

# **CIVIL ESTATE OCCUPANCY AGREEMENT**

## **Volume 1**

Short Leasehold Property

## **Appendices**

**Memorandum Of Terms Of Occupation (MOTO) for use between Crown Bodies only**

- 1 This MOTO forms part of the Civil Estate Occupancy Agreement for Crown Bodies (CEOA).
- 2 This MOTO between the Scotland Office (called in this document 'the Holder') and DFID on behalf of the Independent Commission for Aid Impact (called in this document 'the Occupier') records the terms of occupation of the property known as Dover House.
- 3 The Occupier's Space comprises an area extending to 47.2 square metres ('the Space') situated on the ground floor of, Dover House, London, representing **3.36%** of the total area. "The Space" is a self-contained room (combining Rooms 6G and 8G) on the ground floor of Dover House.

<b>Floor</b>	<b>Area – sq. m.</b>
Ground Floor, Dover House, London, SW1A 2AU	47.2
<b>Total</b>	<b>47.2</b>

Other areas of access such as toilets, corridors, bicycle shed and kitchen services are shared with other occupants in the building. The video conference , broadcasting services and meeting rooms are also available to use if pre-booked and available at the time.

- 4 Subject to the rest of this MOTO the Holder will permit the Occupier to use and occupy the Space from 1 October 2015 to 30 June 2019 (the Prescribed Term) and so on until ended by either party giving notice under the terms of the CEOA.
- 5 The Occupier will pay £39,521.41 per year ('the Licence Payment') as invoiced by the Holder beginning on 1 October 2015, pro rata, invoiced by the Holder quarterly.
- 6 The Licence Payment is subject to reviews by the Holder to take effect annually on 1 April.
- 7 (a) The Holder agrees, subject to the Occupier having paid its charges identified in this MOTO:
  - (i) to provide the services listed in Part A of the First Schedule; and
  - (ii) to use reasonable efforts to ensure that the Holder's landlord provides the services listed in Part A of the First Schedule.

- (b) The Holder will provide an estimate of the Annual Service Charge (ASC) mentioned in paragraph 8(c) of this MOTO proportionate to the period of occupation during the first year plus a forward estimate of the next year's ASC. In each subsequent year, the Holder will provide details of actual ASC costs for the previous year plus an estimate for the following year.
- (c) The Holder will keep the Occupier informed of likely expenditure against estimates as the year progresses and inform the Occupier immediately if any significant or unexpected payments materialise later in the financial year.
- (d) The Holder will render four quarterly invoices for the ASC services listed in Part A of the First Schedule in accordance with the procedure set out in the CEOA. The invoices will be itemised in accordance with the Reconciliation Statement mentioned in sub-paragraph (g).
- (e) The Holder will render invoices for ad-hoc major maintenance and new works in accordance with the provisions of the CEOA.
- (f) The Holder will render invoices for services provided by its in-house staff in accordance with the provisions of the CEOA.
- (g) The Holder will undertake reconciliation processes as set out in the CEOA and at the end of the financial year provide a Reconciliation Statement in the format given in Appendix 5 of the CEOA. That Statement will show the Occupier's proportion of actual expenditure and its payments to the Holder in the year concerned together with a request for a supplementary payment or a refund if appropriate.
- 8 (a) The Occupier agrees to use the Space for the purposes only of office space and the Holder will provide utility services for this use only.
- (b) On signing this MOTO the Occupier agrees to pay the Holder the ASC for provision of the services listed in Part A of the First Schedule.
- (c) On signing this MOTO the Occupier agrees to pay the Holder its proportion of the cost of ad-hoc major maintenance arising from the provision of services listed in Part A of the First Schedule. The Occupier also agrees to pay its proportion of the cost of any new works, provided these have been properly incurred in accordance with the CEOA.

9 The Occupier will repair or reinstate to the satisfaction of the Holder (or at the option of the Holder meet the cost of repair and reinstatement of) any damage caused to its Space by fire, explosion, storm, flood, tempest, lightning, civil commotion, impact aircraft and articles dropped therefrom. In the event of substantial destruction of the property, the Occupier will meet the cost of replacement apportioned by the Agents Letting Area (ALA) or Net Internal Area (NIA).

10 For the avoidance of doubt, it is agreed and declared that:

(a) heating, water and other building services will be provided by the Holder to the standard agreed by the House Committee but the Holder will not be responsible for failure to maintain this standard in circumstances beyond its control;

(b) this Memorandum is confined to the Occupier. It does not constitute a tenancy nor create any other estate nor interest in the property. The Occupier may not seek to assign nor dispose of the benefit of this MOTO nor make any other arrangement concerning the use or occupation of the Space by anyone or any body except with the permission of the Holder; and

(c) all other terms and conditions relating to this MOTO are contained in the CEOA.

11 The parties to this MOTO will observe all its terms and conditions

Signed for and on behalf of the Holder:

Name Mr Robin Sutherland

Date 29 March 2017

Signed for and on behalf of the Occupier:

Name

Date

**Services provided to the Occupier**

<b><i>Heads and Sub-Heads of Services</i></b>	1 Services provided by Holder <input checked="" type="checkbox"/>	2 Services provided by Landlord <input checked="" type="checkbox"/>	3 Payment for services included in Licence Payment (MOTO para 5) (Y/N)	4 Payment for services included in Annual Service Charge (ASC) (MOTO para 8c) (Y/N)	5 Show agreed pro-rata basis for apportionment of costs  NIA = Net Internal Area)	6 Remaining services that are the Occupier's responsibility <input checked="" type="checkbox"/>
<b>Space</b> (provision of workspace)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>External and Structure Repair and Decoration</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>External Maintenance:</b>						
Keeping the property clean and tidy (including if appropriate, external doors, walls, windows, frames, gutters, gullies and flat roofs)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Grounds maintenance (including car parks, fences, drains, statues etc)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Building signs	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Masts, towers and flagpoles	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>Internal Repair and Decoration:</b>						
Occupier's space	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		100%	<input type="checkbox"/>
Common areas (new works/maintenance including conference rooms)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>

	1 Services provided by <b>Holder</b> <input checked="" type="checkbox"/>	2 Services provided by <b>Landlord</b> <input checked="" type="checkbox"/>	3 Payment for services included in <b>Licence Payment</b> (MOTO para 5) (Y/N)	4 Payment for services included in <b>Annual Service Charge</b> (ASC) (MOTO para 8c) (Y/N)	5 Show agreed pro-rata basis for <b>apportionment of costs</b>  NIA = Net Internal Area)	6 Remaining services that are the <b>Occupier's responsibility</b> <input checked="" type="checkbox"/>
<b><i>Heads and Sub-Heads of Services</i></b>						
Shared public facilities (eg toilet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Shared staff facilities (eg canteen, crèche)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>Building Services (M&amp;E)</b>						
Boiler plant	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Air conditioning and Mechanical ventilation plant	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Refrigeration installation including cold rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Industrial doors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Heating, etc, control systems	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Power operated conveyors	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Standby power suppliers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Lifting equipment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Lighting system in Occupier's space	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Chandelier and suspended light systems in Occupier's space	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>

<b><i>Heads and Sub-Heads of Services</i></b>	1 Services provided by Holder <input checked="" type="checkbox"/>	2 Services provided by Landlord <input checked="" type="checkbox"/>	3 Payment for services included in Licence Payment (MOTO para 5) (Y/N)	4 Payment for services included in Annual Service Charge (ASC) (MOTO para 8c) (Y/N)	5 Show agreed pro-rata basis for apportionment of costs NIA = Net Internal Area)	6 Remaining services that are the Occupier's responsibility <input checked="" type="checkbox"/>
Lighting systems in common areas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Chandelier and suspended lighting systems in common areas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Emergency lighting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Electrical motor control gear	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
HV electrical motor control gear	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
MV and LV electrical distribution systems	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Electrical earthing installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Hazardous areas electrical installation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Gas installation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Fire alarms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Security and CCTV	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>

<b><i>Heads and Sub-Heads of Services</i></b>	1 Services provided by Holder <input checked="" type="checkbox"/>	2 Services provided by Landlord <input checked="" type="checkbox"/>	3 Payment for services included in Licence Payment (MOTO para 5) (Y/N)	4 Payment for services included in Annual Service Charge (ASC) (MOTO para 8c) (Y/N)	5 Show agreed pro-rata basis for apportionment of costs NIA = Net Internal Area)	6 Remaining services that are the Occupier's responsibility <input checked="" type="checkbox"/>
Statutory examination and testing of lifts, hoists, boilers and compressors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Water supply	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Catering equipment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Communication equipment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>Building Services (other)</b>						
Heating and hot water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Gas	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Lift service	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Security and custody services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Internal cleaning of Occupier's space (offices, windows and laundry)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>



	1 Services provided by <b>Holder</b> <input checked="" type="checkbox"/>	2 Services provided by <b>Landlord</b> <input checked="" type="checkbox"/>	3 Payment for services included in <b>Licence Payment</b> (MOTO para 5) (Y/N)	4 Payment for services included in <b>Annual Service Charge</b> (ASC) (MOTO para 8c) (Y/N)	5 Show agreed pro-rata basis for <b>apportionment of costs</b>  NIA = Net Internal Area)	6 Remaining services that are the <b>Occupier's responsibility</b> <input checked="" type="checkbox"/>
<b><i>Heads and Sub-Heads of Services</i></b>						
Cleaning of common areas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Insurance	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Building Regulations Compliance Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Building condition surveys	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Fire inspections and certification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Fire fighting equipment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Window cleaning access equipment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Refuse collection	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>Office Services and Accounting</b>						
Reception/Messenger/Porters	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Central typing/Reprographic facilities	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>

	1 Services provided by <b>Holder</b> <input checked="" type="checkbox"/>	2 Services provided by <b>Landlord</b> <input checked="" type="checkbox"/>	3 Payment for services included in <b>Licence Payment</b> (MOTO para 5) (Y/N)	4 Payment for services included in <b>Annual Service Charge</b> (ASC) (MOTO para 8c) (Y/N)	5 Show agreed pro-rata basis for <b>apportionment of costs</b>  NIA = Net Internal Area)	6 Remaining services that are the <b>Occupier's responsibility</b> <input checked="" type="checkbox"/>
<b><i>Heads and Sub-Heads of Services</i></b>						
Telecoms and office machinery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Library/Travel services	<input type="checkbox"/>	<input type="checkbox"/>	N/A		N/A	<input type="checkbox"/>
Postroom and postage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
<b>Professional fees</b>						
Managing agents' fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Specialist consultant's fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>
Rating consultant's fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Y		3.36%	<input type="checkbox"/>

SERVICES PROVIDED BY THE HOLDER'S IN-HOUSE STAFF

(List all services and identify the number of Holder's and Occupier's staff benefiting from them. This will be the basis for the pro-rata apportionment of cost)

None provided

**LEASE COVENANTS/OBLIGATIONS TO BE OBSERVED AND  
PERFORMED BY THE OCCUPIER**

(List the relevant covenants/obligations as written in the lease)

Not applicable

**AMENDED CEOA TERMS RELATING TO THIS MOTO**

As per MOTO para 10 (d) list any terms or conditions if the agreed wording differs from that set out in the CEOA (Feb 2001 draft). (Include the agreed amended wording and use numbered continuation sheets as needed)

Not applicable.

## GUIDANCE NOTES FOR COMPLETION OF NEW AND RENEWAL OF EXISTING MEMORANDUM OF TERMS OF OCCUPATION (MOTO)

### 1. **Introduction**

- 1.1 The MOTO is Appendix 1 of the CEOA. It is property specific and should be prepared for each Crown body sharing occupation with the Holder of the Crown property asset.
- 1.2 The Holder should prepare the MOTO form as a draft following its marginal notes and taking into account this guidance. The draft should then be discussed with the Occupier and its terms finalised.
- 1.3 The parties in discussion should remember that the CEOA acts as the fall-back position for standard terms of occupation where an alternative agreement is either not required or has not been reached. The potential Occupier should not be refused occupation if it is prepared to accept the CEOA terms; and both Holder and Occupier have the opportunity to negotiate and agree other terms if both parties are willing (see paragraphs 3.19 and 3.20).

### 2. **Prescribed Terms**

- 2.1 Unless agreed otherwise with the Occupier, the Holder should offer Prescribed Terms related to the legal holding of the property and the appropriate provisions of the CEOA.

### 3. **Annual Service Charge (ASC)**

- 3.1 Services that are to be included in the Annual Service Charge (ASC) should be marked 'YES' in Column 4 of Schedule 1, Part A to the MOTO. The ASC should not include Licence Payment (except in exceptional circumstances), rates or services provided by the Holder's in-house staff. The House Committee may also specifically exclude ad-hoc major maintenance or new works expenditure where it considers it inappropriate for inclusion in the ASC. With regard to Licence Payment, in occupations where the Prescribed Term is short and/or the space is

small it may be more cost effective administratively for the ASC to include the Licence Payment. The MOTO marginal notes allow the necessary amendments to facilitate this. A first year estimate should be provided by the Holder alongside the draft MOTO.

#### 4. **Completion of new MOTO and its First, Second and Third Schedules**

- 4.1 In deciding the allocation of services the Holder should take into account local circumstances, its own maintenance arrangements and the competency of the Occupier to discharge any responsibilities it would take.
- 4.2 The Holder should prepare a draft Schedule 1 Part A for discussion with the Occupier:
- any services not appropriate to the space should be deleted;
  - before ticking the services in column 1 see Appendix 3;
  - any services which are neither ticked in columns 1 nor 2 are the responsibility of the Occupier and should be ticked in column 6; and
  - answer YES or NO in column 3 and 4 for each service.
- 4.3 The Holder should complete Part B if the Occupier has benefit of services provided by the Holder's in-house staff (*see CEOA paragraphs 5.31 to 5.34*).
- 4.4 The Holder should complete the Second Schedule where there are covenants/obligations to be observed by the Occupier. The Holder should offer clarification to the Occupier if there is any doubt as to what is required.
- 4.5 The Holder should complete the Third Schedule where CEOA terms have been amended by agreement with the Occupier. The agreed amendments should be included in the Third Schedule

5. **Completion of renewal MOTO and its First, Second and Third Schedules**

- 5.1 The Holder should prepare a new MOTO and Schedules where their content has been altered by varying the terms at renewal.
  
- 5.2 Although, in the absence of vacation or variation, the MOTO is renewed at the end of the Prescribed Term by default, the Holder should prepare a new MOTO and Schedules (*See CEOA paragraphs 2.8, 2.16, 3.43 and 3.44*).



**EXAMPLE OF ALLOCATION OF RESPONSIBILITY FOR MAINTENANCE AND BUILDING SERVICES IN A TYPICAL PROPERTY**

	<b>Holder's Responsibility</b>	<b>Occupier's Responsibility</b>
<b>External and Structural Repair and Decoration</b>	✓	
<b>External Maintenance</b>		
Keeping the property clean and tidy, including if appropriate external doors, walls, windows, frames, gutters, gullies and flat roofs	✓	
Grounds maintenance (including car parks, fences, drains, statues etc.)	✓	
Building signs	✓	
Masts, towers and flagpoles	✓	
<b>Internal Repair and Decorations</b>		
Occupier's space	✓	
Common areas (new works/maintenance including conference rooms)	✓	
Shared public facilities (eg toilet)	✓	
Shared staff facilities (eg canteen, crèche)	✓	
<b>Building Service (M &amp; E)</b>		
Boiler plant	✓	
Air-conditioning and mechanical ventilation plant	✓	
Refrigeration installation including cold rooms	✓	
Industrial doors	✓	
Heating, etc. control systems	✓	
Power-operated conveyors	✓	
Standby power supplies	✓	
Lifting equipment	✓	
Lighting systems in Occupier's space	✓	
Chandelier and suspended light systems in Occupier's space	✓	
Lighting systems in common areas	✓	
Chandelier and suspended light systems in common areas	✓	
Emergency lighting	✓	
New live electrical earthing installations	✓	
Hazardous areas electrical installation	✓	
Gas installation	✓	
Fire alarms	✓	
Security and CCTV	✓	
Statutory examination and testing of lifts, hoists, boilers and compressors	✓	
Water supply	✓	
Catering equipment	✓	
Communication equipment	✓	

	<b>Holder's Responsibility</b>	<b>Occupier's Responsibility</b>
<b>Building Services (other)</b>		
Heating and hot water	✓	
Gas	✓	
Water	✓	
Electricity	✓	
Lift service	✓	
Security and custody services	✓	
Internal cleaning of Occupier's space (offices, windows and laundry)	✓	
Cleaning of common areas	✓	
Insurance	✓	
Building regulations compliance check	Institutor of works' responsibility	
Building condition surveys	✓	
Fire inspections and certification	✓	
Fire fighting equipment	See note 2 below	
Window cleaning access equipment	✓	
Refuse collection	✓	

**Notes**

1. The terms of the lease may reserve some of these responsibilities for the landlord.
  
2. Fire-fighting equipment - allocation of responsibility will depend on location of what is provided locally. For example:
  - (i) externally-housed hose reels, etc are likely to fall to the Holder
  
  - (ii) internally-based equipment, eg extinguishers will fall to Occupiers.

## GUIDANCE ON ACCEPTABLE MAINTENANCE CONDITION

Roofs – finishes and components	No leaks; sound and secure; insulation in good condition
Roof Drainage, gutters and rainwater down pipes	No leaks; free flow of rainwater to drains; secure fixings
External walls and external wall finishes	No damp penetration to interior; structurally sound; rendering, copings and other finishings sound and secure
Chimney stacks and flues	Structurally sound, no damp penetration; flaunchings and terminals good
Internal walls and internal wall finishes	Structurally sound; finishes secure, sound and hygienic
Floor and ceiling finishes	Structurally sound; finishes secure, sound and hygienic
Rooflights, windows, doors, hatches and screens	Structurally sound; secure; glass sound; weather proof where necessary; easily operated; furniture and ironmongery sound and complete
Door closures, panic bars and other locking devices	Securely fixed, complete and in good working order
Internal and external staircases and balustrades	Sound and secure; treads and nosings undamaged
Fixtures - shelving, cupboards, fixed seating, worktops, notice-boards, hat and coat racks, curtain rails etc	Sound and secure; door easily operated; hygienic work surfaces; furniture and ironmongery sound and complete
Sanitary fittings etc	No leaks; surface hygienic, free discharge; securely fixed; complete; functioning correctly
Fittings in cloakrooms, washrooms, bathrooms, toilets, etc - eg towel rails (not heated), toilet roll holders, soap trays, glass shelves, mirrors, splashbacks, shower curtain rails etc	Sound and secure; complete
Soil and waste water drainage stacks	No leaks; free flowing; secure fixings

CEOA SHORT LEASEHOLD APPENDIX 4  
GUIDANCE ON ACCEPTABLE MAINTENANCE CONDITION

---

Hot and cold water services	No leaks; secure fixings; valves and cocks functioning correctly; lagging sound
Hot water heating systems	No leaks; secure fixings; valves and cocks functioning correctly; lagging sound
Electrical fixtures and fittings	Securely fixed, no loose connections, operating satisfactorily
Drainage	Free flowing; covers, gratings and frames sound; benching and channels sound; fresh air inlets sound and clear
Paving and paths	Sound and even surface with no pot holes or sinkings; kerbs and edgings sound; no safety hazards
Fences, boundary walls, barriers, gates, guard-rails, bollards etc	Sound and secure, no safety hazards

---

**MOTO - RECONCILIATION STATEMENT EXAMPLE**

Site address: Dover House, 66 Whitehall, London, SW1A 2AU

Period: 1 October 2015 to 31 March 2016

Description	Apportionment basis	Estimated cost (paid)	Actual costs
<b>Licence Payment</b> Rent	£39,529.41 per annum (pro rata and all inclusive), effective from 1 October 2015	£16,470.59 (calculated for 5 months pro rata, to 31 March 2016. The period 1 April 2016 to 31 March 2017 will be estimated in March 2016, and will take into account any payments of rent paid prior to the this MOTO coming in to effect.	
<b>Rates</b>	0	0	0
<b>Services provided by Holder's in-house staff</b>	0	0	0
<b>Total</b>	£39,529.41 per annum (pro rata and all inclusive licence fee)	<b>A</b> £16,470.59	<b>B</b>

Estimated Costs: Total **A**      £      If difference is + (ie **A** > **B**) a refund is due from Holder to Occupier

Actual Costs:      Total **B**      £      If difference is – (ie **A** < **B**) an additional payment is due to Holder from Occupier

Difference:      Total **A - B**      £

<b>Annual Service Charge (ASC)</b>			
External Structural Repairs & Decoration	N/A	N/A	N/A
External Maintenance			
Internal Repair and Decoration			
Buildings Services (M & E)			
Buildings Services (Other)			
Office Services and Accounting			
Professional Fees			

CEOA SHORT LEASEHOLD APPENDIX 5  
RECONCILIATION STATEMENT - EXAMPLE

<b>ASC Total *</b>	<b>N/A</b>	<b>A</b>	<b>0</b>	<b>B</b>	<b>0</b>
--------------------	------------	----------	----------	----------	----------

\* **Note:** If the actual costs in respect of the ASC are greater/less than estimated but they fall within the 'acceptable variance' (+/- 10% of ASC up to a maximum £5,000) no further action will be taken. However, if they fall outside the 'acceptable variance' an additional refund/payment will be necessary (see *CEOA paragraphs 5.29 and 5.30*).