

Draft HOTs for Commercial Beach Hut Leases – Part of Beach Hut Review Strategy 2022/2023

1 PROPERTY

- 1.1 Address of the Property
- 1.2 Description of the Property
- 1.3 Rights specifically granted –
 - i) Tenant is permitted to sublet the Property for unlimited number of days per year.
 - ii) Access to the Property via promenade as shown on the lease plan will be limited duringam and ...pm
- 1.4 Rights specifically reserved

2 Parties

- 2.1 Landlord – Tendring District Council, Town Hall, Station Road Clacton-on-Sea Essex CO15 1SE
- 2.2 Landlord's Solicitors – Tendring District Council Legal Services
- 2.3 Tenant – name and address
- 2.4 Tenant's Solicitors

3 Term Break and Notices

- 3.1 Duration - 5 years.
- 3.2 Commencing on
- 3.3 Break Clause - exercised by either party provided that the Tenant is in not in rent arrears and has not breached any of the Tenant's covenants. If any breaches come to light at the time of either party serving notice to the other, those breaches must be remedied before the lease can be terminated
- 3.4 Notice period – two months.

4 Rent

- 4.1 Rent - £.....per annum (exclusive of VAT?) to be paid in advance unless otherwise stated.
- 4.2 Commencing on
- 4.3 Rent payment date(s) -
- 4.4 Payment method -
- 4.5 Rent Review dates – 1 April in each year

- 4.6 Rent review basis – CPI/in line with inflation/valuation carried out by surveyor/ in accordance with TDC's Fee and Charges?
- 4.7 Dispute – if rent is not agreed by review date then, either party may refer to an independent valuer for determination – applicable?
- 4.8 Time of essence?

5 Interest

- 5.1 Late rent payment – interest at 4% above base rate for rent unpaid for 21 days after due date.
- 5.2 Post rent review - Interest at base on difference between old and new rent at review from specified review date to date of whether or not matter decided by independent valuer.

6 Outgoings, rates and utilities

- 6.1 Tenant will be responsible for business rates and other outgoings
- 6.2 The tenant is responsible for any rates, taxes or other payments relating to the Property, together with other property he/she may own or have a lease for. It is the Tenant's responsibility to declare rental income from beach huts and pay the income tax amount payable to HMRC.

7 Insurance

- 7.1 The Landlord will insure the land stage
- 7.2 Tenant to insure the Property and all contents contained therein.
- 7.3 Public liability – Tenant to insure a minimum of £10million.
- 7.4 Date of cover to commence on lease completion date.

8 Tenant's Conditions/Covenants

- 8.1 Current Beach Hut Site Licence Conditions to be observed by Tenant will be covered in the lease along with any additional conditions that the Landlord requires the Tenant to comply with.
- 8.2 No trade, profession or business to be carried in or out from the Property save for subletting the Property for a rental fee.
- 8.3 No signs to be placed at the Property advertising trade/business. Only signs advertising subletting approved by the Landlord can be placed at the Property. The sign will be of a standard design and issued by the Landlord.

9 Permitted Use and Hours of Use

- 9.1 Permitted Use – private recreational use.
- 9.2 Hours of Use 7am-10pm.

10 Legal Costs

- 10.1 Lease – payable by Tenant.
- 10.2 Any consents – payable by Tenant.

11 Assignments

- 11.1 Assignment of whole not permitted.
 - i) Should the tenant wish to sell the Property, Tenant will need to surrender this/her lease to the Landlord and a new lease will be granted to the buyer. Any new lease granted following this process will be of a non-commercial nature.
- 11.2 Assignment of part not permitted.
- 11.3 Sub-lease of whole – permitted provided the Tenant obtains written and signed agreement from the licensees (sublets will be short –term) that they agree to observe and comply with the Tenant’s covenants contained in the lease.
- 11.4 Sub-lease of part not permitted.
- 11.5 Group sharing – not permitted.

12 Landlord and Tenant Act 1954.

- 12.1 Lease is excluded from the Act.

13 Repair and Maintenance/Alterations and Decorations

- 13.1 External and internal structure – to be carried out by Tenant.
- 13.2 External and internal decoration – to be carried out by Tenant.
- 13.3 Tenant responsible for the Property and ground directly under the Property and any patio/grass area/alterations to the Property carried out by the Tenant-depending on location.
- 13.4 Boundaries – Landlord?
- 13.5 Ground maintenance to the open space – to be carried out by the Landlord.
- 13.5 Schedule of condition – Tenant to provide this with dated photographs prior to lease completion date.

- 13.7 Force Majeure Clause – collapse of the cliff following an act of God to the extent that it is dangerous or wholly impractical to have the Property on the land stage for the Permitted Use will result in terminating the lease by both parties by way of entering into a deed of surrender.

14 Planning

- 14.1 Asset to confirm what works will need planning consents, if required.

15 Indemnity

- 15.1 The Tenant is to indemnify the Landlord against any claims arising from the Tenant's or its sub-lessees' occupation of the Property.

16 Other Terms

- 16.1 The Tenant shall compile and maintain a file containing all certificates, warranties, risk assessments, maintenance records and all other such information necessary to comply with law, statutory guidance and Landlord's requirements and shall provide copies of the same when requested by the Landlord.
- 16.2 Maximum number of people at the Property at any given time is 12 people.
- 16.3 Tenant/licensee not to cause or permit noise or nuisance whilst occupying the Property.
- 16.4 Yield up – at the end of the lease term the Tenant shall return the land to the Landlord in repair and condition as required by the lease and Tenant shall remove from the Property and all chattels (any fixtures and/or fittings, which include decking, patios etc that beach hut owners leave behind) belonging to or used by it unless agreed by the Landlord that the Property and chattels are to remain at the Property at the end of the term.
- 16.5 If Tenant does not comply with 16.4 above TDC's options are either to remove the beach hut and store or destroy the beach hut for a 10/14 day and bill the Tenant or buy the beach hut from the tenant?