime.

#### **37 LANDLORD'S COVENANTS**

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

37.2 The Landlord covenants to use its reasonable endeavours to keep the Common Parts and those parts of the Structure that afford support and protection for the Property and the exterior of the Building and

the Major Plant in a sufficient state or repair and condition (save that the Landlord shall not be obliged to carry out any repair where the need for any repair has arisen by reason of the occurrence of an Insured Risk) to ensure that (in relation to the Common Parts, Major Plant and Structure only) the Tenant is compliant with its obligations, from time to time, in respect of the working environment that the Tenant is required to maintain pursuant to any legal obligation or pursuant to its Core Contract and/or in order to comply with the requirements of the Care Quality Commission (or such other successor organisation) provided that the Landlord will not be deemed to be in breach of this clause until the Tenant has informed the Landlord in writing of such obligations and requirements, identifying what additional works or measures are required to comply with such obligations and requirements.

37.3 The Landlord shall provide such information as the Tenant reasonably requires in order to enable the Tenant to complete all necessary forms and feedbacks for the Care Quality Commission whether generally or specifically in relation to an inspection of the Property.

## **38 LEASE BREAK**

38.1 The Tenant may at any time during the Term, on the occurrence of a Tenant Break Event terminate this lease by serving a valid Tenant Break Notice. Where the Tenant intends to exercise the break, and albeit not a pre-condition of the Tenant being able to exercise their ability to break the Lease, the Tenant shall use all reasonable endeavours to serve the Tenant Break Notice within one month of either of the Tenant Break Events occurring.

38.2 Upon serving the Tenant Break Notice the lease will terminate on the Tenant Break Date.

38.3 A Tenant Break Notice shall be of no effect if at the Tenant Break Date the Tenant:

38.3.1 has not paid any part of the Annual Rent which was due to have been paid; or

38.3.2 has failed to give up possession of the Property; or

38.3.3 has failed to terminate all subleases; or

38.3.4 has failed to ensure that all sub tenants and occupiers have given up possession of the Property.

38.4 On the occurrence of any Landlord Break Event and subject to clauses 38.5 and (where applicable) 39.6 and following receipt of a valid notice from the NHS Funder in accordance with clause [ ] of the NHS Funding Agreement, the Landlord will terminate this lease by serving a Landlord Break Notice. Upon serving the Landlord Break Notice the lease will terminate on the Landlord Break Date.

38.5 If, prior to the Landlord serving a Landlord Break Notice, the Tenant brings a challenge of the NHS Funder's determination of the Tenant's Core Contract ("Termination Challenge") and notifies the Landlord in writing of the Termination Challenge then subject to the Tenant complying with its obligations in clause 38.6 (where applicable) the Landlord will not terminate this lease until any Tenant challenge of the NHS Funder's determination of the Tenant's Core Contract has been withdrawn by the Tenant or finally determined to have been unsuccessful ("the Challenge Period").

38.6 Where during the Challenge Period the Tenant is prohibited from providing or procuring the provision of essential services or otherwise does not provide or procure the provision of essential services, the Tenant shall at the request of the Landlord allow the NHS Funder or its nominee service provider (an "Alternate Service Provider") into occupation of the Property on the following basis:

38.6.1 The Alternative Service Provider will occupy the Property as a tenant at will only and the Tenant authorises the Landlord on its behalf to sign a tenancy at will (complying with clause 38.6.2) in favour of the Alternative Service Provider, to enforce the terms of the tenancy at will against the Alternative Service Provider and to terminate the tenancy at will.

38.6.2 The tenancy at will to be granted shall require the Alternative Service Provider to comply with the tenant covenants and conditions contained in the lease (including those related to

the payment of sums due under the lease and all repair and maintenance obligations) and shall contain:-

- (a) a reservation allowing the Tenant reasonable access to the Property on prior appointment in order to view records and other information of the Tenant relating to the operation of their practice; and
- (b) a reservation allowing the Tenant to take such reasonable measures as are necessary to ensure their continue compliance with laws (including, without limitation, those relating to patient confidentiality and data protection).

38.6.3 The Landlord shall in so far as it is able procure that the Alternate Service Provider complies with all of the tenant covenants and conditions under the lease (including the payment of sums due under the lease and all repair and maintenance obligations) in complete substitution of the Tenant provided it is acknowledged that the Alternate Service Provider will not be liable for past breaches of covenant by the Tenant;

38.6.4 The Landlord shall not be entitled to invoke its right of forfeiture of this lease during any period of occupation by the Alternate Service Provider as a result of:

- (a) any breach of any condition of, or tenant covenant, in this lease caused by the Alternate Service Provider or their workers, contractors or agents or any person on the Property or Common Parts with the Alternate Service Provider's actual or implied authority; or
- (b) any non payment of Annual Rent or Service Charge during the period of occupation by the Alternate Service Provider;

38.6.5 The Landlord shall in so far as it is able to do so procure that the Alternate Service Provider vacates promptly on termination of the tenancy at will, having due regard to the date upon which the Tenant is required by the NHS Funder to resume providing or procuring the provision of services under its Core Contract, after the Tenant's challenge against the NHS Funder's decision to determine of the Tenant's Core Contract being successful and/or any prohibition on the Tenant providing or procuring the provision of essential services being lifted;

38.6.6 The Tenant agrees that during the Challenge Period where this clause 38.6 applies:

- (a) it will promptly vacate the Property and, subject to the reserved rights benefitting the Tenant pursuant to clause 38.6.2, provide unrestricted access to the Alternative Service Provider whilst they are entitled to occupy in accordance with this clause 38.6;
- (b) subject to the reserved rights benefitting the Tenant pursuant to clause 38.6.2, it will not interfere with or restrict the occupation and use of the Alternative Service Provider whilst they are entitled to occupy in accordance with this clause 38.6; and
- (c) it will act in good faith in respect of any challenge brought and promptly notify the Landlord of the outcome of the challenge.

38.7 Termination of this lease in accordance with this clause 38 shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease.

38.8 If this lease terminates in accordance with this clause 38 then, within 28 days after the relevant break date, the Landlord shall refund the Tenant the proportion of the Annual Rent paid in respect of it, for the period from and excluding the relevant break date up to and excluding the next Rent Payment Date, calculated on a daily basis.

### **39 RE-ENTRY AND FORFEITURE**

- 39.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:
- 39.1.1 the Annual Rent is unpaid 21 days after becoming payable whether it has been formally demanded or not;
  - 39.1.2 any Service Charge is unpaid 21 days after becoming payable following a formal demand unless, in respect of any Service Charge, such sum is referred to the independent surveyor pursuant to the provisions of clause 7.21;
  - 39.1.3 any breach of any condition of, or tenant covenant, in this lease; or
  - 39.1.4 an Act of Insolvency.
- 39.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant or any guarantor.

### **40 JOINT AND SEVERAL LIABILITY**

- 40.1 Where the Tenant comprises more than one person, those persons shall be jointly and severally liable for the obligations and liabilities of the Tenant arising under this lease. The Landlord may take action against, or release or compromise the liability of, or grant time or other indulgence to, any one of those persons without affecting the liability of any other of them.
- 40.2 Where a guarantor comprises more than one person, those persons shall be jointly and severally liable for the obligations and liabilities of a guarantor arising under this lease. The Landlord may take action against, or release or compromise the liability of, or grant time or other indulgence to, any one of those persons without affecting the liability of any other of them.
- 40.3 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.
- 40.4 In any case where the facts are or should reasonably be known to the Tenant, the Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease, unless and until the Tenant has given the Landlord notice of the facts that give rise to the failure and the Landlord has not remedied that failure within a reasonable time.

### **41 ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS**

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

### **42 NOTICES, CONSENTS AND APPROVALS**

- 42.1 Except where this lease specifically states that a notice need not be in writing, any notice given under or in connection with this lease shall be:

- 42.1.1 in writing and for the purposes of this clause an e-mail or fax is not in writing; and
- 42.1.2 given by hand or by pre-paid first-class post or other next working day delivery service at the party's registered office address (if the party is a company) or (in any other case) at the party's principal place of business.
- 42.2 If a notice complies with the criteria in clause 42.1 whether or not this lease requires that notice to be in writing, it shall be deemed to have been received:
- 42.2.1 if delivered by hand, at the time the notice is left at the proper address; or
- 42.2.2 if sent by pre-paid first-class post or other next working day delivery service, on the second working day after posting.
- 42.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 42.4 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.
- 42.5 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:
- 42.5.1 it is given in writing and signed by the Landlord or a person duly authorised on its behalf; and
- 42.5.2 it expressly states that the Landlord waives the requirement for a deed in that particular case.
- If a waiver is given, it shall not affect the requirement for a deed for any other consent.
- 42.6 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:
- 42.6.1 the approval is being given in a case of emergency; or
- 42.6.2 this lease expressly states that the approval need not be in writing.
- 42.7 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

#### **43 GOVERNING LAW**

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

#### **44 JURISDICTION**

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

#### **45 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

A person who is not a party to this lease shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this lease. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

**46 EXCLUSION OF SECTIONS 24-28 OF THE LTA 1954**

46.1 The parties confirm that:

46.1.1 the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this lease, [not less than 14 days] before [DETAILS OF AGREEMENT FOR LEASE] was entered into [a certified copy of which notice is annexed to this lease];

46.1.2 [the Tenant **OR** [NAME OF DECLARANT] who was duly authorised by the Tenant to do so] made a [statutory] declaration dated [DATE] in accordance with the requirements of section 38A(3)(b) of the LTA 1954 [a certified copy of which [statutory] declaration is annexed to this lease];

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

**47 CONTROL AND SUBSTITUTION OF COMMON PARTS**

47.1 The Common Parts shall at all times be subject to the exclusive control and management of the Landlord and the Landlord shall be entitled:

47.1.1 to alter stop up divert or otherwise use any part of the Common Parts or any of them provided that no such alteration stopping up diversion other use or change which has any material adverse effect on the Property or any part thereof or on the use or enjoyment of or access to the same shall be effected unless it is unavoidable or avoidable only at a cost which the Landlord considers to be disproportionate and in any event the Landlord shall use all reasonable endeavours to minimise any such material adverse effect;

47.1.2 to close all or any of the Common Parts for the purpose of repairing renovating replacing cleansing and maintaining the same provided that the Landlord shall use all reasonable endeavours to minimise the length of any such closure and where practicable to action any closures that would prevent or restrict access to the property to outside of the Permitted Hours.

## SCHEDULE 1 – SERVICES AND SERVICE COSTS<sup>5</sup>

### Part 1 –Services

The Services are:

- 1 carrying out all necessary testing and other necessary maintenance of the Service Media in the Common Parts (including installations relating to the supply of gas, electricity and water) so as to ensure their compliance with all legal obligations and on request (not more often than once in any 12 month period, unless the same are required in respect of an actual or potential third party claim) to provide the Tenant with documentary evidence of such testing and maintenance;
- 2 cleaning, maintaining and repairing and replacing (if beyond economic repair or as a reasonable economic alternative to repair) the Common Parts (whether via planned preventative maintenance or reactive maintenance) including all Service Media and plant and machinery forming part of the Common Parts;
- 3 keeping any Common Parts equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and keeping that machinery, equipment and alarms properly maintained and available;
- 4 cleaning the outside of the windows of the Building;
- 5 lighting the Common Parts and cleaning, maintaining, repairing and replacing lighting machinery and equipment on the Common Parts;
- 6 emptying, cleaning, maintaining, repairing and replacing refuse bins on the Common Parts;
- 7 cleaning, maintaining, repairing and replacing signage for the Common Parts;
- 8 cleaning, maintaining, repairing, operating and replacing security machinery and equipment (including closed circuit television, fencing and gates) on the Common Parts;
- 9 cleaning, maintaining, repairing and replacing a signboard showing the names and logos of the tenants and other occupiers;
- 10 maintaining the landscaped and grassed areas of the External Common Parts;
- 11 salting and gritting the car park, roads and footpaths within the External Common Parts;
- 12 providing pest control services to the Common Parts;
- 13 providing feminine hygiene services to the lavatories and washrooms (if any) situated in the Common Parts;
- 14 decorating the Common Parts;
- 15 cleaning, maintaining, repairing and replacing the floor coverings on the internal areas of the Common Parts;
- 16 cleaning, maintaining, repairing and replacing the furniture and fittings on the Common Parts;

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<sup>5</sup> TBC - by negotiation with Landlord.

- 17 heating the internal areas of the Common Parts and cleaning, maintaining, repairing and replacing heating machinery and equipment serving the Building;
- 18 providing ventilation and air conditioning for the internal areas of the Common Parts and cleaning, maintaining, repairing and replacing ventilation and air conditioning equipment serving the Common Parts
- 19 providing maintenance staff for the Building;
- 20 providing CCTV security services in relation to the Building;
- 21 enforcing, at the reasonable request of a tenant of the Building, covenants against other tenants of the Building.
- 22 any other service or amenity that the Landlord may in its reasonable discretion acting in accordance with the principles of good estate management provide for the benefit of the tenants and occupiers of the Building or which the Tenant may request and which the Landlord agrees to provide;
- 23 cleaning, maintaining and repairing the Lift in the Property

## **Part 2– Service Costs**

The Service Costs are the total of:

- 1 the whole of the reasonable and proper costs incurred in:
  - 1.1 providing the Services;
  - 1.2 complying with the recommendations and requirements of the insurers of the Building (insofar as those recommendations and requirements relate to the Common Parts);
  - 1.3 complying with all laws relating to the Common Parts, their use and any works carried out at them, and relating to the use of all Service Media, machinery and equipment at or serving the Common Parts and to any materials kept at or disposed of from the Common Parts;
  - 1.4 complying with the Third Party Rights insofar as they relate to the Common Parts;
  - 1.5 taking any steps (including proceedings) that the Landlord considers necessary to prevent or remove any encroachment over the Common Parts or to prevent the acquisition of any right over the Common Parts (or the Building as a whole) or to remove any obstruction to the flow of light or air to the Common Parts (or the Building as a whole); and
  - 1.6 putting aside such sum as shall reasonably be considered necessary by the Landlord to provide reserves or sinking funds for items of known future expenditure to be or reasonably expected to be incurred at any time in connection with providing the Services;
- 2 the reasonable and proper costs, fees and disbursements on a full indemnity basis of:
  - 2.1 managing agents employed by the Landlord for the carrying out and provision of the Services or, where managing agents are not employed, a management fee for the same;
  - 2.2 accountants employed by the Landlord to prepare and audit the service charge accounts; and
  - 2.3 consultants for procurement of utilities, health and safety and or asbestos audits.
- 3 the reasonable and proper costs of the salaries and employer costs (including pension, welfare and insurance contributions) and uniforms of security reception cleaning and maintenance staff for the Building and of all equipment and supplies needed for the proper performance of their duties;

- 4 all rates, taxes, impositions and outgoings payable in respect of the Common Parts, their use and any works carried out on them (other than any taxes payable by the Landlord in connection with any dealing with or disposition of its reversionary interest in the Building); and
- 5 any VAT payable by the Landlord in respect of any of the items mentioned above except to the extent that the Landlord obtains credit for such VAT under the Value Added Tax Act 1994.

Indicative Draft Only

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

THE COMMON SEAL of )  
**STOKE ON TRENT CITY COUNCIL** )  
was hereunto affixed to this )  
Deed in the presence of:- )  
 )  
 ) .....  
 ) **Authorised Signatory**

Signed as a deed by [ ] )  
in the presence of )  
 ) .....  
 )

Signature: .....

Name of witness: .....

Address: .....  
.....  
.....

Signature: .....

Name of witness: .....

Address: .....  
.....  
.....

