Unilateral undertaking under section 106 of the Town and Country Planning Act 1990.

DATED 19th October 2021.

# PLANNING OBLIGATION BY WAY OF UNILATERAL UNDERTAKING UNDER SECTION 106 OF THE TOWN & COUNTRY PLANNING ACT 1990 RELATING TO LAND OFF GILCROFT STREET / VERE AVENUE, SKEGBY, SUTTON IN ASHFIELD

Given By

**GLEESON REGENERATION LIMITED** 

To

ASHFIELD DISTRICT COUNCIL

## THIS DEED is dated

(1) **GLEESON REGENERATION LIMITED** incorporated and registered in England and Wales with company number 03920096 whose registered office is at 6 Europa Court, Sheffield Business Park, Sheffield, S9 1XE (the "Owner")

#### Given to:

(2) **ASHFIELD DISTRICT COUNCIL** of Urban Road, Kirkby in Ashfield, Nottingham NG17 8DA (the "Council")

#### BACKGROUND

- (A) The Council is the local planning authority for the purposes of the TCPA 1990 for the area in which the Property is situated.
- (B) The Owner owns the Obligation Land free from encumbrances and which is registered at HM Land Registry under title numbers NT76540, NT245030 and NT250453.
- (C) The Owner has made the Planning Application and is proposing to carry out the Development.
- (D) On the 25<sup>th</sup> November 2020 the Council refused Planning Permission for the Development and the Owner provides this Undertaking in support of the Appeal to secure the obligations set out in this Undertaking.

#### **AGREED TERMS**

#### 1. INTERPRETATION

The following definitions and rules of interpretation apply in this Undertaking.

#### 1.1 Definitions:

**Affordable Dwelling:** means a Dwelling to be provided as Affordable Housing together with rights and easements over the Obligation Land to provide access to the Dwelling and such entrance way corridors parking areas and other ancillary areas as are necessary for the enjoyment of such a Dwelling including where applicable car parking in accordance with this Undertaking.

Affordable Housing: means housing as defined in Annex 2 of the NPPF

**Affordable Rented Housing:** means Affordable Housing let by a Registered Provider subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges where applicable).

Affordable Housing Scheme: means a scheme to be submitted by the Owner to the Council before Commencement of Development detailing the final location and house types of the Affordable Dwellings within the Obligation Land and

arrangements for the transfer of the Affordable Dwellings to a Registered Provider which scheme shall be in accordance with the Affordable Housing Tenure Mix.

**Affordable Housing Tenure Mix:** means unless otherwise agreed in writing by the Council the provision of 75% of the Affordable Dwellings as Affordable Rented Housing and 25% of the Affordable Dwellings as Shared Ownership Housing.

**Appeal:** means the planning appeal submitted pursuant to Section 78 of the TCPA 1990 and given Appeal Reference: APP/W3005/W/21/3272262.

Base Rate: the base rate from time to time of Barclays Bank plc.

Chargee: means a mortgagee or chargee or any receiver or manager (including an administrative receiver) appointed by such mortgagee or chargee and/or appointed pursuant to the Law of Property Act 1925 or any other person appointed under the terms of any security trust arrangements in any security documentation to enable such mortgagee or chargee to realise its security or any administrator (however appointed) (including if relevant a housing administrator) each a receiver of the whole or any part of the Affordable Dwellings.

CIL Regulations: means the Community Infrastructure Levy Regulations 2010 (as amended).

Commencement of Development: the carrying out in relation to the Development of any material operation as defined by section 56(4) of the TCPA 1990 but disregarding for the purposes of this Undertaking and for no other purpose, the following operations: demolition works; site clearance; ground investigations; site survey works; diversion and laying of services; temporary access construction works; archaeological investigation; and erection of any advertisements, fences and hoardings around the Obligation Land and Commencement Commenced and Commences shall be construed accordingly.

Commencement Date: the date of Commencement of Development.

Construction: means the construction of any building forming part of the Development including footings or foundations and Construct and Constructed shall be construed accordingly.

**Default Interest Rate:** 8% per annum above the Base Rate.

**Decision Letter:** means the Decision Letter issued on behalf of the Secretary of State in respect of the determination of the Appeal.

**Development:** the development of the Obligation Land described in the Planning Application.

**Discount Market Housing Units:** means any Affordable Dwelling that is made available at no more than Maximum Price and secured in perpetuity at that discount to market value by the operation of Part 4 of the Schedule.

**Dwelling:** means any residential unit to be constructed pursuant to the Planning Permission.

**Healthcare Contribution:** means the sum of One Hundred and Eleven Thousand Six Hundred and Twenty Five Pounds (£111,625.00) to be paid to the Council towards the improvement and enhancement of healthcare facilities in the vicinity of the Development.

**Homes England**: means the Homes and Communities Agency (which trades as Homes England) being a body corporate created by Section 1 of the Housing and Regeneration Act 2008.

**Housing Need:** means in the reasonable opinion of the Council that a person meets the criteria contained in the Council's policies relating to housing allocation (as amended from time to time) as formulated pursuant to the provisions of the Housing Acts 1985 and 1996

**Index Linked:** increased in accordance with the following formula:

Amount payable = the applicable contribution or payment x (A/B) where:

A= the figure for the Building Cost Information Service (BCIS) All-in Tender Price Index that applied immediately preceding the date of actual payment.

B= the figure for the Building Cost Information Service (BCIS) All-in Tender Price Index that applied when the index was last published immediately prior to the date of the Planning Permission.

**Inspector:** means an Inspector appointed by the Secretary of State to determine the Appeal.

**Management Company:** means a limited company, trust or other body established or appointed with the purpose of managing and maintaining the Recreation Space within the Development in accordance with the Recreation Management Scheme.

Market Dwelling: means any Dwelling which is not an Affordable Dwelling.

Market Value: means the best price that might reasonably be expected for the freehold or long leasehold of a Dwelling of the relevant type from a private purchaser assuming that it was a Market Dwelling as calculated in accordance with the RICS Manual of Valuation Practice (Red Book) current from time to time (being the 5th Edition at the date of this Undertaking) and expressed as a value per square metre and the market value shall be calculated as the average based on the valuations undertaken by three valuers independent to the party that seeks to establish the market value and copies of the three valuations shall be provided in writing to the Council when the party seeks to establish the market value.

Maximum Price: means not more than 70% (Seventy Percent) of the Market Value

**Nominations Agreement:** means an agreement in a form to be agreed with the Council relating to the nominations procedure and local lettings plans for the Affordable Dwellings

**NPPF**: means the National Planning Policy Framework published by the Ministry of Levelling Up, Housing and Communities dated 20<sup>th</sup> July 2021 or any future amendment thereto, or replacement thereof.

**Obligation Land:** means the freehold land off Gilcroft Street / Vere Avenue, Skegby as shown shaded blue on the Plan and registered at HM Land Registry with absolute title under title numbers NT76540 and NT245030 and NT250453 but excluding for the purposes of this Undertaking only any land comprised within the public highway.

**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 use as a show home or occupation in relation to security operations and **Occupy** shall be construed accordingly.

**Original Planning Permission:** means the outline planning permission granted on appeal with all matters reserved for 230 dwellings on the Obligation Land with reference: APP/W/3005/A/12/2179635 (Council Reference: V/2011/0503) and the reserved matters approved pursuant to that outline planning permission with reference number: V/2016/0169.

**Plan:** the plan attached to this Undertaking at Annex 1 detailing the location of the Obligation Land and the Property.

**Planning Application:** the application for full planning permission registered by the Council on 18<sup>th</sup> December 2018 under reference number: V/2018/0783 for the provision of 206 Dwellings and associated infrastructure on the Obligation Land.

**Planning Permission:** the planning permission which may be issued by the Inspector in respect of the Appeal.

**Primary Education Contribution:** means the sum of Eight Hundred and Ninety Nine Thousand Four Hundred and Seventy Four Pounds (£899,474) payable to the Council towards the cost of providing a new primary school to serve the Development and other developments in the area or for the improvement and/or expansion of an existing primary school or primary schools within the vicinity of the Property.

**Property:** means the land subject to the Planning Application as shown edged red on the Plan and which land comprises the Obligation Land, any land comprised within the public highway and any unregistered land within the red edging on the Plan

**Protected Tenant:** means any tenant of a Dwelling who:

- a) 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;
- b) has exercised any statutory right to buy (or any equivalent contractual right) in respect of a particular Affordable Dwelling;
- c) has been granted a shared ownership dwelling lease or other part equity purchase arrangement and has staircased out to 100% of the shares.

**Provided:** means the Construction, completion and fitting out of the Affordable Dwellings so that they are available for Occupation and **Provide** shall be construed accordingly.

**Public Open Space Contribution:** means the sum of Two Hundred and Seventeen Thousand Pounds (£217,000) payable to the Council towards the costs of additional facilities and/or improvements and maintenance of existing facilities at Healdswood Recreation ground and/or Stoneyford Road Recreation ground.

**Recreation Management Scheme:** means a scheme to be submitted to the Council to include details of:

- i) the precise location(s) of the Recreations Space and boundaries to be transferred to the Management Company;
- ii) the arrangements for the proposed long term maintenance and management of the Recreation Space;
- iii) the timing for the completion of any works and delivery of the Recreation Space;
- iv) details of the establishment and funding of the Management Company.

**Recreation Space:** means the areas of land within the Development to be provided as open green space for informal recreation and play in accordance with the details approved under the Planning Permission and to be made available for public use and provided in accordance with Part 2 of the Schedule to this Undertaking.

**Registered Provider:** means a Registered Provider of Social Housing within the meaning of Section 80 of the Housing and Regeneration Act 2008 (including any statutory amendment) and as registered with Homes England pursuant to Section 116 of the Housing and Regeneration Act 2008 or any other company, trust, charity or body with the objectives of providing Affordable Housing which may be approved in writing by the Council.

Secretary of State: means the Secretary of State for Levelling Up, Housing and Communities

**Shared Ownership Housing:** means Affordable Housing provided under a shared ownership arrangement under which the purchaser buys an initial share of between 10% and 75% of the equity from a Registered Provider who retains the remainder and may charge a rent for that remainder and under which arrangements the purchaser may buy additional shares in the equity up to 100%.

TCPA 1990: Town and Country Planning Act 1990 (as amended).

**Transport Contribution:** means the sum of Twenty One Thousand Six Hundred Pounds (£21,600) payable to the Owner towards the cost of an additional bus service and/or community transport facilities to serve the Development and towards improvement of the existing bus stops located on St Andrews Street and Stoneyford Road.

Waste Contribution: means the sum of Eleven Thousand Six Hundred and Seventy Two Pounds and Twenty Eight Pence (£11,672.28) payable to the Council towards the cost of providing a new split level recycling centre to serve the Development or towards improving facilities at the closest operational recycling centre to the Property.

Working Day: any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.

- 1.2 Clause headings shall not affect the interpretation of this Undertaking.
- 1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 A reference to any party shall include that party's personal representatives, successors and permitted assigns.
- 1.7 A reference to the Council shall include the successors to its respective statutory functions.
- 1.8 Unless the context otherwise requires, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.9 Unless the context otherwise requires, a reference to a statute or statutory provision shall include any subordinate legislation made from time to time under that statute or statutory provision.
- 1.10 A reference to writing or written excludes faxes and e-mail.
- 1.11 References to clauses are to the clauses of this Undertaking.
- 1.12 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.13 Where an obligation falls to be performed by more than one person, the obligation can be enforced against every person so bound jointly and against each of them individually.

## 2. STATUTORY PROVISIONS

- 2.1 This Undertaking constitutes a planning obligation for the purposes of section 106 of the TCPA 1990, section 111 of the Local Government Act 1972 and any other enabling powers.
- 2.2 The obligations contained in this Undertaking are planning obligations for the purposes of section 106 of the TCPA 1990 and are entered into by the Owner with the intention that they bind the interests held by the Owner in the Obligation Land and its successors and assigns.
- 2.3 The obligations contained in this Undertaking are enforceable by the Council in accordance with section 106 of the TCPA 1990.

#### 3. CONDITIONALITY

- 3.1 Subject to Clause 3.2 and with the exception of clauses 8 (local land charge), 10 (ownership), 11 (notices), 15 (original planning permission) and 16 (governing law) which shall come into effect immediately on completion of this Undertaking, this Undertaking is conditional upon:
  - (a) Grant of the Planning Permission; and
  - (b) The Commencement of Development.
- 3.2 In the event the Decision Letter specifies that any of the obligations within this Undertaking are not compliant with Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended) then that particular obligation as so specified shall be treated as though it is struck out from this Undertaking and shall not bind the Obligation Land but the remainder of this Undertaking will remain in full force and effect.

#### 4. COVENANTS WITH THE COUNCIL

- 4.1 The Owner covenants with the Council to:
  - (a) observe and perform the covenants, restrictions and obligations contained in the Schedule to this Undertaking.
  - (b) give at least 14 Working Days written notice to the Council of the intended Commencement Date.

# 5. INDEXATION

5.1 All financial contributions payable to the Council under the terms of this Undertaking shall be Index Linked.

Where reference is made to an index and that index ceases to exist or is replaced or rebased then it shall include reference to any index which replaces it or any rebased index (applied in a fair and reasonable manner to the periods before and after rebasing under this Undertaking) or in the event the index is not replaced, to an alternative reasonably comparable basis or index as the Council may advise the Owner in writing.

#### 6. RELEASE

No person shall be liable for any breach of an obligation, restriction or covenant contained in this Undertaking after parting with all of its interest in the Obligation Land or any part of it, except in respect of any breach subsisting prior to parting with such interest.

#### 7. **DETERMINATION OF DEED**

This Undertaking shall be determined and have no further effect if the Planning Permission:

- (a) expires before the Commencement of Development;
- (b) is varied or revoked other than at the request of the Owner; or
- (c) is quashed following a successful legal challenge.

## 8. LOCAL LAND CHARGE

This Undertaking is a local land charge and may be registered as such by the Council.

# 9. INTEREST ON LATE PAYMENT

If any financial contribution due under this Undertaking has not been paid to the Council prior to or on the payment date specified, the Owner shall pay the Council interest on the financial contribution due and outstanding at the Default Interest Rate (both before and after any judgment). Such interest shall accrue on a daily basis for the period from the date upon which payment was due to and including the date of actual payment.

#### 10. OWNERSHIP

- 10.1 The Owner warrants that no person other than the Owner has any legal or equitable interest in the Obligation Land.
- 10.2 Until the obligations in this Undertaking have been complied with the Owner will give to the Council within 21 Working Days, the following details of any

conveyance, transfer, lease, assignment or mortgage entered into in respect of all or any part of the Obligation Land:

- (a) the name and address of the person to whom the disposition was made; and
- (b) the nature and extent of the interest disposed of,

Provided That such obligation shall not extend to the notification of the sale or lease of an individual Dwelling or any disposition to a statutory undertaker.

## 11. NOTICES

- 11.1 A notice to be given under or in connection with this Undertaking must be in writing and must be:
  - (a) delivered by hand; or
  - (b) sent by pre-paid first class post or other next working day delivery service.
- 11.2 Any notice given in accordance with clause 11.1 will be deemed to have been received:
  - (a) if delivered by hand, on signature of a delivery receipt provided that if delivery occurs before 9.00 am on a Working Day, the notice will be deemed to have been received at 9.00 am on that day, and if delivery occurs after 5.00 pm on a Working Day, or on a day which is not a Working Day, the notice will be deemed to have been received at 9.00 am on the next Working Day;
  - (b) if sent by pre-paid first class post or other next working day delivery service at 9.00 am on the second Working Day after posting.
- 11.3 A notice given under this Undertaking shall not be validly given if sent by e-mail.
- 11.4 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

## 12. THIRD PARTY RIGHTS

A person who is not a party to this Undertaking shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Undertaking.

#### 13. FUTURE PERMISSIONS

Nothing in this Undertaking shall prohibit or limit the right to develop any part of the Obligation Land in accordance with any planning permission (other than the Planning

Permission or modification, variation or amendment thereof) granted after the date of the Planning Permission.

#### 14. MISCELLANEOUS

- 14.1 Insofar as any clause or clauses in this Undertaking 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 Undertaking
- 14.2 If the Planning Permission is subject to an application under Section 73 of the TCPA 1990 for the removal or amendment of any condition attached to the Planning Permission then the obligations in this Undertaking shall also apply to the new planning permission resulting from such application unless and until this Undertaking is replaced or varied or unless the Council in determining the application made pursuant to Section 73 of the TCPA 1990 requires a separate deed under Section 106 of the TCPA 1990 to secure relevant planning obligations relating to the new planning permission.
- 14.3 Save in respect of the provisions relating to Affordable Housing this Undertaking shall not be enforceable against owners or occupiers or tenants of the Dwellings constructed pursuant to the Planning Permission or their chargees nor against those deriving title from them.
- 14.4 This Undertaking shall not be enforceable against a statutory undertaker or telecommunications provider and any land upon or in which the statutory apparatus is situated nor against those deriving title from them.

#### 15. ORIGINAL PLANNING PERMISSION

Upon Commencement of the Development the Owner shall not further implement or cause or permit the further implementation of the Original Planning Permission.

## 16. GOVERNING LAW

This Undertaking and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

EXECUTED as a DEED by

GLEESON REGENERATION LIMITED

Acting by a director in the presence of

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#### Schedule 1 Covenants to the Council

#### PART 1 - CONTRIBUTIONS

- 1. The Owner covenants with the Council to pay the Primary Education Contribution in the following instalments:
  - (a) to pay 50% of the Primary Education Contribution to the Council prior to Commencement of the Development; and
  - (b) to pay the remaining 50% of the Primary Education Contribution to the Council prior to first Occupation of 50% of the Dwellings to be constructed on the Development.
- 2. The Owner covenants with the Council:
  - (a) not to Commence the Development or cause or permit Commencement of the Development unless and until 50% of the Primary Education Contribution has been paid to the Council; and
  - (b) not to first Occupy or cause or permit first Occupation of more than 50% of the Dwellings to be constructed on the Development unless and until the Primary Education Contribution has been paid to the Council in full.
- 3. The Owner covenants with the Council to pay the Healthcare Contribution in the following instalments:
  - (a) to pay 50% of the Healthcare Contribution to the Council prior to Commencement of the Development; and
  - (b) to pay the remaining 50% of the Healthcare Contribution to the Council prior to first Occupation of 50% of the Dwellings to be constructed on the Development.
- 4. The Owner covenants with the Council:
  - (a) not to Commence the Development or cause or permit Commencement of the Development unless and until 50% of the Healthcare Contribution has been paid to the Council; and
  - (b) not to first Occupy or cause or permit first Occupation of more than 50% of the Dwellings to be constructed on the Development unless and until the Healthcare Contribution has been paid to the Council.
- 5. The Owner covenants with the Council to pay the Public Open Space Contribution in the following instalments:

- (a) to pay 50% of the Public Open Space Contribution to the Council prior to Commencement of the Development; and
- (b) to pay the remaining 50% of the Public Open Space Contribution to the Council prior to first Occupation of 50% of the Dwellings to be constructed on the Development.
- 6. The Owner covenants with the Council:
  - (a) not to Commence the Development or cause or permit Commencement of the Development unless and until 50% of the Public Open Space Contribution has been paid to the Council; and
  - (b) not to first Occupy or cause or permit first Occupation of more than 50% of the Dwellings to be constructed on the Development unless and until the Public Open Space Contribution has been paid to the Council.
- 7. The Owner covenants with the Council to pay the Transport Contribution to the Council prior to Commencement of the Development.
- 8. The Owner covenants with the Council not to Commence the Development or cause or permit Commencement of the Development unless and until the Transport Contribution has been paid to the Council.
- 9. The Owner covenants with the Council to pay the Waste Contribution prior to Commencement of the Development.
- 10. The Owner covenants with the Council not to Commence the Development or cause or permit Commencement of the Development unless and until the Waste Contribution has been paid to the Council.

#### PART 2-RECREATION SPACE

The Owner covenants with the Council:

- 1. To submit the Recreation Management Scheme to the Council in writing for approval prior to the Commencement of Development.
- 2. Not to Commence Development until the Recreation Management Scheme has been submitted to the Council in writing for approval.
- 3. To lay out and complete the Recreation Space in accordance with the approved Recreation Management Scheme and the Planning Permission prior to first Occupation of more than 50% of the Dwellings unless a phasing plan for the provision of the Recreation Space ("Recreation Space Phasing Plan") has been agreed

with the Council, in which case the Recreation Space shall be laid out and completed in accordance with the approved Recreation Management Scheme, the Planning Permission and the timings specified in the approved Recreation Space Phasing Plan.

- 4. Not to Occupy or cause or permit to be Occupied more than 50% of the Dwellings unless and until the Recreation Space has been laid out and completed in accordance with paragraph 3 of this Part 2 PROVIDED THAT if a Recreation Space Phasing Plan has been agreed with the Council pursuant to paragraph 3 of this Part 2 the Owner shall not Occupy or cause or permit to be Occupied more than the number of Dwellings specified in the approved Recreation Space Phasing Plan.
- 5. To continue to maintain and insure the Recreation Space for a period of 12 (twelve) months (subject to paragraph 7 of this Part 2) after notice of practical completion of the Recreation Space has been given to the Council and if any tree or shrub or other planting seeding or turfing dies or becomes diseased or for any reason fails to become established during the said 12 month period to reinstate or replace it as necessary and in the case of any tree shrub or any other planted material the replacement should be the same size and species or such other size and species as may be agreed with the Council.
- 6. At the end of the 12 month maintenance period specified in paragraph 5 of this Part 2 to serve written notice on the Council that the 12 month period for maintenance has expired and inviting the Council to inspect the Recreation Space.
- 7. If, on inspection, the Council advises that the Recreation Space has not been provided in accordance with the approved Recreation Management Scheme and the Planning Permission (and, if applicable, the approved Recreation Space Phasing Plan) to its reasonable satisfaction the Owner shall remain responsible for the proper maintenance and insurance of the Recreation Space and the maintenance period shall be extended until such time as the Council certifies in writing that the outstanding works have been completed or the defects have been remedied as the case may be PROVIDED ALWAYS THAT in the event the Council fails to:
  - a) inspect the Recreation Space within 20 Working Days of receipt of the notice issued by the Owner pursuant to paragraph 6 of this Part 2; or
  - b) notify the Owner as to whether the Recreation Space has been completed and laid out in accordance with the approved Recreation Space Scheme and the Planning Permission (and, if applicable, the approved Recreation Space Phasing Plan) to its reasonable satisfaction within 10 Working Days of any inspection (or any re-inspection),

then on expiry of the said 20 Working Days or 10 Working Days (as the case may be) the Recreation Space shall be deemed to have been laid out and completed in accordance with the approved Recreation Space Scheme and the Planning Permission

(and, if applicable, the approved Recreation Space Phasing Plan) to the Council's reasonable satisfaction.

- 8. To maintain and insure the Recreation Space until it is transferred to the Management Company.
- 9. To transfer the Recreation Space to the Management Company on completion of the Recreation Space and for the avoidance of doubt the transfer shall:
  - (b) Be a transfer of the entire freehold interest in the Recreation Space;
  - (c) Be free from any mortgage, charge, lien or other such encumbrance;
  - (d) Include all the usual necessary rights of way with or without vehicles;
  - (e) Reserve any usual and necessary rights to use existing services and to lay and use new services together with any rights of entry to inspect, repair, renew, cleanse and maintain the same; and
  - (f) Include provisions securing the sole use of the Recreation Space for the purposes of informal public recreation space for the lifetime of the Development.
- 11. Not to use or cause or permit the use of the Recreation Space for any use or purpose other than for the provision of informal public recreation space for the lifetime of the Development.

# **PART 3 – MANAGEMENT COMPANY**

- 1. The Owner covenants to establish or appoint the Management Company for the Recreation Space prior to first Occupation of 50% of the Dwellings to be constructed on the Development.
- The Owner covenants with the Council to ensure that every transfer or lease of a Dwelling to an individual occupier contains a covenant under which the buyer or tenant is required to pay to the Management Company a pro rata proportion of the costs and expenses incurred by the Management Company in respect of its administration and of insuring and maintaining and repairing and as may be necessary renewing the Recreation Space 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.

# PART 4 – AFFORDABLE HOUSING

The Owner covenants with the Council:

- 1. To provide not less than 10% of the Dwellings to be Constructed on the Obligation Land pursuant to the Planning Permission as Affordable Dwellings (rounded to the nearest whole number).
- 2. To submit the Affordable Housing Scheme to the Council for approval prior to the Commencement of Development.
- 3. Not to Commence Development until the Affordable Housing Scheme has been submitted to and approved in writing by the Council and for the avoidance of doubt the Affordable Housing Scheme may be amended from time to time with the written approval of the Council.
- 4. The Affordable Dwellings shall be Provided on the Obligation Land in accordance with the approved Affordable Housing Scheme.
- 5. No later than the date of Commencement of Development to make a written offer to a Registered Provider to enter into a binding contract with a Registered Provider for the sale and purchase of the Affordable Dwellings on terms generally acceptable to Registered Providers operating in Nottinghamshire.
- 6. Unless otherwise stated in this Undertaking not to dispose of any interest in the Affordable Dwellings save to a Registered Provider or the Council in accordance with this Part 4 or allow the same to be disposed of otherwise than in accordance with this Part 4.
- 7. The Owner covenants with the Council not to Occupy or cause or permit Occupation of more than 50% of the Market Dwellings unless and until:
  - a) 50% of the Affordable Dwellings have been Provided; and
  - b) the freehold or long leasehold of 50% of the Affordable Dwellings has been transferred to a Registered Provider or binding contracts to transfer such units to a Registered Provider have been exchanged

unless otherwise agreed in writing with the Council

- 8. The Owner covenants with the Council not to Occupy or cause or permit Occupation of more than 75% of the Market Dwellings unless and until:
  - a) the remaining 50% of the Affordable Dwellings have been Provided; and
  - b) the freehold or long leasehold of the remaining 50% of the Affordable Dwellings has been transferred to a Registered Provider or binding contracts to transfer such units to a Registered Provider have been exchanged

unless otherwise agreed in writing with the Council

- 9. The transfer or binding contract, as the case may be, referred to in paragraphs 7 and 8 of this Part 4 shall provide inter alia for:
  - a) the transfer of the freehold or long leasehold title to be with full title guarantee with such rights of access and passage of other rights reasonably necessary for the beneficial enjoyment of the Affordable Dwellings and the provision of roads and services rendering them suitable for immediate Occupation; and
  - b) the imposition of such covenants as the Owner shall reasonably require as are consistent with the sale of any Dwellings within the Development

and the Owner shall provide evidence of such transfer or contract to the Council within 20 Working Days of completion of the transfer or exchange of contracts (as the case may be).

- 10. Save as otherwise provided in this Undertaking the Affordable Dwellings shall not be used other than for Affordable Housing in accordance with this Part 4 of this Schedule save that the obligations in this Part 4 shall not be binding on:
  - a) Any Protected Tenant or any chargee or mortgagee of the Protected Tenant or any person deriving title from the Protected Tenant or any successor in title thereto and their respective chargees or mortgagees; or
  - b) Any Chargee or any successor in title to such Chargee provided that the Chargee shall have first complied with the Chargee's obligations as set out in paragraph 11 of this Part 4 of this Schedule
- 11. The Affordable Housing provisions in Part 4 of this Schedule shall not be binding on a Chargee of a Registered Provider or an individual Affordable Dwelling PROVIDED THAT:
  - a) the Chargee shall first give written notice to the Council of its intention to dispose of the Affordable Dwelling(s) and shall have used reasonable endeavours over a period of three months from the date of the written notice to complete a disposal of the Affordable Dwelling(s) 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
  - b) if such disposal has not completed within the three month period, the Chargee shall be entitled to dispose of the Affordable Dwelling(s) free from the

affordable housing provisions in this Part 4 which provisions shall determine absolutely.

- To procure in any contract with a Registered Provider that there is an obligation placed on the Registered Provider to enter into a Nominations Agreement with the Council.
- 13. In the event the Owner has not entered into a binding contract with a Registered Provider for the disposal of the Affordable Dwellings within twelve (12) months of Commencement of Development then the Owner shall:
  - a) Provide the Council with reasonable evidence of the attempts made to market the Affordable Dwellings to at least three Registered Providers; and
  - b) Seek to agree an alternative tenure mix with the Council and attempt to market the Affordable Dwellings with the approved alternative tenure mix to not less than three Registered Providers for a period of 3 months from the date of notification to the Council that a Registered Provider could not be secured; and
  - c) If at the end of the period of 3 months set out above no Registered Provider can be secured to take on the Affordable Dwellings under an alternative tenure then the Owner can provide the Affordable Dwellings as Discount Market Housing Units.
- 14. In order that the future ownership and selling price of each Affordable Dwelling to be provided as a Discount Market Housing Unit shall be controlled so as to ensure that it remains as such in perpetuity the Owner shall procure the registration at the Land Registry on the first disposal of each Discount Market Housing Unit of the following restriction (or in such other form as the Chief Land Registrar shall deem appropriate) against the title to the Discount Market Housing Unit requiring that all subsequent disposals of each Discount Market Housing Unit shall be at no more than Maximum Price and only to a person or persons in Housing Need and shall provide the Council with a copy of such title (showing the restrictions unless otherwise agreed in writing):-

"no disposition of the registered estate other than a charge by the proprietor of the registered estate, or by the proprietor of a charge, not being a charge registered before the entry of this restriction shall be completed by way of registration without a certificate signed by Ashfield District Council of Urban Road, Kirkby in Ashfield, Nottingham NG17 8DA, that the provisions of paragraphs [ ] of the Undertaking dated [ ] given by Gleeson Regeneration Limited to Ashfield District Council have been complied with"

15. On each subsequent disposal of any freehold or leasehold interest in any Discount Market Housing Unit the new owner (being the person acquiring such freehold or leasehold interest) will procure the registration at the Land Registry of a restriction in the same form as paragraph 14 of this Part 4 against the title to the Discount Market

Housing Unit in which they have acquired an interest and supply a copy of such title (showing the restriction) to the Council.

# ANNEX 1 - PLAN

