



Informal Tender:

South Hams District Council invites offers by way of Informal Tender for the Lease on:

**Unit 3 Babbage Court,
Babbage Road,
Totnes,
TQ9 5JE.**

Submission of Informal Tenders:

Interested parties are invited to submit informal tenders for a new lease on unit 3 Babbage Court on the attached tender form. Upon submitting an offer the prospective Tenant should take into consideration the main terms of the proposed lease as set out below and should provide any layout plans for any proposed internal fit-out works, if relevant. **Please be aware any works undertaken must gain all regulatory consents including Building Regulation approval where necessary. Failure to get the required permissions will result in the Landlord serving notice for removal/reinstatement.**

Informal Tenders should be submitted to the Council to be received by 17.00 on 29th October 2021. All offers should be received in writing in a sealed envelope marked "Unit 3 Babbage Court" and addressed to:

Assets Department
Follaton House
Plymouth Road,
Totnes
TQ9 5NE

After submission of informal tenders, parties may be invited to discuss their proposals in more detail, or be required to provide additional supporting information.

Heads of Terms for the Lease

1. Landlord

South Hams District Council.

2. Tenant

(To be confirmed – subject to tender exercise).

3. Premises

The Landlord proposes to grant a new lease on unit 3 Babbage Court which comprises 673 sq ft approximate gross internal area.

The Tenant shall be granted a right of way along the Landlord's retained land, where necessary. There will be parking spaces allocated with the unit.

4. Use

The Premises are to be used for the purposes of the Tenant's business of: (Details to be provided) and in accordance with Class E(g) B8 of the Amended Use Classes Order 2021. **No motor trade uses will be permitted.**

5. Consents

The Tenant to be responsible for obtaining any planning or other consents required in connection with the proposed use and occupation of the premises. **All works undertaken must be submitted to the Landlord for prior consideration, and must be undertaken in line with all regulatory approvals including Planning and Building Control approval.**

6. Fit-Out/Works

Prior to carrying out any works, the Tenant shall provide full details of the proposed fit-out for prior Landlord's approval and shall gain all necessary consents for the works such as building regulations.

7. Lease Term

The lease term shall be for 6 years.

8. Rent

The rent will be **not less** than £8000.00 p.a exclusive of Vat which will be applicable, or any other figure in excess of £8000.00 submitted by way of tender. All rent will be payable monthly in advance by Direct Debit.

9. Rent Deposit

The Landlord requires, prior to the unit being occupied, a Rent Guarantee which is equivalent to two month's rent. This will be refunded at the end of the tenancy if there are no monies outstanding to the Landlord and the unit is handed back in good condition in accordance with the terms of the lease.

10. Rent Review

There will be a fixed rent increase equivalent to 10% of the commencing rent at the end of the third year of the term. For illustrative purposes only: if the rent at commencement is £8000.00 x 10% = £800 then the rent in Years 4,5,6 will rise to £8800.00.

11. External and Structural Repairs

The Landlord will be responsible for **external only repairs**, maintenance, and redecoration of the structure of the building, and for maintaining the common areas of the estate.

12. Internal Repair

The Tenant shall be responsible for keeping the interior of the demised premises, including door/window glass, in good and tenantable repair.

The Tenant shall ensure that the interior and exterior of the premises are kept in a clean and tidy condition.

13. Outgoings

The Tenant shall be responsible for the payment of all rates, outgoing and costs arising out of or in connection with its use of premises.

14. Signs/Advertising

The Tenant shall not be permitted to affix, erect or exhibit on any part of the exterior of the demised premises any advertisement except as may be approved in writing by the Landlord. Interested parties are asked to provide details of any boards/signs/advertisements that it would wish to erect on the premises with any tender submitted.

15. Utilities

The unit is connected to mains water, drainage and electricity (3 phase supply).

16. Indemnity

The Tenant shall indemnify the District Landlord from and against all actions, costs, claims and demands which may be occasioned by its use of the premises or any other party permitted to use the premises by the Tenant.

17. Insurance

The Landlord to insure the building and recharge the premium to the tenant by way of a single annual premium.

he tenant shall maintain Public Liability and Third Party Insurance in the sum of £5,000,000 or such other amount as the District Landlord may specify from time to time and a copy of the Policy shall be supplied to the Landlord prior to completion of the Lease. The tenant shall be responsible for insuring the contents.

18. Access /Information

The District Landlord reserves a right of access to the premises and building erected on it at all times, subject to the serving of reasonable notice, to inspect the condition of the premises and building and for the purpose of accessing its retained land.

19. Security of Tenure

The Lease shall be excluded from the security of tenure provisions contained in the Landlord and Tenant Act 1954.

20. Alienation

The Tenant may assign the lease of the entire premises with the prior written consent of the Landlord, such consent not be unreasonably withheld and subject to satisfactory references. Sub-letting, parting with possession, sharing occupation of the whole or part or assignment in part will be prohibited.

The Tenant shall enter into an Authorised Guarantee Agreement prepared by the Landlord's Solicitor before any assignment and must adhere to any other clauses, in the lease pursuant to the Landlord and Tenant (Covenants) Act 1995.

21. Conduct

The Tenant shall be responsible for the conduct of those visiting and working in the premises and shall ensure that such persons and any Contractor shall adhere to any regulations which the District Landlord may make from time to time in respect of the use of its retained land. The Tenant shall carry out risk assessments initially and at regular intervals thereafter in relation to such uses and shall liaise with the District Landlord with a view to establishing any necessary common policies aimed at minimising risks to Health & Safety.

22. Alterations

The Tenant shall not remove the Building or make any alterations or additions to the Building or any part of the premises without the prior written consent of the District Landlord.

23. Nuisance

The Tenant shall not cause or permit to be caused any nuisance, disturbance or annoyance to District Landlord and other users of the District Landlord's land or owners/occupiers of neighbouring properties.

24. Termination

At the end of the term the tenant shall yield up the demised premises with vacant possession and removing all tenant's fixtures and fittings including any signs, if requested by the Landlord, and make good any damage caused by the removal of the same, and redecorate in accordance with the requirements of the lease..

25. Costs

Each party shall be responsible for their own legal expenses involved with the transaction, with the exception that the tenant shall make a contribution of £500.00 exclusive of VAT to the Landlord's reasonable legal and surveyor's costs.

26. Other

The above terms and conditions are subject to contract and the necessary consents and approvals of the District Landlord being obtained and to any such other terms as considered necessary by the parties' Solicitors

The ingoing tenant will be responsible for paying any business rates associated with the property.

As part of the process all prospective tenants must fill in an on-line application form which can be found using the following link:-
<https://www.southhams.gov.uk/commercialproperty>

Tender Form

To: Assets Team,
South Hams District Council,
Follaton House, Plymouth Road,
Totnes, Devon, TQ9 5NE

I/We having read the invitation to Tender and the attached Heads of Terms relating to the occupation of the above premises hereby offer to enter into the Lease for the sum of:

RENT

Interested parties are asked to submit an informal tender for unit 3. Offers must be at or above the following rent to be considered:

£ p.a. exclusive of VAT for a lease of Unit 3. (Minimum commencing rent of £8000.00 p/a)

In addition to the rent specified above, I/We acknowledge that the occupation of the above premises will be subject to the payment of Utility bills, Uniform Business Rates and all other outgoings.

If my/our Tender is accepted I/We agree to sign a Lease on the terms as set out within the Heads of Terms, and at the same time to pay the sum tendered above together with the sum of £500 per unit in respect of the Council's legal and surveyor's fees. I/We understand that failure to return the signed papers and make payment by the required date will result in the inability to occupy the premises and that the Council reserves the right to cancel the Lease and accept the Tender of another bidder.

I/We fully understand that the Council is not responsible for any costs incurred by Me/Us in the process of tendering and **further understand that the Council does not undertake to accept the highest or any Tender for the Lease above, and reserves the right to consider use other criteria to determine the successful tenderer.**

Signed:

Date:

2021

Print Name

Company Name:

Position:

- **Please return all pages of the tender which will form the basis of the Lease and illustrates that you have reviewed and understood all of the conditions of the tender.**