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**FUTURE SERVICE DELIVERY CONTRACT**

**SCHEDULE 11.2**

**LICENCES AND LEASES**

**LICENCES AND LEASES**

**1 INTRODUCTION**

1.1 This Schedule 11.2 (Licences and Lease) includes:

(a) Part 1: A licence for the use of:

- (i) [REDACTED]
- (ii) [REDACTED]
- (iii) [REDACTED]
- (iv) [REDACTED]
- (v) [REDACTED]

collectively known as the **Licensed Premises** and

(b) Part 2: A lease of [REDACTED] (the **Leased Premises**).

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**PART 1**

**LICENCE**

**1 DEFINITIONS**

1.1 In this Schedule, unless the context otherwise requires, the following words shall have the meanings set out below:

<b>"Authority"</b>	The Secretary of State for Defence
<b>"Authority Party"</b>	means any agent employee contractor or licensee of the Authority not being Contractor Personnel;
<b>"Common Facilities"</b>	such common facilities used by the occupiers of the Establishment from time to time as designated by the Authority (in its absolute discretion)
<b>"Conduits"</b>	means conducting media and tanks and apparatus used in connection with them;
<b>"Contractor"</b>	has the same meaning as set out in Schedule 1 to this Agreement;
<b>"Contractor Personnel"</b>	has the same meaning as set out in Schedule 1 to this Agreement;
<b>"Crown Body"</b>	<p>a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:</p> <ul style="list-style-type: none"><li>(a) Government Department;</li><li>(b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);</li><li>(c) Non-Ministerial Department; or</li><li>(d) Executive Agency;</li></ul>
<b>"Establishment"</b>	means the relevant establishment or estate of which the Premises form part;
<b>"Military Necessity"</b>	means the use of the Establishment or any part or parts thereof for a military or operational purpose or for a National Emergency;

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<b>"National Emergency"</b>	means that use of the Establishment or any part or parts thereof is necessary whether or not pursuant to a declaration authorised on behalf of the Authority;
<b>"Outgoings"</b>	means all present and future rates, taxes, duties, charges, assessments, impositions and outgoings (whether or not of a capital or non-recurring nature and including any of a novel nature);
<b>"Parking Spaces"</b>	such car parking spaces (if any) on the Establishment in locations allocated by the Landlord (at its absolute discretion) from time to time;
<b>"Permitted Use"</b>	means use of the Premises solely for the provision of the Services;
<b>"Plans"</b>	means the plan or plans of the Premises attached to this Schedule;
<b>"Premises"</b>	means those areas shown edged red on the Plans or such other premises of similar specification at the Establishment as the Authority may from time to time provide or substitute; and
<b>"Services"</b>	means the services provided by the Contractor pursuant to this Agreement
<b>"Sub-Contractor"</b>	has the same meaning as set out in Schedule 1 to this Agreement
<b>"Term"</b>	has the same meaning as set out in Schedule 1 to this Agreement
<b>"Station Commander"</b>	means the station commander of the Establishment from time to time or such other person as the Authority may from time to time appoint to manage the Establishment.

## 2 LICENCE

- 2.1 The Authority permits the Contractor in common with the Authority and any Authority Party to occupy the Premises for the Permitted Use only for the Term but conditional on the Contractor observing and performing its obligations in this Licence and subject to any limitations on the permission set out elsewhere in this Licence.
- 2.2 The Contractor may gain access to and from the Premises and the Parking Spaces and the Common Facilities by such routes as the Authority may from time to time designate subject to its obligations in this Licence.
- 2.3 The Contractor may park one motor vehicle in each of the Parking Spaces.
- 2.4 The Contractor may use the Common Facilities for their proper purpose.

3 **CONTRACTOR'S OBLIGATIONS**

3.1 The Contractor agrees with the Authority:

- (a) To keep the Premises clean and tidy (allowing for fair wear and tear) and shall not permit any damage to be caused to any part of the Premises (other than fair wear and tear) by the Contractor Personnel or its Sub-Contractors and will at its own expense make good any such damage caused by the Contractor to the reasonable satisfaction of the Authority;
- (b) By the expiry or sooner determination of the Term to remove everything the Contractor has installed and make good any damage caused in doing so and to deliver the Premises to the Authority free from any third party interests in accordance with its obligations in this Schedule and to give up all keys (if any) of the Premises to the Authority together with all security and/or other passes issued to the Contractor and to indemnify the Authority against any loss or damage caused by any late vacation of the Premises or failure to make good any damage caused;
- (c) Unless otherwise agreed, not to alter or add to the Premises or any Conduits without the Authority's written consent which shall not be unreasonably withheld or delayed;
- (d) Not to display any sign which is visible from outside the Premises without the Authority's written consent which shall not be unreasonably withheld or delayed;
- (e) Not to do anything which causes nuisance, annoyance, damage, loss or inconvenience to anyone;
- (f) Not to sub-licence, charge, part with or share the possession or occupation of or assign the whole or any part of its interest in the Premises this arrangement being purely personal to the parties to it PROVIDED THAT the allowing of access (to the extent that it is lawfully entitled to) with the following persons shall not be considered a breach of this clause:
  - (i) the Authority;
  - (ii) any Authority Party;
  - (iii) Sub-Contractors; and
  - (iv) Contractor Personnel;

Provided that no relationship of landlord and tenant shall thereby be created and provided further that the ability to grant access to the Premises immediately determines upon the termination of this Licence.

- (g) Within seven days of receipt (or sooner if necessary) to produce to the Authority a certified copy of any notice, order, permission or proposal affecting the Premises or their use and at the request and cost of the Authority without delay take all necessary steps to comply with the notice direction or order (notwithstanding that the same may

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not be enforceable against a Crown Body during any period during which the reversion immediately expectant on the termination of the Term is vested in a Crown Body) and at the request and cost of the Authority to make or join with the Authority in making such objections or representations in respect of it as the Authority may reasonably require;

- (h) Not to occupy and use the Premises otherwise than for the Permitted Use;
- (i) To comply with all Laws which affect the Premises and/or the employment of people in them save that the Contractor shall have no responsibility under the Environmental Protection Act 1990 save in respect of any contamination brought on to the Premises by the Contractor, its Sub-Contractors or Contractor Personnel;
- (j) Not to cause any damage to the Establishment or Conduits or overload it or them;
- (k) Not to obstruct those parts of the Establishment intended for common use and so designated by the Authority from time to time or leave anything in them;
- (l) To comply with such reasonable regulations as the Authority may from time to time prescribe and notify to the Contractor in writing for the conduct, management, use, occupation of the Premises and/or the Establishment (or any part thereof) including limitations and restrictions upon the access to the Premises (including refusal of access) and to vacate the Premises and/or the Establishment immediately if so required and to ensure that all employees and visitors are familiar with such regulations;
- (m) To comply at all times with all lawful instructions from the Station Commander and any authorised staff;
- (n) To notify the Authority immediately the Contractor ceases to occupy the Premises;
- (o) Not to apply for or implement any planning permission relating to the Premises without the prior written consent of the Authority which shall not be unreasonably withheld or delayed;
- (p) Not to hold any auction or public exhibition or political meeting or use the Premises for any illegal or immoral use;
- (q) Not without the written consent of the Authority (which consent may be withheld at the absolute discretion of the Authority or may be granted subject to such conditions as the Authority in its absolute discretion may impose) to use the Premises or any part thereof for any purposes that will permit members of the public to have access to the Premises save for Contractor Personnel and Sub-Contractors;
- (r) Not to do anything which may invalidate any insurance policy for the Establishment or increase any insurance premiums (whether or not payable);
- (s) Not to use or gain access to the Premises other than during the normal gate opening hours of the Establishment provided that the Contractor shall be entitled to access to

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the Premises outside those hours on giving the Authority at least 24 hours' prior written Notice;

- (t) To use only approved radio frequencies or other approved systems of communication which have been approved for use by the Authority and the Station Commander and so as not to cause any interference with the Authority's communication network;
- (u) To:
  - (i) ensure that all employees servants and contractors of the Contractor and all visitors to the Premises shall at all times when visiting the Premises or entering upon the Establishment carry identification cards or badges and produce them on request to such person as the Authority may from time to time require;
  - (ii) furnish the Contractor's personnel or other persons authorised to enter the Premises with written authority issued by the Contractor to be produced on request to the Authority the Station Commander or other duly authorised agents; and
  - (iii) ensure that at all times the Authority has written notice of the names and addresses and telephone numbers of at least one authorised keyholder of the Premises;
- (v) To permit the Authority or its servants and agents for reasons of security to search any vehicles containers and other premises owned by the Contractor or in its custody or control or belonging to or in the custody of the Contractor's servants or agents entering or on the Establishment;
- (w) If in the reasonable opinion of the Authority any electrical or other equipment or appliance used installed on or in the Premises under the provisions of this Licence might overload the electric or other wiring or cabling serving the Premises or cause interference to any telecommunication system radio reception or transmission of or computer system installed by the Authority or any other Minister of the Crown or Government Department forthwith to rectify or reduce such interference to the reasonable satisfaction of the Authority or remove the equipment or appliance in question;
- (x) To ensure that electricity, gas, water, sewage, telecommunications, data and other services and utilities are not used improperly and are used responsibly for the provision of the Services and the Contractor will not dispose of any oil or deleterious matter into any Conduits likely to cause a blockage or to exceed the capacity of such systems;
- (y) Not:
  - (i) to permit guns or any other weapon or illegal item or substance to be taken on to the Premises or the Establishment by the Contractor's employees workmen or contractors;

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- (ii) without the express written consent of the Station Commander to take dogs (except working dogs assisting disabled staff or visitors) on to the Premises or the Establishment;
- (iii) to affix or permit to be affixed any wireless or television aerial brackets stays or ancillary wiring on or to the exterior of the Premises until written approval has been given by the Authority and then only in accordance with any conditions it may impose;
- (iv) to take or allow to be taken any unauthorised photographs of or within the Establishment; and
- (v) to erect any pole or mast (whether in connection with telegraphic telephonic radio or television communication or otherwise) or other matter or thing upon the Premises without the written consent of the Authority which shall not be unreasonably withheld or delayed.

### **4 AUTHORITY'S OBLIGATIONS**

- 4.1 The Authority is not under any obligation to insure the Establishment or the Premises.
- 4.2 The Authority shall pay all Outgoings.
- 4.3 The Authority shall provide (at its own cost) electricity, gas, water, sewage, fixed line telecommunications, data and facilities management services (unless the Contractor is obliged to provide such facilities management services pursuant to Schedule 2 (Service Requirements Document) of the Agreement) to or from the Premises. The Contractor confirms that it shall and shall procure that the Contractor Personnel shall only use the foregoing utility services for the provision of the Services and the Contractor acknowledges that no other services will be provided by the Authority to the Contractor and/or the Contractor Personnel.

### **5 MISCELLANEOUS**

- 5.1 The Authority does not warrant that the Premises:
  - (a) may be used for the Permitted Use without breaching any Law; or
  - (b) are capable of being used for the Permitted Use or are fit for that purpose.
- 5.2 The Licence does not:
  - (a) give the Contractor any right to exclusive possession of the Premises;
  - (b) create any relationship of landlord and tenant between the Authority and the Contractor; and
  - (c) otherwise operate or be deemed to operate as a demise of the Premises.

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- 5.3 The Authority through its Station Commander may refuse access to the Premises to any employee or visitor of the Contractor whom it shall reasonably and properly deem a security risk or who has contravened the regulations from time to time in force in relation to the Establishment.
- 5.4 The Authority shall provide reasonable security to the Premises.
- 5.5 Nothing in this Schedule shall impose or be deemed to impose any restriction on the use of any other part of the Establishment or any neighbouring premises.

## **6 TERMINATION**

- 6.1 The Authority may resume exclusive possession of the Premises immediately in case of a Military Necessity whether or not declared under Crown exemption.
- 6.2 This licence shall automatically terminate (without the need to serve notice) upon the expiry or termination of the Term.
- 6.3 Termination of the licence under this paragraph 6 shall not affect any other right or remedy that either party may have in relation to any earlier breach of this licence.

## **PART 2**

### **AUTHORITY LEASE**

#### **1 AUTHORITY LEASE**

- 1.1 In respect of the Leased Premises the Contractor shall on or before the Operational Services Commencement Date enter into and the Authority shall grant the Authority Lease.
- 1.2 The Authority Lease shall commence on the Operational Services Commencement Date and shall expire on the earlier of the Expiry Date and the Termination Date.
- 1.3 The Authority Lease will be granted with limited title guarantee.
- 1.4 The Authority will send the engrossment counterpart Authority Lease to the Contractor's Solicitor at least 10 Working Days prior to the Operational Services Commencement Date.
- 1.5 In respect of the Authority Lease the Authority has served on the Contractor a notice in the form set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 (the 'Order') and the Contractor has made a declaration dated on or before the date of this Agreement in the form set out in paragraph 8 of Schedule 2 to the Order and the Parties agree that the provisions of sections 24-28 (inclusive) of the Landlord and Tenant Act 1954 (as amended) are excluded from the Authority Lease.
- 1.6 The Authority Lease or licence shall expire immediately on expiry or termination (in whole or in part) of the Agreement and the Contractor shall vacate the Licensed Premises and the Leased Premises immediately.

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- 1.7 The Contractor shall use the Authority Premises, facilities and services only in connection with the provision of the Services and shall ensure that its staff use the Authority Premises, facilities and services only for such purpose.
- 1.8 The Contractor agrees with the Authority not to sub-let, charge, part with or share the possession or occupation of or assign the whole or any part of its interest in the Premises this arrangement being purely personal to the parties to it PROVIDED THAT the sharing of occupation with the following persons shall not be considered a breach of this clause:
- (i) the Authority;
  - (ii) any Authority Party;
  - (iii) Sub-Contractors; and
  - (iv) Contractor Personnel;

Provided that no relationship of landlord and tenant shall thereby be created and provided further that the right of any such party to occupy the Premises immediately determines upon the termination of this Lease.

**APPENDIX 1: AUTHORITY LEASE**

**DATE**

**20[•]**

**(1) THE SECRETARY OF STATE FOR DEFENCE**

**(2) [Contractor]**

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**LEASE**

**OF**

**[REDACTED]**



**Defence  
Infrastructure  
Organisation**

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LAND REGISTRY PRESCRIBED CLAUSES

LR1. Date of lease

20[ ]

LR2. Title number(s)

LR2.1 Landlord's title number(s)

[REDACTED]

LR2.2 Other title numbers

None

LR3. Parties to this lease

Landlord

THE SECRETARY OF STATE FOR DEFENCE [REDACTED]

Tenant

[\_\_\_\_\_] incorporated in England and Wales with company number [\_\_\_\_\_] and registered office at [\_\_\_\_\_]

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.**

[REDACTED] more fully described in clause 1.1

LR5. Prescribed statements etc.

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

LR8. Prohibitions or restrictions on disposing of this lease

This lease contains a provision that prohibits or restricts dispositions

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**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**

See clause 3

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

See clause 4

**LR12. Estate rentcharge burdening the Property**

None

**LR13. Application for standard form of restriction**

None

THIS LEASE is dated

20[ ]

**PARTIES**

- (1) **THE SECRETARY OF STATE FOR DEFENCE** for and on behalf of Her Majesty and care of [REDACTED] (**Landlord**)
- (2) [**Contractor**] a company registered in England with number [ ] whose registered office is at [address] (**Tenant**)

**1. INTERPRETATION**

1.1 The definitions and rules of interpretation set out in this clause apply to this lease

**Affiliate:** means a corporate organisation or partnership formally associated with the Tenant as a subordinate subsidiary or member or similar

**Agreed Space:** means those parts of the Property (if any) as will be occupied by the Authority Staff pursuant to the Contract and dependent upon the business outputs of the DBS (such space to be agreed between the parties both acting reasonably)

**Annual Rent:** a peppercorn if demanded

**Aquatrine Assets:** means any borehole, cesspit, combined sewer overflow, emergency water storage, fire boosters, impounding reservoirs, grease traps, surface water pumping stations, tanks, chemical treatment facilities, chambers, outfalls, oil water interceptors, silt traps, sewage pumping stations, septic tanks, sewage treatment works, service reservoirs, water pumping stations, water treatment works, fenced soakways, ponds, lagoons, catch pits, meter houses, compressor houses, spring supplies and wells let pursuant to an equitable lease under the Landlord's Project Aquatrine

**Authority Staff:** means all employees, agents, contractors, visitors and invitees of the Authority but not including the Contractor and any Sub-Contractor as those terms are defined in the Contract

**Authority Responsibilities:** means the Authority Responsibilities as defined in the Contract so far as they relate to the Property

**CDM Regulations:** the Construction (Design and Management) Regulations 2015

**Common Areas:** such common areas used by the occupiers of the Establishment from time to time as designated by the Authority (in its absolute discretion)

**Common Facilities:** such common facilities used by the occupiers of the Establishment from time to time as designated by the Authority (in its absolute discretion)

**Contract:** means the commercial contract reference number: [ ] dated [ ] and made between the Secretary of State for Defence (1) and [Contractor] (2) being the 'Agreement for the Provision of Personnel Administration, Pay and Pensions Services'

**Contractor Personnel:** has the same meaning as defined in the Contract

**Contractual Term:** a term of 7 years beginning on [date – this will be the Operational Service Commencement Date and the date this lease is dated] and ending on, and including [date –

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*the date which is 7 years less once day after the Operational Service Commencement Date and the date this lease is dated ] subject to earlier determination as herein provided*

**DBS:** Defence Business Services

**Default Interest Rate:** four percentage points above the Interest Rate

**Dining Area:** that part of the ground floor of Centurion Building shown edged blue on Plan 2

**Establishment** means [REDACTED] owned or occupied by or on behalf of the Landlord from time to time

**Government Furnished Items:** means the furniture, chattels and other equipment as set out in the register prepared for the Contract

**Group Company:** means a group company within the meaning of section 42 of the Landlord and Tenant Act 1954 or an Affiliate

**Insured Risks:** risks of loss or damage by fire, aircraft, articles dropped from aircraft, explosion, earthquake, riot, civil commotion, storm, lightning, flood, escape of water, landslip, heave, sprinkler damage, impact, malicious damage and such other risks against which the Landlord insures

**Interest Rate:** [REDACTED]  
[REDACTED]  
[REDACTED]

**Landlord's Project Aquatrine:** the private finance initiative relating to the Aquatrine Assets

**Officer Commanding:** means the officer commanding the Establishment from time to time or such other person as the Landlord may from time to time nominate to exercise a discretion on its behalf

**Permitted Use:** use solely for the provision of the Services as defined in and pursuant to the Contract

**Plan 1:** the plan attached to this lease and marked 'Plan 1'

**Plan 2:** the plan attached to this lease and marked 'Plan 2'

**Property:** the land and building at the Establishment known as [REDACTED] including the trees and grassed areas and shown edged red on Plan 1 but excluding (a) the Reception Area and (b) the Dining Area and (c) any Aquatrine Assets

**Reception Area:** that part of the ground floor of [REDACTED] shown shaded brown on Plan 2

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

**Service Media:** the lifts and lift machinery and equipment and all media for the supply or removal of heat, electricity, gas, water, sewage, air conditioning energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media

**Third Party Rights:** the matters in the charges register of title number [REDACTED] as at the date of the Contract (but excepting any personal covenants and financial charges) in so far as they relate to the Property and are still subsisting and capable of taking effect

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**VAT:** value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax

**1954 Act:** Landlord and Tenant Act 1954

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of the 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 or in manifest error) by the Landlord acting reasonably
- 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, a reference to the **Property** is to the whole and any part of it
- 1.7 The expression **neighbouring property** does not include the Property or the Establishment
- 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 36.2 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 36.3 and the Tenant acknowledges that any consent or approval may require the consent or approval of the Landlord's regional prime contractor which provides facilities management services to the Establishment
- 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 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it
- 1.13 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application

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or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them

- 1.14 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use all reasonable endeavours to prevent that thing being done by another person under the control of the Tenant
- 1.15 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this lease, they are deemed to have the words "without limitation" following them
- 1.16 A **person** includes a corporate or unincorporated body
- 1.17 References to **writing** or **written** do not include email
- 1.18 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule
- 1.19 Clause, Schedule and paragraph headings do not affect the interpretation of this lease

**2. GRANT**

- 2.1 The Landlord with limited title guarantee lets the Property 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 3.4 and subject to the Third Party Rights
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
  - (a) the Annual Rent and all VAT in respect of it;
  - (b) all interest payable under this lease; and
  - (c) all other sums due under this lease

**3. ANCILLARY RIGHTS**

- 3.1 Except as mentioned in clause 3.2, neither the grant of this lease nor anything in it confers any right over neighbouring property nor is to be taken to show that the Tenant may have any right over neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease
- 3.2 The Landlord grants the Tenant the following rights (the **Rights**):
  - (a) the right to support and protection from the Establishment to the extent that the Establishment provides support and protection to the Property at the date of this lease;

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- (b) the right to use external areas of the Establishment for the purposes of vehicular and pedestrian access to and egress from the Property and to and from the adopted public highway along such route as may be designated by the Officer Commanding and to and from the parts of the Establishment reasonably required for the Tenant to exercise the rights granted to it pursuant to this lease;
  - (c) the right to use and to connect into any Service Media at the Property that belong to the Landlord and serve (but do not form part of) the Property which are in existence at the date of this lease or are installed during the term of this lease;
  - (d) the right to display the name and logo of the Tenant (and any authorised undertenant) on a sign or noticeboard at the entrance to the Property in a form and manner approved by the Landlord (such approval not to be unreasonably withheld or delayed);
  - (e) the right to enter the Establishment so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease;
  - (f) the right to use the Common Facilities for their proper purpose;
  - (g) the right to use the Common Areas for their proper purpose; and
  - (h) the right to use the Reception Area for its proper purpose
- 3.3 The Rights are granted in common with the Landlord and any other person authorised by the Landlord
- 3.4 The Rights are granted subject to the Third Party Rights insofar as the Third Party Rights affect the Establishment and the Tenant shall not do anything that may interfere with any Third Party Right
- 3.5 The Tenant shall exercise the Rights (other than the Right mentioned in clause 3.2(a)) only in connection with its use of the Property for the Permitted Use and in accordance with any regulations made by the Landlord as mentioned in clause 25.1
- 3.6 The Tenant shall comply with all laws relating to its use of the Establishment pursuant to the Rights
- 3.7 In relation to the Right mentioned in clause 3.2(b), the Landlord or Officer Commanding may, at its discretion, acting reasonably, change the route of any means of access to or egress from the interior parts of the Property and the Landlord or Officer Commanding will promptly provide written notice of such change of route to the Tenant
- 3.8 In relation to the Rights mentioned in clause 3.2(c), the Landlord may, at its discretion and cost, re-route or replace any such Service Media (provided that this does not result in a diminished supply or quality of the relevant service) and that Right shall then apply in relation to the Service Media as re-routed or replaced
- 3.9 In exercising the Right mentioned in clause 3.2(e), the Tenant shall:

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- (a) except in case of emergency, give reasonable notice to the Landlord and any occupiers of the relevant part of the Establishment of its intention to exercise that Right;
- (b) where reasonably required by the Landlord or the occupier of the relevant part of the Establishment, exercise that Right only if accompanied by a representative of the Landlord and/or the tenant and/or the occupier of the relevant part of the Establishment;
- (c) cause as little damage as possible to the Establishment and to any property belonging to or used by the Landlord or the tenants or occupiers of the other parts of the Establishment;
- (d) cause as little inconvenience to the Landlord and the tenants and occupiers of the other part of the Establishment as is reasonably practicable; and
- (e) promptly make good (to the reasonable satisfaction of the Landlord) any damage caused to the Establishment (or to any other property belonging to or used by the Landlord) by reason of the Tenant exercising that Right

**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 Establishment and to the extent reasonably necessary for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:

- (a) rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
- (b) the right to use and to connect into Service Media at the Property which are in existence at the date of this lease or which are installed or constructed during the term of this lease;
- (c) at any time during the term, the full and free right to develop the Establishment or any part of it and any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit PROVIDED THAT this does not materially affect the Tenant's use and occupation of the Property;
- (d) the right to erect scaffolding at the Property and attach it to any Property or structure on the Property in connection with any of the Reservations PROVIDED THAT the erection of such is done in such a way as to cause a minimum of damage or interference to the Tenant and PROVIDED THAT such scaffolding does not materially adversely affect the Tenant's use and occupation of the Property or the exercise of the rights granted pursuant to this lease;
- (e) the right to build on or into any boundary wall of the Property in connection with any of the Reservations PROVIDED THAT this does not materially affect the Tenant's use and occupation of the Property;

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- (f) the right to re-route any Service Media at or serving the Property or re-route any means of access to or egress from the Property;
- (g) the right during the last 6 months of the Contractual Term (howsoever occurring) to enter the Property pursuant to clause 30 of this lease and to share occupation pursuant to that clause;
- (h) the right to occupy the Property pursuant to any joint working arrangements prescribed by the Contract PROVIDED THAT such arrangements do not adversely affect the ability of the Tenant to perform its duties under the Contract;
- (i) the right for staff employed by or on behalf of the Landlord temporarily to enter the Property in pursuance of their duties at the Establishment;
- (j) the right at all times to enter the Property to take such measures as shall be reasonably necessary at the time of entry for the purpose of protecting and/or ensuring the security of the Establishment exercising such right as far as possible in such manner as shall not interfere with the Tenant's quiet enjoyment of the Property the Landlord causing as little damage and disturbance as possible and making good all damage actually caused to the Property by the exercise of such rights as soon as reasonably possible; and
- (k) the right at all times to access the Property for access to and egress from the Common Facilities, the Common Areas and the Reception Area

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 loss of amenity for the Property

4.2 The Landlord reserves the right to enter the Property (with a representative of the Tenant if required by the Tenant):

- (a) to repair, maintain or replace any Service Media or structure relating to any of the Reservations; and
- (b) for any other proper purpose mentioned in or connected with:
  - (i) this lease;
  - (ii) the Contract;
  - (iii) the Reservations; and
  - (iv) the Landlord's interest in the Property or the Establishment

4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes properly 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) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant PROVIDED THAT:

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- (a) those exercising the right shall cause as little interference to the Tenant's business as reasonably practicable and shall make good any damage caused to the reasonable satisfaction of the Tenant;
- (b) such arrangements do not adversely affect the ability of the Tenant to perform its duties under the Contract; and
- (c) the Tenant may require such person exercising any right to be accompanied by a representative of the Tenant

**5. THIRD PARTY RIGHTS**

- 5.1 The Tenant shall not do anything that may interfere with or place the Landlord in breach of any Third Party Right

**6. LICENCE BACK**

- 6.1 The Tenant shall grant the Landlord a licence back of the Agreed Space on the terms of Schedule 1 of this lease and shall ensure that the Authority Staff are given access to the Agreed Space at all times
- 6.2 The Landlord shall observe and perform the requirements of Schedule 1 in reference to the Agreed Space

**7. THE ANNUAL RENT**

- 7.1 The Tenant shall pay the Annual Rent if demanded

**8. INSURANCE**

- 8.1 The Landlord may carry its own risk in relation to insurance of the Establishment and the Property and if it does so the Tenant shall:
  - (a) comply at all times with the proper requirements of the Landlord of which it has received written notice of relating to the Property and the use by the Tenant of any part of the Establishment;
  - (b) give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property;
  - (c) if it becomes entitled to the benefit of any insurance proceeds in respect of the damage or destruction of the Property (which for the avoidance of doubt does not include any insurance proceeds received in respect of the Tenant's fixtures, fittings or contents or business interruption insurance) pay those proceeds or cause them to be paid to the Landlord.

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- If the Landlord does not elect to carry its own risk the provisions of clause 8.2 and 8.3 shall apply
- 8.2 The Landlord shall (at its own cost) effect and maintain insurance with a reputable insurer subject to such excesses, exclusions and limitations as may apply covering the Property against the Insured Risks for the full reinstatement cost including all applicable VAT and ancillary costs (including site clearance and professional fees)
- 8.3 The Tenant shall:
- (a) give the Landlord notice immediately if any matter occurs in relation to the Tenant or the Property that any insurer or underwriter might treat as material in deciding whether or on what terms to insure the Property;
  - (b) not do or omit anything as a result of which a policy of insurance of the Property the Establishment or any neighbouring property might or would become void or voidable or otherwise prejudiced, or the payment of any policy money might have been withheld, nor anything as a result of which any increased insurance or additional premium may become payable;
  - (c) comply at all times with the proper requirements of the insurers of which it has received written notice of relating to the Property and the use by the Tenant of any part of the Establishment;
  - (d) give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property;
  - (e) if it becomes entitled to the benefit of any insurance proceeds in respect of the damage or destruction of the Property (which for the avoidance of doubt does not include any insurance proceeds received in respect of the Tenant's fixtures, fittings or contents or business interruption insurance) pay those proceeds or cause them to be paid to the Landlord
- 8.4 If the Property is damaged or destroyed, whether by an Insured Risk or otherwise, so as to be unfit for occupation and use or if the Establishment or any essential services to the Property are so damaged or destroyed so as to make the Property inaccessible or unusable then the matter will be dealt with under Schedule 8.2 (Change Control Procedure) of the Contract but without prejudice to any right or remedy which either of the parties hereto may have in respect of any antecedent breach of any of the covenants and conditions contained in this lease
- 8.5 The Tenant shall effect insurance with a reputable insurance company against any third party public and occupier's liability risks in respect of the Property on such terms and for a sum of not less than [REDACTED] per claim.

**9. RATES AND TAXES**

- 9.1 The Landlord shall pay and indemnify the Tenant against all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, including:

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- (a) business rates;
- (b) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
- (c) any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

9.2 The Landlord shall pay any business rates levied on the Property

9.3 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

**10. UTILITIES**

10.1 The Landlord shall (at its own cost) provide electricity, gas, water, sewage, fixed line telecommunications and data to or from the Property. The Tenant confirms that it shall and shall procure that the Contractor Personnel shall only use the foregoing utility services for the provision of the Services in such amounts that are reasonable and proper in the circumstances and the Tenant acknowledges that no other services will be provided by the Landlord to the Tenant and/or the Contractor Personnel,

10.2 The Tenant shall comply with all laws and with any requirements of the relevant suppliers notified to the Tenant relating to the use of those services and utilities

10.3 The Tenant shall ensure that electricity, gas, water, sewage, telecommunications, data and other services and utilities are not used improperly and are used responsibly for the purposes of the Contract and the Tenant will not dispose of any oil or deleterious matter into any conduits serving the Property likely to cause a blockage or to exceed the capacity of such systems

**11. COMMON ITEMS**

11.1 The Tenant shall comply with all reasonable regulations notified to the Tenant in writing which the Landlord may make from time to time in connection with the use of any of those Service Media, structures or other items used in common with the Landlord and/or other occupiers of the Establishment

**12. VAT**

12.1 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

12.2 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 can obtain credit for such VAT under the Value Added Tax Act 1994

**13. DEFAULT INTEREST AND INTEREST**

- 13.1 If any money payable under this lease has not been paid by the date it is due (where it has been formally demanded), the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment
- 13.2 If the Landlord does not demand or accept any 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 and this is proven to be the case, 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 the date the amount (or each part of it) became due until the date it is accepted by the Landlord

**14. COSTS**

- 14.1 The Tenant shall pay the reasonable and 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 (in the interests of good estate management) of:
- (a) the enforcement of the tenant covenants of this lease;
  - (b) 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;
  - (c) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
  - (d) the preparation and service within six months of the end of the Term of a schedule of dilapidations in connection with this lease and relating to matters arising during the Term; and
  - (e) 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 unreasonably to withhold it or grants it subject to an unreasonable condition).
- 14.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses as a result of a breach of the Tenant's obligations (whether under this or any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis

**15. COMPENSATION ON VACATING**

Any right of the Tenant or anyone deriving title under the Tenant to claim compensation from the Landlord on leaving the Property under the Landlord and Tenant Act 1927 or the 1954 Act is excluded, except to the extent that the legislation prevents that right being excluded

**16. NO DEDUCTION, COUNTERCLAIM OR SET-OFF**

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

**17. PROHIBITION OF DEALINGS**

The Tenant shall not assign, underlet, charge, part with or share possession or share occupation of the whole of or any part of this lease or the whole of or any part of this 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) PROVIDED THAT:-

- 17.1 nothing in this clause shall prevent the Tenant sharing occupation of the Property with a Group Company or permitted subcontractors for so long as the Tenant and such Group Company remain members of such group or such subcontractor remains so permitted and in either case no relationship of landlord and tenant subsists; and
- 17.2 the Tenant shall be permitted to assign this lease to any permitted assignee of the Tenant's rights and interests under the Contract subject to such conditions as the Landlord may impose under the terms of the Contract

**18. REPAIRS**

- 18.1 Except to the extent that the Landlord is responsible under clause 32 of this lease the Tenant shall keep the Property clean and tidy
- 18.2 The Tenant shall not cause or permit any damage to be caused to the Property or the Establishment (other than fair wear and tear) and will at its own expense make good any such damage caused by the Tenant at its own cost to the reasonable satisfaction of the Landlord
- 18.3 The Tenant shall immediately notify the Landlord of any defects at the Property and any items that require repair and maintenance in accordance with clause 32 of this lease
- 18.4 The Tenant will keep any Government Furnished Items in substantially the same condition as at the commencement of the term (allowing for fair wear and tear) and shall not permit any damage to be caused to any Government Furnished Items and will at its own expense replace any such items that are damaged in accordance with the Contract and in particular, Clause 11 and Schedule 11.3 (Issued Property)

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- 18.5 The Tenant shall not be liable for the repair and maintenance of the Property or the Establishment except where it is breach of any of the provisions of this lease and damage has consequentially occurred to the Property or Establishment
- 18.6 The Tenant shall not be liable to repair any damage to the Property caused by an Insured Risk or in respect of which the Landlord carries its own risk pursuant to clause 8.1 unless and to the extent (in relation to an Insured Risk only) that any policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant contractors or agents or any person on the Property with the actual or implied authority of the Tenant
- 18.7 The Landlord shall (save where the provisions of clause 8.4 of this lease apply) use reasonable endeavours as soon as reasonably practicable repair any damage caused to the Property by an Insured Risk or in respect of which the Landlord carries its own risk pursuant to clause 8.1 such repairs to be at the Landlord's cost or paid for using the proceeds of any insurance in place pursuant to clause 8.2 (as the case may be)

**19. DECORATION**

- 19.1 The Tenant shall not decorate the Property without the consent of the Landlord such consent not to be unreasonably withheld or delayed and subject to clause 19.2
- 19.2 In respect of this clause 19 it shall be reasonable for the Landlord's consent to be given subject to the following conditions:
- (a) that the Tenant shall not be permitted to execute any decoration;
  - (b) that any decoration shall only be carried out by Authority Staff; and
  - (c) that the Tenant shall pay the proper cost of such decoration

**20. ALTERATIONS**

- 20.1 The Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property without the consent of the Landlord such consent not to be unreasonably withheld or delayed and subject to clause 20.4
- 20.2 The Tenant shall not install any Service Media on the exterior of the Property nor divert the route of any Service Media at the Property without the consent of the Landlord such consent not to be unreasonably withheld or delayed and subject to clause 20.4
- 20.3 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed and subject to clause 20.4

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20.4 In respect of this clause 20 and any other provisions of this lease requiring alterations to the Property it shall be reasonable for the Landlord's consent to be given subject to the following conditions:

- (a) that the Tenant shall not be permitted to execute any alterations;
- (b) that any alterations shall only be carried out by Authority Staff; and
- (c) that the Tenant shall pay the proper cost of such alterations

**21. SIGNS**

21.1 In this clause **Signs** include signs, fascia, placards, boards, posters and advertisements

21.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the outside except Signs of a design, size and number and in a position that are appropriate to the Property and the Permitted Use, without the consent of the Landlord such consent not to be unreasonably withheld or delayed

21.3 If required by the Landlord the Tenant shall before the end of the term remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal

21.4 The Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board as the Landlord reasonably requires

**22. RETURNING THE PROPERTY TO THE LANDLORD**

22.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease and the Contract

22.2 If the Landlord gives the Tenant notice no later than three months before the end of the term, the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal

22.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it

22.4 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

**23. DETERMINATION**

- 23.1 The Landlord may determine this lease at any time by giving to the Tenant not less than one month's previous notice in writing in the event of a certificate having been granted in accordance with the provisions of section 57 1954 Act or any statutory modification or re-enactment thereof for the time being in force and upon the expiration of any such notice this lease shall determine but without prejudice to any right or remedy which either of the parties hereto may have in respect of any antecedent breach of any of the covenants and conditions contained in this lease and in such case, the provisions of Schedule 8.2 (*Change Control Procedure*) of the Contract shall apply
- 23.2 It shall be lawful for the Landlord to determine this lease and to resume possession of the Property at any time on the giving of a certificate pursuant to Section 58(1) of the 1954 Act that for reasons of national security it is necessary that the use or occupation of the Property should be discontinued or changed by two months' notice to quit given in writing by the Landlord **PROVIDED THAT** the notice contains a copy of such certificate and upon the expiration of such notice this lease shall determine but without prejudice to any right or remedy which either of the parties hereto may have in respect of any antecedent breach of any of the covenants or conditions contained in this lease and in such case, the provisions of Schedule 8.2 (*Change Control Procedure*) of the Contract shall apply
- 23.3 The Landlord may resume possession of the Property instantly in case of National Emergency (whether declared or not) under Crown exemption and in such case, the provisions of Schedule 8.2 (*Change Control Procedure*) of the Contract shall apply
- 23.4 This lease will determine automatically and without any need for notice on the determination (howsoever occurring) or expiry of the Contract
- 23.5 Termination of the lease under this clause 23 shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease

**24. USE**

- 24.1 The Tenant shall not use the Property for any purpose other than the Permitted Use
- 24.2 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, its other tenants or any other owner or occupier of neighbouring property
- 24.3 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property

**25. MANAGEMENT OF THE ESTABLISHMENT**

- 25.1 The Tenant shall observe all regulations made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant in writing relating to the use of the Property and the Establishment
- 25.2 Nothing in this lease shall impose or be deemed to impose any restriction on the use of any other part of the Establishment or any neighbouring property
- 25.3 The Tenant shall comply (immediately if so required) with all such regulations directions instructions and requirements concerning the Establishment as the Landlord or the Officer Commanding may from time to time make in written notice to the Tenant or give in respect of the Establishment relating to the use or occupation of the whole or any part of the Property or anything thereon or the access thereto or in any way concerning the Establishment including (without prejudice to the generality of the foregoing) limitations and restrictions upon the access to the Property (including refusal of access) and to vacate the Property and/or the Establishment immediately if so required
- 25.4 The Tenant shall:
- (a.) ensure that all employees servants and contractors of the Tenant and all visitors to the Property shall at all times when visiting the Property or entering upon the Establishment carry identification cards or badges and produce them on request to such person as the Landlord may from time to time require and
  - (b.) furnish the Tenant's personnel or other persons authorised to enter the Property with written authority issued by the Tenant to be produced on request to the Landlord the Officer Commanding or other duly authorised agents
- 25.5 The Tenant shall permit the Landlord or its servants and agents for reasons of security to search any vehicles containers and other property owned by the Tenant or in its custody or control or belonging to or in the custody of the Tenant's servants or agents entering or on the Establishment
- 25.6 If in the reasonable opinion of the Landlord any electrical or other equipment or appliance used installed on or in the Property under the provisions of this lease might overload the electric or other wiring or cabling serving the Property or cause interference to any telecommunication system radio reception or transmission of or computer system installed by the Landlord or any other Minister of the Crown or Government Department forthwith to rectify or reduce such interference to the reasonable satisfaction of the Landlord or remove the equipment or appliance in question
- 25.7 The Tenant shall:
- (a.) Not permit guns to be taken on to the Property by the Tenant's employees workmen or contractors and

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- (b.) Not without the express written consent of the Officer Commanding to take dogs (except working dogs assisting disabled staff or visitors) onto the Property or the Establishment and
- (c.) Not affix or permit to be affixed any wireless or television aerial brackets stays or ancillary wiring on or to the exterior of the Property until written approval has been given by the Landlord and then only in accordance with any conditions he may impose and
- (d.) Not take or allow to be taken any photographs of or within the Establishment without the Landlord's prior consent in writing and
- (e.) Not erect any pole or mast (whether in connection with telegraphic telephonic radio or television communication or otherwise) or other matter or thing upon the Property

**26. COMPLIANCE WITH LAWS**

- 26.1 The Tenant shall comply with all laws relating to:
- (a) the Property and the occupation and use of the Property by the Tenant;
  - (b) the use of all Service Media and machinery and equipment at or serving the Property;
  - (c) any works carried out at the Property; and
  - (d) all materials kept at or disposed from the Property
- 26.2 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 where these are the responsibility of the Tenant under this lease
- 26.3 Save as otherwise provided in the Contract within five working days after receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant shall:
- (a) send a copy of the relevant document to the Landlord; and
  - (b) 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
- 26.4 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent
- 26.5 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. The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term

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- 26.6 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
- 26.7 Promptly after 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

**27. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS**

- 27.1 The Tenant shall not grant any right or licence over the Property to a third party
- 27.2 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:
- (a) give notice to the Landlord immediately upon becoming aware; and
  - (b) take all reasonable steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action
- 27.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property
- 27.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party
- 27.5 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:
- (a) give notice to the Landlord immediately upon becoming aware; and
  - (b) take all reasonable steps (including proceedings) the Landlord reasonably requires to prevent or secure the removal of the obstruction

**28. REMEDY BREACHES**

- 28.1 The Landlord may enter the Property pursuant to the terms of this lease 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
- 28.2 If the Tenant has not begun any works needed to remedy that breach within two months (or such other longer period at the discretion of the Landlord) 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

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- 28.3 The costs properly 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 on demand
- 28.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 4

**29. INDEMNITY**

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in the Property and loss of amenity of the Property) 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 with the actual or implied authority of any of them (other than workers, contractors or agents of the Landlord or any other person on the Property with the actual or implied authority of the Landlord)

**30. CONTRACTOR SUCCESSION**

The Tenant shall permit a prospective or appointed contractor access to the Property on reasonable prior notice and at reasonable times during the last 6 months of the Contractual Term (howsoever occurring) (accompanied by a representative of the Tenant if reasonably required by the Tenant) in order to:-

- (a.) take inventories of equipment and Government Furnished Items;
- (b.) take plans or make drawings of the Property or any part of it;
- (c.) to occupy any surplus space in the Property with personnel servants agents or workmen for the purposes of a new DBS contract;
- (d.) to deposit and store equipment furniture or other chattels in any surplus space at the Property for the purpose of a new DBS contract;
- (e.) to fit electronic telecommunications or other systems relevant to a new DBS contract;
- (f.) to admit the Landlord and any prospective or appointed contractor to the Property and to permit all such other access as may be reasonably agreed between the parties to ensure the transfer of the Tenant's business as a going concern on the conclusion of the Contract

PROVIDED THAT such arrangements do not adversely affect the ability of the Tenant to perform its duties under the Contract

**31. LANDLORD'S COVENANT FOR QUIET ENJOYMENT**

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

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Property without any lawful interruption by the Landlord or any person claiming under the Landlord

**32. LANDLORD'S COVENANT FOR REPAIR AND MAINTENANCE**

- 32.1 Subject to clauses 32.2 and 32.3, the Landlord covenants to keep the Property clean and in repair (and such covenant is limited to ensuring that the Property does not breach any relevant laws in relation to health and safety)
- 32.2 The Landlord's repairing covenant in clause 32.1 only applies if the Tenant has notified the Landlord in writing or via the helpdesk (in writing, by email or by telephone) that a need for repair has arisen
- 32.3 The Landlord's covenant in clause 32.1 does not apply where there has been a Tenant's breach as referred to in clauses 18.5 and 18.6

**33. CONDITION FOR RE-ENTRY**

Not used

**34. LIABILITY**

- 34.1 At any time when the Landlord or the Tenant is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them
- 34.2 The obligations of the Tenant arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant
- 34.3 The Tenant shall not have or make any claim against the Crown or the Landlord in respect of any personal injury (including without prejudice to the generality of the foregoing injury resulting in death) or loss of or damage to the Property which may be suffered by the Tenant in the exercise of the Permitted Use whatever the cause of such loss damage or injury may be unless the same shall have been caused by any negligent act omission or default on the part of the Landlord or any officer servant or agent of the Crown

**35. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS**

- 35.1 This lease together with the Contract constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement between the parties relating to the transaction
- 35.2 In the event of any conflict between the terms of this lease and the Contract as to the obligations of either party under the Contract then the Contract will prevail

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- 35.3 The Tenant acknowledges that in entering into this lease it is not relying on, and shall have no remedy in respect of, any statement or representation made by or on behalf of the Landlord
- 35.4 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
- 35.5 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud

**36. NOTICES, CONSENTS AND APPROVALS**

- 36.1 The provisions relating to notices in Clause 49 of the Contract shall apply to this lease
- 36.2 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:
- (a) it is given in writing and signed by a person duly authorised on behalf of the Landlord; and
  - (b) 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
- 36.3 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:
- (a) the approval is being given in a case of emergency; or
  - (b) this lease expressly states that the approval need not be in writing
- 36.4 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

**37. GOVERNING LAW AND JURISDICTION**

- 37.1 This lease shall be governed by and construed in accordance with the law of England and Wales
- 37.2 The Landlord and the Tenant irrevocably agree to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this lease or the legal relationships established by it

**38. EXCLUSION OF SECTIONS 24-28 OF THE 1954 ACT**

- 38.1 The parties confirm that:

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- (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the 1954 Act, applying to the tenancy created by this lease, before the Contract was entered into;
- (b) the Tenant, or a person duly authorised by the Tenant, made a statutory declaration (the "Tenant's Statutory Declaration") complying with the requirements of Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.
- (c) Where the Tenant's Statutory Declaration was made by a person other than the Tenant, the Tenant confirms that the declarant was duly authorised to make the Tenant's Statutory Declaration on the Tenant's behalf.

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

**39. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

A person who is not a party to this lease shall not have any rights under or in connection with this lease by virtue of the Contracts (Rights of Third Parties) Act 1999

**40. CROWN PRIVILEGE**

Nothing herein contained shall be construed or be deemed to have effect so as to in any way to restrict or otherwise prejudicially affect any Crown privilege or exemption enjoyed by the Landlord

**41. LANDLORD AND TENANT (COVENANTS) ACT 1995**

This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it and **IN WITNESS** whereof the Corporate Seal of the Secretary of State for Defence has been hereunto affixed the day and year first before written

**Schedule 1 – Licence Back**

1. Following completion of this lease the Tenant shall permit the Landlord on a non-exclusive licence basis to occupy any Agreed Space at the Property
2. The Landlord shall not be obliged to pay any licence fee to the Tenant for the Agreed Space
3. The Landlord shall not:-
  - (a.) cause any damage to the Agreed Space in the exercise of its rights;
  - (b.) alter or add to the Agreed Space or any Service Conduits except pursuant to the Reservations contained in this lease;
  - (c.) sub-licence, charge, part with or share the possession or occupation or assign the whole or any part of its licensed interest in the Agreed Space; or
  - (d.) do anything which would place the Tenant in breach of its lease to the Landlord
4. The Landlord shall:-
  - (a.) observe any regulations for use and access to the Property which the Tenant shall make from time to time;
  - (b.) keep the Agreed Space clean and tidy and free from rubbish; and
  - (c.) notify the Tenant if it no longer requires the Agreed Space or any part of it
5. The Tenant and the Landlord agree that this schedule shall not confer on the Landlord any tenancy or lease of the Property and the Tenant shall be entitled at all times during the subsistence of the Landlord's rights in this Schedule to exercise and do without any hindrance by the Landlord all such rights, acts and things in respect of the Property as the Tenant may require

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The Corporate Seal of the )

**SECRETARY OF STATE FOR DEFENCE** )

hereunto affixed is authenticated by )

.....

Signed as a deed by [Contractor] acting by two directors or a director and the secretary

.....

Director

.....

Director/Secretary