

**“GREEN LEASE” PROVISIONS FOR INCLUSION IN
LEASE OF PART OF COMMERCIAL PREMISES**

This is intended to comprise a “stand alone” schedule of sustainability provisions which can be bolted on to a new lease, together with an appropriate obligation which should be included in the main body of the lease for the parties to comply with the provisions of this schedule.

The defined terms in this schedule are consistent with those in the PLC model form lease of part of office premises. Sections in square brackets relate to EPC obligations, and should be checked against provisions in the main body of the lease as PLC model form leases should already include some EPC obligations elsewhere within the lease. Where no such obligations exist elsewhere in the lease, the sections in square brackets in this schedule should be included.

Other assumptions include:

- This is a headlease (underleases must be reviewed to ensure consistency with obligations or restrictions in headleases where relevant)
- Tenant to repair its let premises, referred to as the “Property” in this schedule and in the PLC model form lease
- Tenant’s premises comprise part only of a building and are an “internal demise” (i.e. they do not include the exterior walls, roofs etc.)
- Landlord to insure the building where the premises are situated
- Landlord retains responsibility for repair and maintenance of its retained parts and common parts of the building

SCHEDULE [X] - SUSTAINABILITY

1 INTERPRETATION

Definitions:

[Energy Assessor means an individual who is a member of an association scheme approved by the Secretary of State in accordance with regulation 22 of the EPC Regulations.]

[Energy Performance Certificate means a certificate as defined in regulation 2(1) of the EPC Regulations.]

Environmental Performance means all or any of the following arising from the operation or use of the Property and/or the Building:

- (a) Energy consumption.
- (b) Water consumption and discharge.
- (c) Waste generation and management.
- (d) Generation and/or emission of greenhouse gases.
- (e) Other adverse environmental impacts.

Environmental Performance Data means data in respect of energy consumption, water use and discharge, waste production and recycling relating to the Property and/or the Building.

[EPC Regulations means the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).]

Improvement in Environmental Performance includes all or any of the following:

- (a) Reduction in or improved efficiency of energy consumption, including selection of alternative sources of energy with a lower environmental impact.
- (b) Reduction in generation and/or emission of greenhouse gases.
- (c) Reduction in or improved efficiency of water consumption or discharge.
- (d) Reduction in waste generation.
- (e) Improvement in the rate or efficiency of waste recycling or reuse of resources.
- (f) Reduction of other adverse environmental impacts.

in each case, taking into account any changes in the use or intensity of use of the Property and/or the Building (and "improve the Environmental Performance" shall be construed in like manner).

[Recommendation Report means a report as defined in Regulation 4 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).]

2 CO-OPERATION TO IMPROVE ENVIRONMENTAL PERFORMANCE

2.1 The Landlord and the Tenant confirm that they:

- 2.1.1 wish to promote and improve the Environmental Performance of the Property and the Building; and

- 2.1.2 agree to co-operate with each other to identify appropriate strategies for the Improvement of the Environmental Performance of the Property and the Building.

3 ENVIRONMENTAL FORUM

- 3.1 The Landlord will provide a forum (“the **Forum**”) that will meet on a regular basis to:
 - 3.1.1 consider the adequacy and improvement of data sharing on energy and water use, waste production and recycling;
 - 3.1.2 review the Environmental Performance of the Property and/or the Building;
 - 3.1.3 agree targets and strategies for a travel plan for travelling to and from the Property and/or the Building, including consideration of electric vehicle infrastructure; and
 - 3.1.4 agree targets and strategies to improve the Environmental Performance of the Property and/or the Building.
- 3.2 The Forum may take the form of a building management group which meets in person, but alternative appropriate means of communication and/or exchange of views shall be acceptable.
- 3.3 The Landlord and the Tenant will each nominate a suitable person to participate on their behalf in the Forum, and will use reasonable endeavours to ensure that that nominee attends or participates in any Forum meetings or discussions of which appropriate advance notice has been given.
- 3.4 The Landlord and the Tenant may agree that other third parties may participate in the forum, for a specified period and/or for a specified purpose.
- 3.5 The Landlord will use reasonable endeavours to ensure that a representative of any managing agent appointed by the Landlord attends and participates in any Forum meetings or discussions of which appropriate advance notice has been given.
- 3.6 Where any of the issues considered, reviewed or agreed in the Forum relate exclusively to the Property, either the Landlord or the Tenant may request that these are also discussed between them and their authorised agents only (and not with any other permitted participants in the Forum).

4 DATA SHARING

- 4.1 The Landlord and the Tenant will share the Environmental Performance Data they hold relating to the Property and/or the Building. This Environmental Performance Data will be shared on a regular basis with each other, with any managing agent appointed by the Landlord and with any third party who the Landlord and the Tenant agree needs to receive such data.
- 4.2 Unless they are under a statutory obligation of disclosure, the Landlord and the Tenant will keep confidential the Environmental Performance Data shared under this paragraph 4, and will only use such data for the purposes of:
 - 4.2.1 monitoring and improving the Environmental Performance of the Property and/or the Building; and/or
 - 4.2.2 measuring the Environmental Performance of the Property and/or the Building against any agreed targets.
- 4.3 The Landlord will ensure that any managing agent appointed by the Landlord is placed under a similar obligation to keep any shared data confidential on the same terms as this paragraph 4.

5 METERING - LANDLORD'S OPTION

5.1 The Landlord may at its own cost install equipment (whether fiscal meters, sub-meters or check meters or other equipment) to measure the supply of gas, electricity or other energy or utility supplied to the Property and the Landlord and/or its agents shall have the right to enter and remain on the Property (with workmen, contractors, and necessary equipment) at reasonable times in order to carry out such works provided that:

5.1.1 reasonable prior notice in writing is given by the Landlord to the Tenant of such proposed entry;

5.1.2 installation of the equipment will not adversely affect the Tenant's beneficial use and occupation of the Property to any material extent; and

5.1.3 the Landlord makes good, at its own expense, promptly and in a good and workmanlike manner, any damage to the Property caused by the carrying out of such works.

6 METERING - TENANT'S OPTION

The Tenant may request the Landlord to install (at the Tenant's expense) a sub-meter or check meter to monitor the supply of gas, electricity or other energy or utility supplied to the Property. The Landlord shall, where the installation is reasonably practicable, and the Tenant has made available the necessary funds, carry out or procure the carrying out of such works within a reasonable time and in a good and workmanlike manner.

7 EXTENDING THE LANDLORD'S RIGHTS TO DO WORKS

7.1 The Landlord and/or its agents may (on giving reasonable prior notice to the Tenant) enter and remain on the Property (with workmen, contractors and necessary equipment) at reasonable times for any of the following purposes:

7.1.1 taking reasonable steps to review or measure the Tenant's energy and water use and its waste production or waste management except where up-to-date information in this respect has already been provided to the Landlord by the Tenant; and

7.1.2 carrying out at the Landlord's expense works which are agreed by the Tenant (acting reasonably) and are intended to improve the Environmental Performance of the Building (provided that such works cause as little disruption as reasonably possible and when complete do not adversely affect the Tenant's beneficial use and occupation of the Property).

7.2 The Landlord must make good at its own expense, promptly and in a good and workmanlike manner, any damage caused to the Property by the carrying out of such works.

8 RESTRICTION ON THE LANDLORD'S RIGHT TO DO WORKS

The Landlord must not carry out any works to the Building or to the plant, equipment or services within and serving the Building which will adversely affect the Environmental Performance of and/or any Energy Performance Certificate asset rating of the Property and/or the Building.

9 RESTRICTIONS ON THE TENANT'S ALTERATIONS

The Tenant must not carry out any alterations to the Property or to the plant, equipment or services within and serving the Property which will adversely affect the Environmental Performance of [and/or any Energy Performance Certificate asset rating of] the Property and/or the Building.

10 EXPANSION OF THE TENANT'S ABILITY TO DO ALTERATIONS WHICH IMPROVE THE ENVIRONMENTAL PERFORMANCE

10.1 The Tenant may, with the Landlord's consent (which shall not be unreasonably withheld) carry out alterations to the Property which are designed to improve the Environmental Performance of the Property and/or the Building, provided that such alterations:

10.1.1 will not adversely affect the performance or the life cycle of any mechanical or electrical services, or any other plant, equipment or services in the Building; and

10.1.2 are not structural alterations.

11 [TENANT'S COMMISSION OF ENERGY PERFORMANCE CERTIFICATE

11.1 Where the Tenant is required by the EPC Regulations to commission an Energy Performance Certificate (whether for the Property or the Building), the Tenant must at the request of the Landlord either:

11.1.1 commission an Energy Performance Certificate from an Energy Assessor approved by the Landlord; or

11.1.2 pay the costs of the Landlord of commissioning an Energy Performance Certificate for the Property or the Building]

12 [PROVISION OF ENERGY PERFORMANCE CERTIFICATE

The Tenant must deliver to the Landlord a copy of any Energy Performance Certificate and Recommendation Report for the Property or the Building that is obtained or commissioned by the Tenant or any other occupier of the Property]

13 [CO-OPERATION IN PRODUCTION OF AN ENERGY PERFORMANCE CERTIFICATE

The Tenant must co-operate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain any Energy Performance Certificate and Recommendation Report for the Property or the Building, including providing the Landlord with copies of any plans or other information held by the Tenant that would assist in obtaining that Energy Performance Certificate, and shall allow such access to any energy assessor appointed by the Landlord as is reasonably necessary to inspect the Property for the purposes of preparing any Energy Performance Certificate and/or Recommendation Report for the Property or the Building.]

14 REINSTATEMENT OF TENANT'S ALTERATIONS

The Tenant shall not be required to reinstate any tenant's alterations which have been carried out lawfully during the term where such reinstatement would adversely affect the Environmental Performance of the Property or the Building unless such reinstatement is reasonably required by the Landlord having regard to its intentions in respect of the use or re-letting of the Property or the Building after the expiry or sooner determination of the term.