

Dated

2020

(1) South Holland District Council

and

(2) James Douglas Braybrooks

and

(3) Doris Brenda Carrott

and

(4) Larkfleet Limited

PLANNING OBLIGATION BY DEED
Section 106 of the Town and Country Planning Act 1990

**Relating to land north of Roman Road,
Moulton Chapel, Spalding**

**South Holland District Council
Council Offices
Priory Road
Spalding
PE11 2XE**

SHDC Reference: LD/H13-1215-18

Date 2020

BETWEEN

- (1) **SOUTH HOLLAND DISTRICT COUNCIL** of Council Offices, Priory Road, Spalding, PE11 2XE (“the Council”); and
- (2) **JAMES DOUGLAS BRAYBROOKS** of Croft House, Moulton Chapel Road, Cowbit, Spalding (“the First Owner”); and
- (3) **DORIS BRENDA CARROTT** of 52 Roman Road, Moulton Chapel, Spalding, PE12 0XQ (“the Second Owner”) and
- (4) **LARKFLEET LIMITED** (Company Registration No. 3520125) of Larkfleet House, Flacon Way, Southfields Business Park, Bourne, PE10 0FF (“the Developer”)

INTRODUCTION

- (A) The Council is the Local Planning Authority for the purposes of the Act for the area within which the Land is situated.
- (B) The First Owner is the freehold owner of the part of the Land registered under title number LL183859
- (C) The Second Owner is the freehold owner of part of the Land registered under title number LL338981
- (D) The Developer has the benefit of option to purchase the Land from the Owners dated 29 May referred to in entry number 1 of the charges register of title number LL183859 and referred to in entry number 2 of the charges register of title number LL338981
- (E) The Developer has applied to the Council for planning permission for the Land under reference H13-1215-18 for residential development for 86 Dwellings.
- (F) The Council resolved on 15 January 2020 to grant Planning Permission for the Development in accordance with the Application subject to the parties entering this Deed without which Planning Permission for this Development would be refused.
- (G) The parties have agreed to enter into this Deed in order to secure the planning obligations contained in this Deed.
- (F) The parties agree that the planning obligations contained in this Deed are necessary to comply with the requirements of regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended).

NOW THIS DEED WITNESSES AS FOLLOWS:**1. DEFINITIONS**

For the purposes of this Deed the following expressions shall have the following meanings:

"Act"	means the Town and Country Planning Act 1990 as amended
"Affordable Dwellings"	means those Dwellings within the Development comprising Affordable Housing being 12 of the total number of Dwellings to be provided as part of the Development and for the purposes of this Deed means those Dwellings comprising Affordable Housing which are shown, for identification purposes only, on the Affordable Housing Plan
"Affordable Housing"	means affordable housing as described in Annex 2 of the National Planning Policy Framework dated February 2019, or any Planning Policy Statement, Guidance Notes or Circulars which may amend, supplement or supersede
"Affordable Housing Contribution"	means a financial contribution calculated in accordance with the Affordable Housing Contribution formula set out at Annex A Part 1 or Part 2 to this Deed
"Affordable Housing Plan"	means the plan identifying the proportion and distribution of the Affordable Housing included within the Development labelled as drawing number SI-01 Rev E and attached at Annex B or as otherwise agreed with the Council (acting reasonably

	and such consent not to be unreasonably withheld or delayed)
“Affordable Housing Provider”	means (a) a body whose function or aim is to provide and manage Affordable Housing (including Affordable Housing of the type and amount proposed within the Development) (b) a provider (pursuant to Part 2 of the Housing and Regeneration Act 2008) registered with Homes England or (c) an alternative affordable housing provider (including but not limited to a housing trust or company, a community land trust or an almshouses society) which has been approved by the Council in writing (such approval not to be unreasonably withheld or delayed)
“Affordable Housing Scheme”	means the scheme for securing the Affordable Housing and detailing the design, tenure, mix, size and location of the Affordable Housing to be provided as part of the Development and consisting of 8 Rented Dwellings being delivered as 5 two-bedroom houses (plots numbers 34, 35, 49, 50 and 86) and 3 three-bedroom houses (plot numbers 8, 9 and 10) and 4 Shared Ownership Dwellings being provided as 4 three-bedroom houses (plot numbers 36, 37, 47 and 48) as shown, for identification purposes only, on the Affordable Housing Plan unless such other alternative mix, percentages(s) and/or plot(s) is agreed with the Council acting reasonably

"Affordable Rent Dwelling"	means an Affordable Dwelling rented to an Eligible Household by a local authority or an Affordable Housing Provider subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable) and where the rent and service charge must not exceed the local housing allowance for the relevant area which is reviewed annually and "Affordable Rent" shall be construed accordingly
"Application"	means the application for Planning Permission for the Development and allocated reference number H13-1215-18
"Chargee"	means a mortgagee or chargee (or any receiver) including an administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator (each a Receiver) of the whole or any part of the Affordable Dwellings
"Commencement of Development"	means the date on which any material operation (as defined in Section 56(4) of the Act) forming part of the Development begins to be carried out other than (for the purposes of this Deed and for no other purpose) operations consisting of: <ul style="list-style-type: none"> • access, • site clearance,

	<ul style="list-style-type: none"> • demolition work, • archaeological investigations, • investigations for the purpose of assessing ground conditions, • remedial work in respect of any contamination or other adverse conditions, • the laying or diversion of services, • the erection of hoardings or other temporary means of enclosure, and • the temporary display of site notices or advertisements
"Commencement Notice"	means written notice to the Council of the intended date of Commencement of Development
"Development"	means the residential development of the Land for 86 Dwellings, pursuant to the Planning Permission
"Dwelling"	means any unit of residential accommodation constructed pursuant to the Planning Permission
"Education Authority"	means the Local Education Authority for the area within which the land is situated.
"Education Contribution"	means a contribution of one hundred and twelve thousand seven hundred and sixty four pounds (£112,764) which arises out of the need to provide primary places as a consequence of the Development and the contribution shall be used towards one additional classroom at Moulton Chapel Primary School
"Eligible Household"	means a household whose housing needs are not met by the market at a cost low

	<p>enough for them to afford. Determined with regard to local incomes and local house prices and who will be proposed as the owners and/or occupiers of an Affordable Dwelling in accordance with a Nomination Agreement AND FOR THE AVOIDANCE OF DOUBT no national or local prioritisation criteria shall apply in respect of Intermediate Dwellings where those provisions would prevent it from being included on Homes England's National Affordable Housing Programme or any successor programme approved by the Council in writing</p>
"Health Care Facilities Contribution"	<p>means a contribution of twenty eight thousand three hundred and eighty pounds (£28,380) which arises as a direct consequence of the Development and the contribution shall be used towards an extension to Moulton Medical Centre including the reconfiguring of the internal space by creating additional rooms for clinicians and making their dispensary and reception area more efficient through improving patient flow</p>
"Health Care Provider"	<p>means the relevant regional health care provider for NHS England</p>
"Homes England"	<p>means the executive non-departmental public body, sponsored by the Ministry of Housing, Communities & Local Government and trading as Homes England or such successor body for the time being having or being entitled to</p>

	exercise the power to regulate affordable housing providers now conferred on such organisation under the Housing and Regeneration Act 2008 or any legislation replacing or amending the same
"Index"	means All in Tender Price Index published by the Building Cost Information Service of the Royal Institution of Chartered Surveyors or any successor organisation or if such index no longer exists such other index as is agreed between the parties
"Indexation"	means indexed as set out in Clause 11 of this Deed
"Interest"	means interest at the base rate of Lloyds Bank PLC plus 4%
"Intermediate Rent Dwellings"	means a rent equivalent to 80% of the local market rent inclusive of any service charge and where the rent and service charge must not exceed the local housing allowance for the relevant area which is reviewed annually
"Land"	means the land as described in Schedule 1 against which this Deed may be enforced as shown edged red on the Plan
"Maintenance Period"	means a period of twelve (12) months after the Public Open Space Land has been laid out in accordance with the Planning Permission the Specification and paragraph 4 of Schedule 3.
"Management Company"	means a company set up to maintain the Public Open Space in accordance with the approved proposals as required in Schedule 3

"Market Dwelling"	means a dwelling forming part of the Development which is general market housing for sale or rent on the open market and which is not Affordable Housing
"the Nomination Agreement"	means an agreement negotiated between the Council and the Affordable Housing Provider which guarantees the Affordable Rental Dwellings will be let on the Council's Housing Register substantially in the form set out and attached hereto at Schedule 5
"Public Open Space"	means that part of the Land to be laid out as informal and/or formal public open space serving the Development in accordance with the Planning Permission and paragraph 4 of Schedule 3
"Occupation" and "Occupied"	means occupation for the purposes permitted by the Planning Permission but not including occupation by personnel engaged in construction, fitting out or decoration or occupation for marketing or display or occupation in relation to security operations.
"Owners"	means the First Owner and Second Owner collectively
"Plan"	means the plan attached to this Deed being the location plan submitted with the Application
"Planning Permission"	means the planning permission to be granted by the Council on completion of this Deed and attached in draft hereto at Schedule 2
"Practical Completion"	means the completion of a Dwelling to a standard which is wind and watertight and

	<p>fit for its intended use in terms of heating, plumbing, electrics and sanitation and “Practically Complete” shall be construed accordingly and a completion certificate issued pursuant to the then current Building Regulations shall be conclusive evidence that a Dwelling is practically complete.</p>
<p>“Protected Person”</p>	<p>means a person who:</p> <ol style="list-style-type: none"> 1.1 has exercised the right to acquire pursuant to the Housing Act 1996 or any statutory provision for the time being in force (or any equivalent contractual right) in respect of a particular Affordable Dwelling; 1.2 has exercised any statutory right to buy (or any equivalent contractual right) in respect of a particular Affordable Dwelling; 1.3 has been granted a shared ownership lease by the Affordable Housing Provider (or similar arrangement where a share of the Affordable Dwelling is owned by the tenant and a share is owned by the Affordable Housing Provider or other body or organisation) in respect of a particular Affordable Dwelling and the tenant has subsequently purchased from the Affordable Housing Provider all the remaining shares so that the tenant owns the entire freehold or

	leasehold of the Affordable Dwelling.
Public Open Space Land	means the part of the Land to be laid out as informal and/or informal open space serving the Development in accordance with the Planning Permission and paragraph 4 of Schedule 3 hereto and comprising xx acres as shown coloured green on the Affordable Housing Plan
"Rented Dwellings"	means dwellings which are available to rent from an Affordable Housing Provider which will include either Affordable Rent Dwellings or Social Rented Housing or Intermediate Rent Dwellings where the Council in its discretion determines that this is an appropriate tenure (acting reasonably and such consent not to be unreasonably withheld or delayed)
"Shared Ownership Dwellings"	means dwellings purchased on a Shared Ownership Lease
"Shared Ownership Lease"	means a lease in a form approved by Homes England or where there is no such form in a form approved by the Council. Such lease to provide for the following: <ul style="list-style-type: none"> - not more than 75% and not less than 25% of the equity (or such other percentages the Council may agree) shall be initially sold to the purchaser by the Affordable Housing Provider - power to the purchaser to increase their ownership to 100% if they so wish

	<p>- an initial rent not exceeding 2.75% of the value of the equity retained by the Affordable Housing Provider subject to annual increases not exceeding the Retail Price Index (All Items) published by the Office for National Statistics (or if such index ceases to be published such other index as the Council shall reasonably determine) plus 0.5% or such other rent as complies with the requirements from time to time of Homes England</p>
"Social Rented Housing"	<p>means homes owned by either the Council or an Affordable Housing Provider which are let at low rents determined by government guidelines through the national rent regime or its equivalent successor document on a secure basis to those persons who are in housing need.</p>
"the Specification"	<p>means the specification in relation to the Public Open Space Land annexed hereto at Annex C</p>
"Working Days"	<p>means any day other than a Saturday Sunday or public or bank holiday in England</p>

Commented [DL1]: Do we have a copy of the specification for the public open space?

2. CONSTRUCTION OF THIS DEED

2.1 Where in this Deed reference is made to any clause, paragraph, schedule or recital such reference (unless the context otherwise requires) is a reference to a clause, paragraph, schedule or recital in this Deed.

2.2 Words importing the singular meaning where the context so admits include the plural meaning and vice versa.

- 2.3 Words of the masculine gender include the feminine and neuter genders and words denoting actual persons include companies, corporations and firms and all such words shall be construed interchangeably
- 2.4 Wherever there is more than one person named as a party and where more than one party undertakes an obligation all their obligations can be enforced against all of them jointly and against each individually unless there is an express provision otherwise.
- 2.5 Any reference to an Act of Parliament shall include any modification, extension or re-enactment of that act for the time being in force and shall include all instruments, orders, plans, regulations, permissions and directions for the time being made, issued or given under that act or deriving validity from it.
- 2.6 References to any party to this Deed shall include the successors in title to that party and to any deriving title through or under that party to the Land or any part thereof and in the case of the Council, successors to its functions.

3. LEGAL BASIS

- 3.1 This Deed is made pursuant to Section 106 of the Act, Section 111 of the Local Government Act 1972, Section 1 of the Localism Act 2011 and Section 93 of the Local Government Act 2003 and all other enabling powers with the intent that the covenants and obligations shall run with the Land.
- 3.2 The covenants, restrictions and obligations under this Deed are planning obligations pursuant to Section 106 of the Act and may be enforced by the Council.

4. CONDITIONALITY

- 4.1 This Deed and the obligations contained herein is conditional upon
- (a) the grant of Planning Permission; and
 - (b) the Commencement of Development
- SAVE FOR** the provisions of Clauses 8.2, 8.4 and 10 (legal costs, local land charge and change of ownership clauses) and any other relevant provisions which shall come into effect immediately upon completion of this Deed.

5. THE OWNERS' COVENANTS

- 5.1 The Owners covenant with the Council as set out herein

6. THE COUNCIL'S COVENANTS

6.1 The Council covenants to comply with its obligations as set out herein.

7. NOTICES AND RECORD KEEPING

7.1 Any notices required to be served pursuant to this Deed shall be deemed to have been properly served if delivered by hand or sent by recorded or special delivery to the principal address or registered office (as appropriate) of the relevant party or other such other address as may be notified by one party to other from time to time.

7.2 The Developer shall serve the Commencement Notice upon the Council at least twenty (20) Working Days prior to the Commencement of the Development.

8. MISCELLANEOUS

8.1 Nothing contained or implied in this Deed shall prejudice or affect the rights, discretions, powers and duties of the Council under all statutes by-laws statutory instruments orders and regulations in the exercise of the functions as a local authority.

8.2 On completion of this Deed, the Owners shall pay to the Council their reasonable legal costs that have been incurred in the negotiation and completion of this Deed

8.3 No provisions of this Deed shall be enforceable under the Contracts (Rights of Third Parties) Act 1999.

8.4 This Deed shall be registerable as a local land charge by the Council.

8.5 Where the agreement, approval, consent or expression of satisfaction is required by the Owners from the Council under the terms of this Deed such agreement, approval, consent or expression of satisfaction shall not be unreasonably withheld or delayed

8.6 Insofar as any clause or clauses of this Deed are found (for whatever reason) to be invalid illegal or unenforceable then such invalidity illegality or unenforceability shall not affect the validity or enforceability of the remaining provisions of this Deed.

- 8.7 This Deed shall cease to have effect (insofar only as it has not already been complied with) if the Planning Permission shall be quashed, revoked or otherwise withdrawn or (without the consent of the Owners) modified by any statutory procedure or expires prior to the Commencement of Development.
- 8.8 No person shall be liable for any breach of any of the planning obligations or other provisions of this Deed after they shall have irrevocably parted with their entire interest in the Land or part of the Land but without prejudice to liability for any subsisting breach arising in relation to that part prior to parting with such interest.
- 8.9 This Deed shall not be enforceable against:
- 8.9.1 owners occupiers or tenants of Dwellings (other than Affordable Dwellings in respect of the obligations contained in paragraph 1 of Schedule 3) nor against those deriving title from them;
 - 8.9.2 any party solely as a result of such party possessing an interest in the Land relating to subsoil of land which has been adopted by the Council or any other relevant public body as maintainable at public expense;
 - 8.9.3 statutory undertakers acquiring an interest in the Land for the purposes of their undertaking;
- 8.10 The provisions of paragraph 1 of Schedule 3 of this Deed (Affordable Housing) shall not be binding on a Chargee or any persons or bodies deriving title through such Chargee **PROVIDED THAT** the Chargee has complied with the requirements of paragraph 1.11 of Schedule 3 of this Deed.
- 8.11 Representatives of the Council may enter upon the Land at any reasonable time upon reasonable prior written notice to ascertain whether the terms of this Deed are being or have been complied with.
- 8.12 Nothing in this Deed shall prohibit or limit the right to develop any part of the Land in accordance with a planning permission (other than the Planning Permission) granted (whether or not on appeal) after the date of this Deed.

9. WAIVER

- 9.1 No waiver (whether expressed or implied) by the Council or the Owners of any breach or default in performing or observing any of the covenants terms or conditions of this Deed shall constitute a continuing waiver and no such waiver

shall prevent the Council or the Owners from enforcing any of the relevant terms or conditions or for acting upon any subsequent breach or default.

10. CHANGE OF OWNERSHIP

10.1 The Owners agrees with the Council to give the Council immediate written notice of any change in the ownership of any of its interest in the Land occurring before all the obligations under this Deed have been discharged such notice to give details of the transferees name and address together with details of the part of the Land disposed of **PROVIDED THAT** this shall not apply in relation to the sale or lease of a single Dwelling

11. INDEXATION

11.1 The sums referred to in the Schedules shall be linked to the Index to the intent that the actual amounts to be paid shall be the amounts of the relevant payments as set out in Schedules Three and Four divided by the Index figure last published prior to the date of this Deed multiplied by the Index figure last published before the due date for payment and "Indexation" shall be construed accordingly.

12. INTEREST

12.1 If any payment due under this Deed is paid late, Interest will be payable from the date payment is due to the actual date of payment.

13. VAT

13.1 Any consideration given under this Deed shall be done in such a way that the VAT liability is borne by the Owners and not the Council.

14. DISPUTE RESOLUTION

14.1 In the event of any dispute or difference arising between any of the parties to this Deed in respect of any matter contained in this Deed such dispute or difference shall be referred to an independent and suitable person holding appropriate professional qualifications to be appointed by agreement between the parties or in the absence of agreement as to the identity of the person by

or on behalf of the president for the time being of the professional body chiefly relevant in England with such matters as may be in dispute.

- 14.2 In the absence of agreement as to the appropriateness of the professional body then such question may be referred by any party to the president for the time being of the Royal Institution of Chartered Surveyors for him to determine the appropriate professional body.
- 14.3 Any person appointed pursuant to this clause shall act as an expert and his decision shall be final and binding on the parties in the absence of manifest error or fraud.
- 14.4 The expert's costs shall be payable by the parties to the dispute in such proportion as the expert shall determine and failing such determination shall be borne by the parties in equal shares.
- 14.5 Any expert shall be appointed subject to the express requirement that a decision is reached and communicated to the relevant parties within the minimum practicable timescale allowing for the nature and complexity of the dispute and in any event not more than forty (40) Working Days after appointment.
- 14.6 The expert shall be required to give notice to each of the said parties requiring them to submit to him within ten (10) Working Days written submissions and supporting material and each party will be entitled to make a counter written submission on the other party's original submission within a further ten Working Days.

15. JURISDICTION

- 15.1 This Deed is governed by and interpreted in accordance with the law of England.

16. EXECUTION AND DELIVERY

This Deed is executed as a deed by the parties and is delivered on the date first hereinbefore written

IN WITNESS whereof the parties hereto have executed this Deed on the day and year first before written.

SCHEDULE 1
DETAILS OF THE OWNERS TITLE, AND DESCRIPTION OF THE LAND

The Land is known as land north of Roman Road, Moulton Chapel and falling within Title Numbers LL183859 and LL338981 shown, for identification purposes only, edged red on the Plan.

H13-1215-18

**SCHEDULE 2
PLANNING PERMISSION**

SCHEDULE 3
THE OWNERS COVENANTS

The Owners covenants with the Council as follows:

1. AFFORDABLE HOUSING

- 1.1 Not to Occupy or permit the Occupation of more than 40% of the Market Dwellings until the construction of all Affordable Dwellings has been commenced in accordance with the Affordable Housing Scheme and written notification of that commencement has been received by the Council
- 1.2 Not to Occupy or permit the Occupation of more than 60% of the Market Dwellings until the construction of all Affordable Dwellings has been certified Practically Complete and has been transferred to the Affordable Housing Provider.
- 1.3 To use all reasonable endeavours to transfer the Affordable Dwellings which the Owners is obliged to provide under the Affordable Housing Scheme to the Affordable Housing Provider and/or the Council in accordance with paragraph 1.4 below and should the Affordable Housing Provider be a provider (pursuant to Part 2 of the Housing and Regeneration Act 2008) registered with Homes England on terms that accord with relevant funding requirements of Homes England current at the date of construction of the Affordable Housing.
- 1.4 The transfer shall contain inter alia the following:
 - 1.4.1 a grant in favour of the Affordable Housing Provider of all rights of access passage of services and other rights reasonably necessary for the beneficial enjoyment of the Affordable Dwellings;
 - 1.4.2 reservation of all rights of access and passage of services and rights of entry and all usual covenants reasonably necessary or appropriate for the beneficial enjoyment of the retained parts of the Land;
 - 1.4.3 a covenant by the Affordable Housing Provider not to use the transferred Affordable Housing other than for the purposes of providing Affordable Housing in perpetuity but subject to the exemption clauses at paragraph 1.9 and 1.10 below.
- 1.5 For the purposes of this Deed "all reasonable endeavours" shall include (but

not necessarily limited to) the following:

- 1.5.1 the Owners diligently undertaking negotiations with all willing Affordable Housing Providers and/or the Council unless and until paragraph 1.7 below applies;
 - 1.5.2 the Owners shall avoid negotiating a sale to any Affordable Housing Provider of only the Intermediate Dwelling where this would result in the Owners being unable to secure the transfer of the Rented Housing to an Affordable Housing Provider;
 - 1.5.3 the Owners keeping the Council informed of its progress in negotiating a sale when requested by the Council but in any event on a quarterly basis beginning with the Commencement of Development and proactively taking into account comments made by the Council on that progress
- 1.6 Where contracts are exchanged with an Affordable Housing Provider pursuant to paragraph 1.3 above to supply a certified copy of such contract to the Council within five (5) Working Days of such contract being completed.
- 1.7 Where the Affordable Housing Provider is unwilling to take a transfer of an Affordable Dwelling and the Owners has supplied to the Council evidence of the use of all reasonable endeavours to secure a transfer of such Affordable Dwelling to an Affordable Housing Provider (including copies of any offers to and responses from any Affordable Housing Provider) and the Council having taken into account paragraph 1.5 above is satisfied (acting reasonably) that having used all reasonable endeavours the Owners is unable to identify an Affordable Housing Provider willing to purchase the Affordable Dwelling then the Owners shall at the Council's discretion either:
- 1.7.1 provide instead an alternative tenure of Affordable Housing for that Affordable Dwelling such tenure to be approved in writing by the Council acting reasonably **AND** where any such Affordable Dwelling is a tenure referred to in this Deed then that Dwelling shall be subject to the relevant provisions of this Deed **SUBJECT TO** the Owners paying an Affordable Housing Contribution calculated in line with the Affordable Housing Contribution Formula set out in Annex A Part 1 for the difference in values of the tenure of the Affordable Housing such sum to be used for the provision of off-site

Affordable Housing; or

- 1.7.2 pay to the Council an Affordable Housing Contribution calculated in line with the Affordable Housing Contribution Formula set out in Annex A Part 2 and upon the Council providing written confirmation that such Affordable Housing Contribution has been received that Affordable Dwelling shall be discharged from the terms of this Deed and the Owners shall be free to sell that Dwelling on the open market to an individual purchaser and the Council shall remove reference to this Deed in the local land charges register in relation to that Dwelling
- 1.8 All Affordable Housing must be constructed in accordance with such guidance as shall be issued by Homes England or its successor and approved in writing by the Council however in the absence of such guidance or standards shall be constructed to a standard agreed in writing with the Council.
- 1.9 All Affordable Dwellings shall be indistinguishable from the Market Dwellings.
- 1.10 From the date of Practical Completion of the Affordable Dwellings in each Phase they shall not be used other than for Affordable Housing save that this obligation shall not be binding on:
- 1.10.1 any Protected Person or any mortgagee of a Protected Person or any person deriving title from a Protected Person or any successor in title thereto and their respective mortgagees and chargees; or
- 1.10.2 any Chargee provided that the Chargee shall have first complied with the Chargee's Duty contained in paragraph 1.11 below; and
- 1.10.3 any purchaser from a mortgagee of an individual Affordable Dwelling pursuant to any default by the individual mortgagor
- 1.11 The affordable housing provisions in this Deed shall not be binding on a Chargee **PROVIDED THAT** such Chargee shall first give written notice to the Council of its intention to dispose of the Affordable Dwellings and shall have used reasonable endeavours over a period of three (3) months from the date of the written notice to complete a disposal of the Affordable Dwellings to another registered provider or to the Council for a consideration not less than the amount due and outstanding under the terms of the relevant security documentation including all accrued principal monies, interest and costs and expenses **AND** if such disposal has not completed within the three (3) month

period, the Chargee shall be entitled to dispose of the Affordable Dwellings free from the affordable housing provisions in this Deed which provisions shall determine absolutely

2. EDUCATION CONTRIBUTION

- 2.1 Not to Occupy or permit the Occupation of more than 50% of the Dwellings unless and until the Education Contribution has been paid to the Council in full.

3. HEALTHCARE FACILITIES CONTRIBUTION

- 3.1 Not to Occupy or permit the Occupation of more than 50% of the Dwellings unless and until the Healthcare Facilities Contribution has been paid to the Council in full.

4. PUBLIC OPEN SPACE LAND

- 4.1 Commencement of Development shall not take place until a plan showing the location of the Public Open Space Land and the Specification have been submitted to and approved by the Council in writing in accordance with the Planning Permission

- 4.2 Not more than 50% of the Market Dwellings shall be Occupied until the Public Open Space Land has been laid out and available for use in accordance with the plan approved under paragraph 4.2 to this Schedule and in accordance with the relevant parts of the Specification to the satisfaction of the Council.

- 4.3 **After the Public Open Space Land has been laid out in accordance with paragraph 4.2 to this Schedule it shall thereafter be maintained by the Owners for the Maintenance Period to the satisfaction of the Council.**

- ~~4.4 Not earlier than two (2) months prior to the expiry of the Maintenance Period the Owners shall request the Council in writing to inspect the Public Open Space Land and shall following such inspection carry out such remedial works to the Public Open Space Land as are reasonably required by the Council (including the replacement of any dead or dying trees or shrubs) by the expiration of the Maintenance Period~~

- 4.5 **At the expiration of the Maintenance Period** the Owners shall transfer the Public Open Space to a Management Company to ensure the future

maintenance of the Public Open Space Land

- 4.6 Not to occupy the last Market Dwelling until all the requirements of paragraph 4.5 to this Schedule has been complied with

5. MANAGEMENT COMPANY

- 5.1 To incorporate the Management Company before the expiration of the Maintenance Period
- 5.2 to ensure that every transfer or lease of a Dwelling to an individual occupier contains a covenant under which the buyer is required to pay to the Management Company a pro rata proportion (according to the number of Dwellings comprised in the Development to be constructed on the Land) of the costs and expenses incurred by the Management Company in respect of its administration and of insuring and maintaining, repairing and as necessary renewing the Public Open Space Land and which also contains a covenant that upon any subsequent sale or lease of such a Dwelling to procure that the incoming buyer shall enter into direct covenants with the Management Company.

**SCHEDULE 4
COUNCIL'S COVENANTS**

The Council covenants with the Owners as follows:

1. AFFORDABLE HOUSING

The Council shall co-operate with any Affordable Housing Provider and enter into any Nominations Agreement between the Affordable Housing Provider and the Council.

2. EDUCATION CONTRIBUTION

2.1 To notify the Education Authority within 10 working days of receipt of the Education Contribution that the Council is in receipt of the Education Contribution.

2.2 To pay the Education Contribution to the Education Authority upon receipt of a document from the Education Authority confirming that they will:

2.2.1 apply the Education Contribution towards one additional classroom at Moulton Chapel Primary School, the need of which arises from the Development and for no other purposes whatsoever.

2.2.2 return any unspent part of the Education Contribution to the Council after the expiry of 5 years from the date of receipt of the Education Contribution.

2.3 to pay to the Owners any unspent monies received by them pursuant to paragraph 2.2.2 within 28 days of receipt from the Education Authority or if such sum is not then paid to the Education Authority then to repay to the Owners within 5 years of receipt by the Council of the Education Contribution.

3. HEALTH CARE FACILITIES CONTRIBUTION

3.1 To notify the Health Care Provider within 10 working days of receipt of the Health Care Facilities Contribution that the Council is in receipt of the Health Care Facilities Contribution.

3.2 To pay the Health Care Facilities Contribution to the Health Care Provider upon receipt of a document from the Health Care Provider that they will:

- 3.2.1 apply the Health Care Facilities Contribution for the purposes of an extension to Moulton Medical Centre including the reconfiguring of the internal space by creating additional rooms for clinicians and making their dispensary and reception area more efficient through improving patient flow, the need of which arises from the Development and for no other purposes whatsoever; and
 - 3.2.2 return any unspent part of the Health Care Facilities Contribution to the Council after the expiry of 5 years from the date of receipt of the Health Care Facilities Contribution.
- 3.3 To pay to the Owners any unspent monies received by them pursuant to 3.2.2 within 28 days of receipt from the Health Care Provider.

4. GENERAL

- 4.1 Following the performance and satisfaction of all the obligations contained in this Deed the Council shall as soon as practically possible effect the cancellation of all entries made in the Register of Local Land Charges in respect of this Deed.
- 4.2 At the written request of the Owners the Council shall provide written confirmation of the full or partial discharge of the obligations given for the benefit of the Council contained in this Deed when satisfied that such obligations have been performed.

**SCHEDULE 5
NOMINATION AGREEMENT**

Dated

20....

(5) South Holland District Council

and

(6) [REGISTERED PROVIDER]

NOMINATION AGREEMENT

*Relating to land at
[LOCATION]*

**South Holland District Council
Council Offices
Priory Road
Spalding
PE11 2XE**

SHDC Reference: LD/

THIS DEED is made the day of Two thousand and

.....

BETWEEN

- (1) **SOUTH HOLLAND DISTRICT COUNCIL** of Council Offices Priory Road Spalding PE11 2XE (“the Council”); and
- (2) **[REGISTERED PROVIDER]** whose registered office is situated at [registered office] (“the Association”)

RECITALS

- (A) The Council resolved on [insert date] to grant planning permission for the Development subject to the provision of (...) dwellings to be delivered as affordable housing. The Council has agreed that [..... (...) Rented Dwellings and [..... (...) Intermediate Dwellings] shall be provided to meet the obligation to provide affordable housing.
- (B) The Association intends to take a transfer of the Rented Dwellings and by this Deed the Association agrees with the Council that the said Rented Dwellings shall be let to occupiers in accordance with the nominations procedure detailed in Clause 4 below allowing the Council to nominate 100% of the initial tenants of each Rented Dwelling and thereafter at least 75% of the tenants of each Rented Dwelling.
- (C) The Association intends to take a transfer of the Intermediate Dwellings and by this Deed the Association agrees with the Council that the Intermediate Dwellings shall be disposed of by the Association in accordance with Clause 5 below

NOW THIS DEED WITNESSES AS FOLLOWS

1. DEFINITIONS

For the purposes of this Deed the following expressions shall have the following meanings:

“the Development”	means the erection of dwellings on land [insert location] with planning application reference
“District”	means the District of South Holland

"Intermediate Dwelling"	means the (...) Intermediate Dwellings (being plot numbers x, x, x and x on the Development) as defined in Annex 2 of the National Planning Policy Framework dated February 2019 or any replacement amendment or supplemental guidance to it on the land to which the allocation procedure in Clause 5 shall relate
"Local Housing Need"	means local housing need as determined by the Council in accordance with the Council's Housing Allocations Policy
"Nomination Notice"	means a notice served by the Council on the Association providing details of nominated prospective tenants for a Rented Dwelling in accordance with Clause 4.3.3 of this Deed
"Protected Tenant"	means (i) any tenant who has: (a) exercised the right to acquire pursuant to the Housing Act 1996 or the Housing and Regeneration Act 2008 or any statutory provision for the time being in force (or any equivalent contractual right) in respect of a Rented Dwelling; or (b) exercised any statutory right to buy (or any equivalent contractual right) in respect of a Rented Dwelling; and (ii) any lessee of a Shared Ownership Dwelling
"Rented Dwellings"	means the (...) Rented Dwellings (being plot numbers x, x, x and x on the Development) to be provided as affordable rented Dwellings [and (being plot numbers x, x, x, and x on the Development) to be

	<i>provided as social rented housing] as defined in Annex 2 of the National Planning Policy Framework dated February 2019 or any replacement amendment or supplemental guidance to it on the land to which the nomination rights contained in Clause 4 shall relate</i>
<i>"Vacancy Notice"</i>	<i>means a notice served by the Association giving the Council notice that a Rented Dwelling is available for occupation or re-let as appropriate</i>
<i>"Working Day"</i>	<i>means any day other than a Saturday Sunday or public or bank holiday in England</i>

2. CONSTRUCTION OF THIS DEED

- 2.1 *Where in this Deed reference is made to any clause, paragraph, schedule or recital such reference (unless the context otherwise requires) is a reference to a clause, paragraph, schedule or recital in this Deed.*
- 2.2 *Words importing the singular meaning where the context so admits include the plural meaning and vice versa.*
- 2.3 *Words of the masculine gender include the feminine and neuter genders and words denoting actual persons include companies, corporations and firms and all such words shall be construed interchangeably*
- 2.4 *Wherever there is more than one person named as a party and where more than one party undertakes an obligation all their obligations can be enforced against all of them jointly and against each individually unless there is an express provision otherwise.*
- 2.5 *Any reference to an Act of Parliament shall include any modification, extension or re-enactment of that act for the time being in force and shall include all instruments, orders, plans, regulations, permissions and directions for the time being made, issued or given under that act or deriving validity from it.*

2.6 *References to any party to this Deed shall include the successors in title to that party and to any deriving title through or under that party and in the case of the Council, successors to its functions.*

3. NOTICES

3.1 *Any notice or document which is required to be given under the terms of this Deed shall be sent by email and shall be deemed to be sufficiently served if signed by or on behalf of the party issuing the notice.*

3.2 *The Council's email for service is allocations@sholland.gov.uk (or such other email address as the Council may from time to time notify the Association).*

3.3 *The Association's email address for service is [RP Email Address] (or such other email address as the Association may from time to time notify the Council).*

3.4 *Service shall be deemed to be made on the day of transmission if transmitted before 4:00 pm on a Working Day but otherwise on the next following Working Day*

4. NOMINATIONS PROCEDURE: RENTED DWELLINGS

4.1 *Subject to the provisions of this Deed the initial occupiers of each of the Rented Dwellings shall be nominated by the Council*

4.2 *After the initial nominations and subject to the provisions of this Deed the Council shall have the right to nominate the occupiers of at least 75% of all Rented Dwellings which become vacant*

4.3 *Where the Council's rights of nomination apply the following provisions shall apply:*

4.3.1 *the Association shall serve on the Council a Vacancy Notice giving to the Council*

(a) 4 weeks' notice that a Rented Dwelling is ready for occupation in respect of an initial let; and

- (b) *5 Working Days' notice of impending vacancy of a Rented Dwelling in respect of a re-let*

4.3.2 *the Vacancy Notice shall include the following details:*

- (a) *address of the Rented Dwelling;*
- (b) *weekly rental and any service charges;*
- (c) *number of bedrooms and maximum occupancy;*
- (d) *age designation; and*
- (e) *any other relevant information such as adaptations to the Rented Dwelling*

4.3.3 *The Council shall within fifteen (15) Working Days (in respect of an initial let) and five (5) Working Days (in respect of a re-let) of receipt of the Vacancy Notice serve on the Association a Nomination Notice containing in priority order details of as many names and addresses of persons known to the Council as being in Local Housing Need as the Council considers appropriate*

4.3.4 *If the initial Nomination is exhausted without the tenancy having been accepted the Association will notify the Council and the Council will have a further period of five (5) Working Days within which to provide a further Nomination Notice in accordance with the above provisions*

4.3.5 *A Rented Dwelling shall be offered to occupiers in accordance with the following provisions:*

- (a) *the tenancy of a Rented Dwelling shall first be offered to the person whose name appears first on the Nomination Notice;*
- (b) *if that person shall refuse or fail to accept the offer of a tenancy the Rented Dwelling shall be offered to the person whose name next appears on the Nomination Notice and if that person shall also refuse or fail to accept the offer of a tenancy then this process shall be repeated as often as may be necessary until **EITHER** the offer of a tenancy has been accepted **OR** the initial Nomination Notice and any further Nomination Notices have been exhausted without the tenancy having been accepted;*

- (c) where **EITHER** the initial Nomination Notice and any further Nomination Notices are exhausted without the tenancy having been accepted **OR** the Council fails to provide a Nomination Notice **OR** the Council advises that it is not aware of any persons whom it considers to be in Local Housing Need then the Association shall have the right to select the occupier of the Rented Dwelling from its own applications provided such person or persons are in Local Housing Need **BUT FOR THE AVOIDANCE OF DOUBT** it is hereby agreed that if the Association exercises such a right the tenancy shall not be considered a Council nomination for the purpose of determining the sequence of nominations provided for in this Deed.

4.3.6 the Association will notify the Council:

- (a) within three (3) Working Days of the end of the acceptance period where the prospective tenant fails to accept a tenancy;
- (b) within three (3) Working Days where a prospective tenant provisionally accepts a tenancy;
- (c) within three (3) Working Days where a prospective tenant refuses the tenancy including any reasons for refusal given;
- (d) within three (3) Working Days of any decision by the Association that the prospective tenant does not meet the Association's criteria including the reasons why the prospective tenant does not meet such criteria; and
- (e) within three (3) Working Days of the start date of the tenancy

4.3.7 the Association will liaise with the Council where the Owner wishes to use for a management transfer any vacancy for which the Council has nomination rights.

4.4 the Association shall provide to the Council details of all lettings completed in respect of all Rented Dwellings such returns to be made quarterly to the Council.

5. ALLOCATION PROCEDURE: INTERMEDIATE DWELLING

- 5.1 *The Association shall not permit any Intermediate Dwelling other than Intermediate Rented Dwelling to be occupied except by a person who satisfies the HomeBuy Agent (or any successor) or the Council's qualifying criteria*
- 5.2 *Intermediate Rented Dwelling shall be allocated in accordance with the procedure in Clause 4 above (Rented Units).*

6. DISPUTES AND MEDIATION PROCEDURE

- 6.1 *Any disputed cases arising from this Deed will be discussed and dealt with by the Council's Housing Options Manager (or successor post) (or such other officer as the Council may from time to time notify the Association) and the Association's [insert post] (or successor post)*
- 6.2 *If they cannot decide then the Council's Head of Housing (or successor post) and the Association's [insert post] (or successor post) will discuss the case and make a final decision.*

7. AGREEMENTS AND DECLARATIONS

- 7.1 *This Deed is personal to the Association and the Council and for the avoidance of doubt **IT IS HEREBY DECLARED** that this Deed shall not bind*
- 7.1.1 *any Protected Tenant;*
- 7.1.2 *any mortgagee or charge of a Protected Tenant;*
- 7.1.3 *any mortgagee or charge of the Association or any receiver (including administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or charge to realise its security or any administrator (howsoever appointed) or the whole or any part of the Rented Dwellings and/or Shared Ownership Dwellings or any persons or bodies deriving title through such mortgagee or charge or Receiver*

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7.2 *The parties hereto agree and declare that the parties hereto shall have the right to vary this Deed in writing if they jointly so wish*

Signed on behalf of **SOUTH**
HOLLAND DISTRICT COUNCIL

Signed on behalf of
[ASSOCIATION]

The **COMMON SEAL** of **SOUTH HOLLAND DISTRICT COUNCIL**

was hereunto affixed

in the presence of:-

Authorised Signatory

SIGNED as a **DEED** by

JAMES DOUGLAS BRAYBROOKS

in the presence of:

Name of Witness

Signature of witness

Address

Occupation

SIGNED as a **DEED** by

DORIS BRENDA CARROTT

in the presence of:

Name of Witness

Signature of witness

Address

Occupation

H13-1215-18

EXECUTED as a **DEED** by

LARKFLEET LIMITED

acting by a Director and its

Secretary or two Directors

Signature of Director

Signature of Secretary/Director

ANNEX A
AFFORDABLE HOUSING CONTRIBUTION FORMULA

Part 1

The Affordable Housing Contribution is calculated as follows: $A = (B \text{ less } C) \text{ multiplied by } D$

Where:

- A = the Affordable Housing Contribution
- B = the value of the relevant dwelling if subject to the alternative tenure referred to in paragraph 1.7.1 of Schedule 3 as determined by an independent expert and agreed by all parties
- C = the value of the relevant dwelling(s) if subject to the tenure specified in the Affordable Housing Scheme in this Deed as determined by an independent expert or agreed by all parties
- D = the Affordable Housing Contribution if not paid within 12-months of the date of this Deed will be index linked to the percentage difference between house price inflation (UK House Price Index) and the Index calculated with reference to the figures last published prior to the date 12-months after the date of this Deed and the figure last published prior to the date of payment.

The Affordable Housing Contribution will be paid in full to the Council when no more than 85% of the Market Dwellings have completed. The costs for re-determining the values of B and C will be fully recharged to the Owners. The independent expert will be appointed and act under Clause 13

Part 2

The Affordable Housing Contribution is calculated as follows: $A = (B \text{ less } C) \text{ multiplied by } D$

Where:

- A = the Affordable Housing Contribution

- B = the open market value of the relevant dwelling if it were not subject to the terms of this Deed as determined by an independent expert and agreed by all parties
- C = the value of the relevant dwelling subject to the terms of this Deed as determined by an independent expert and agreed by all parties
- D = the Affordable Housing Contribution if not paid within 12-months of the date of this Deed will be index linked to the percentage difference between house price inflation (UK House Price Index) and the Index calculated with reference to the figures last published prior to the date 12-months after the date of this Deed and the figure last published prior to the date of payment.

The Affordable Housing Contribution will be calculated by the independent expert appointed and acting under Clause 13 when no more than 60% of the Market Dwellings have been completed and will be paid in full to the Council when no more than 85% of the Market Dwellings have completed. The Owners will reimburse the Council for the full cost of the independent valuation in all but exceptional circumstances.

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**ANNEX B
AFFORDABLE HOUSING PLAN**

ANNEX C
THE SPECIFICATION FOR THE PUBLIC OPEN SPACE LAND