

Heads of Terms In Respect of

Agreement for Improvement Works at The Strand, Exmouth

1. The parties to this agreement are to be East Devon District Council, Devon County Council and Exmouth Town Council.
2. EDDC are the freehold owners of the Strand Gardens, Exmouth as shown coloured pink on the attached plan. DCC, as Highways Authority is owner of the public highways. ETC has no legal interest but is to take over the day to day management of the newly completed public realm area of The Strand.
3. East Devon District Council (EDDC) & Devon County Council (DCC) have agreed to jointly fund, and thereafter maintain, improvement works carried out on the District Council's land at The Strand gardens, Exmouth and the adjacent public highway. Details of these improvement works are as indicated on the attached plans and specification, the intention being that the lands shall be available for recreational access by the public at all times free of charge. It is intended that these improvement works shall include the construction of a new retail premises and performance stage (Strand Pavilion).
4. That the cost of the works which shall not exceed £3M and shall be apportioned on the basis that DCC shall bear £2,000,000 or (67 %) of the cost and that EDDC shall contribute a maximum of £1,000,000 or (33%) to the cost.
5. DCC shall undertake the commissioning and supervision of the works including the construction of the Strand Pavilion.
6. EDDC shall pay its share of the costs, by stage payments, within 28 days upon the presentation of 'Valuation Certificates' by a person or quantity surveyor appointed by DCC to oversee the works who shall act having regard to the 'best interests' of both authorities.
7. DCC shall be responsible for future maintenance of the paved areas, drainage of the paved areas and street lighting and electrical supplies installed as part of the scheme.
8. EDDC shall be responsible for future maintenance of the Strand Pavilion and the performance stage, planted areas, trees, seating and litter bins etc both pre-existing and installed as part of the scheme.
9. EDDC and DCC shall jointly share the cost of maintaining and replacing all items of street furniture as listed under Schedule 1 of the agreement in the proportion of 67% DCC and 33% EDDC.
10. On completion of the construction of the Strand Pavilion and performance stage, EDDC shall take ownership of the same and shall be responsible for the future letting of the retail part of the premises. Exmouth Town Council shall be

responsible for the day to day management of the performance stage (by way of separate management agreement).

- 11 The net income from letting the building (excluding income generated by the performance stage) shall be utilised in carrying out routine maintenance and repairs to the Building by EDDC. Any surplus shall be held in a sinking fund reserve by EDDC and used to offset in part each parties respective maintenance costs of the Strand public realm or for future alterations and enhancements to the Building, the details of which shall be subject to prior agreement. The general cost sharing principal shall be 67% DCC: 33% EDDC.
- 12 It is agreed that DCC will delegate the letting of any 'pavement licences' to adjoining businesses in the Strand to ETC who shall retain any income there from. ETC shall undertake the day to day management of the Strand public realm, the letting of electrical supply, and the performance stage. ETC shall be responsible for granting permissions for its use by charitable organisations or commercial enterprises, and for the recovery of charges to off set the cost of administration, including the payment of any electricity charges, 'Performing Rights' payments, rates (if applicable) and all other outgoings.
- 13 ETC shall be responsible for replacement of glass and cleaning of the bus shelter (outside the Savoy Cinema)
- 14 EDDC shall be responsible for obtaining a 'Public Entertainments Licence' for the Strand area, but it will be the responsibility of individual businesses to apply for their own alcohol related licences where relevant.
- 15 Where the scheme will involve the paving of some areas of the existing park land, such paved land shall be maintained by DCC as above but ownership of such land shall remain with EDDC. Similarly, where part of the former Highway has now been landscaped, EDDC will maintain.
- 16 EDDC shall be responsible for undertaking the street cleaning, along with the emptying of any waste bins and dog bins.
- 17 It is the intention of the parties that these arrangements for the future maintenance of the premises shall operate for a period of 25 years in the first instance.
- 18 Each party shall nominate an officer who shall be the point of contact between the authorities in regard to the day to day management of the land. Should any difference in view or interpretation arise that these representatives are unable to resolve, the Chief Executives of the authorities shall endeavour to resolve the matter but if they are unable to do so, it shall be referred for determination by a single Arbitrator.

The above terms are **subject to contract** and to the necessary consents and approvals of the respective authorities. A formal agreement shall be prepared by the respective legal representatives will such include additional terms as they deem appropriate. Each party shall bear its own legal costs in preparing the agreement.

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