

PROCEDURE FOR APPOINTING THE SCOUT ASSOCIATION TRUST CORPORATION AS CUSTODIAN TRUSTEE FOR A LEASE RENEWAL

Lease Renewal

A lease renewal is where a Scout unit enters in a new lease of a premises that they already lease. A new lease will be drafted and negotiated and may be on the same terms as the current lease. The expiry of the current lease could activate your decorating and repairing covenants and there could be liability for dilapidations.

Reappointing the SATC

In order for SATC to hold title to a renewal lease on behalf of a scout unit the matter must be placed before the SATC board of trustees. This is done on the first Friday of each month. Before it can be done, we will require the following:

(a) **Application Form**

The completed Trust Corporation application form and questionnaire that has been provided.

(b) **Letter of Request**

The completed letter of request which must be formatted and signed accordingly. The letter is necessary to confirm the scout unit's executive committee has passed a formal resolution to appoint SATC; and confirms that the executive committee of the scout unit agree that they will be responsible for the management of the property and compliance with the terms of the lease.

Once the application form and letter of request have been completed please return the hard copies to the following address:

The Scout Association Trust Corporation
Gilwell Park
Chingford
London
E4 7QW

(c) **Background information**

This should comprise brief background outlining any particular reason why the SATC is being appointed and should also provide details of the history of the matter up till now (this can be sent to us by email).

(d) Draft Lease

Copy draft lease with our standard clauses included (More information is provided below).

The information described at (c) and (d) can be sent by email to trust.corporation@scouts.org.uk clearly stating the group name and address of the property.

(e) Group Information Form

Completed group information form that has been provided.

SATC Administration Fee – payable by the Scout unit

Once the board has approved a request, the Scout unit will be required to pay an administration fee of £500 plus VAT (£450 plus VAT if the Scout unit is insured through Scout Insurance Services). We will request the administration fee as and when it becomes due. Payment can be made by cheque or bank transfer. Cheques should be made payable to The Scout Association and bank details will be provided upon request.

The administration fee is payable each time the scout unit asks SATC to act as Custodian Trustee including lease renewals.

Surveyor and Legal Fees

The Scout Unit is responsible for any legal or surveyor fees that arise in respect of a matter.

Standard SATC Clauses

These must be included in the lease and have been provided in a separate document.

Land Registry

If the lease is for a term greater than seven years it must be registered at the Land Registry. We strongly advise you instruct a solicitor to do this for you as the process is complicated (More information in relation to solicitors is provided below).

Post-Completion

As Custodian Trustee SATC holds the hard copy original of the lease on behalf of the Unit. If the lease must be registered at the Land Registry, we

also ask that a copy of the updated Registry certificate is sent to us for our records.

Security of Tenure (s24-28 the Landlord and Tenant Act 1954)

A condition of your lease may be that it is contracted out of the security of tenure provisions contained in s24-28 of the Landlord and Tenant Act 1954. This means that you may not be able to remain in the property or renew the lease at the end of the term. In order to contract out, the Landlord must serve a warning notice on the Tenant and the Tenant must provide a declaration. In both instances, the Tenant can authorise a person to do this on its behalf and by appointing SATC you confirm in the letter of request that it is authorised to do this on its behalf. **We strongly recommend that you take legal advice on this point as it could impact the future of your Scout unit or your decision to enter into the lease** (legal advice is explained in more detail below).

SDLT Form

If an SDLT form is required then this should be submitted by and on behalf of your Scout Unit as the beneficial owner.

Role of the Legal Department, Legal Advice and Representation

As well as acting as solicitor for TSA and SATC, we also provide general legal advice to members. Due to a potential conflict of interest, and the legal department's capacity, advice can only be general and more specific legal advice in relation to particular circumstances would have to be provided by a separate solicitor. In view of the charitable nature of The Scouts, and because the movement is largely run by volunteers, it would not be unusual for a solicitor to act for free on a pro bono basis. In respect of a new lease we would strongly advise a unit to obtain legal advice and representation as these matters can be complicated and in some instances there is a degree of risk.

If you have any questions please do not hesitate to contact us otherwise, if you wish to appoint SATC, we look forward to receiving the completed application form and letter of request.