

Appendix one

Proposed lease terms for the four Community Associations currently holding over on protected leases

Bullington, Headington, Risinghurst and Florence Park Community Associations all have leases of their community centres under which they enjoy security of tenure under the Landlord and Tenant Act 1954. The contractual terms of these leases have all expired and the Associations are therefore “holding over” under the terms of their leases. The Associations are entitled to be granted new leases broadly on the same terms as their current leases but at a market rent. Under the current leases no rent is payable.

It is proposed that the new leases will be at a peppercorn rent. The leases will contain break clauses which either the Council or the Association may exercise on the 10th and 20th anniversary of the lease in order to protect the Council’s interest in the property and its use. If the Council were to exercise this provision, an Association would have a right of renewal at a market rent under the Landlord and Tenant Act 1954.

The leases will contain detailed forfeiture clauses that the Council will be able to invoke if there are serious or prolonged breaches of the key requirements of the leases.

The key terms proposed for the leases are as follows:

- A protected tenancy under the Landlord and Tenant Act 1954
- 25 year term
- Each party has the right to break on the 10th or 20th anniversary (no pre-conditions attached to the break)
- For Florence Park, Headington and Risinghurst; if there is a major maintenance issue that would cost over £100,000 to rectify then the Council may break the lease
- The break clauses may be waived in the circumstances set out in section 12d of this report
- Peppercorn rent
- The Council will continue to meet the cost of external and structural repairs and the cost of buildings insurance
- Standard forfeiture (termination) provisions on a tenant’s breach of significant covenants or insolvency. In the event of remediable breaches, the tenant has 6 months in which to remedy the breach.
- Subletting of parts of the building may be permitted with the Council’s consent which will not be unreasonably withheld. Any subleases will not have security of tenure under the Landlord and Tenant Act 1954.

This page is intentionally left blank