

Appendix 12 Land East of Orchard Gardens Draft s106 Heads of Terms

1		Document		Draft Heads of Terms for Planning Obligation by Deed of Agreement under Section 106 of the Town and Country Planning Act 1990	
2		Subject	Land	Land East of Orchard Gardens Woodgate Chichester West Sussex	
3		Parties	Local Planning Authority "Council"	Arun District Council	
4		Parties	Local Highway Authority "County Council"	West Sussex County Council	
5		Parties	Freeholder "Owner"	To be confirmed	
6		Parties	Other Interested Person "Developer"	To be confirmed	
7		Parties	Other Interested Person "Mortgagee"	To be confirmed	
8		Purpose		These Heads of terms are set out on behalf of the Applicant to inform the preparation and negotiation of a S106 agreement with the Council and County Council to support an outline application for residential development	
10		Scope		The Planning Obligations set out below shall only be included in the Section 106 agreement to the extent justifiable in planning policy terms, in particular paragraphs 203-205 Of the NPPF and regulation 122 of the Community Infrastructure Levy (CIL) Regulations 2010.	
11		CIL exclusion		These draft heads of terms assume that the application site will not be subject to Community Infrastructure Levy or any similar charge.	
12		General Provision	Planning Conditions	The Section 106 agreement sits alongside and is in conjunction with any planning permission granted and it may be that some of the matters referred to can be dealt with wholly or partly by planning condition	

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13		General Provision	Conditionality	The S106 agreement will contain standard provisions relating to it being conditional on the grant and implementation of planning permission.	
14		General Provision	Other	Other standard provisions will include provisions relating to; 1) Release from obligations when disposing of an interest, 2) Planning permission modification/lapse/revocation, 3) Reasonable monitoring fees payable by owner 4) Cost of preparation of the s106 agreement payable by owner 5) Timing of provisions 6) Obligations placed on the Council, County Council and an other relevant party to ensure that all payments made will be used for the purpose stated and repayment provisions will be included if they are not so used within an agreed timescale 7) Obligations for the relevant party to use best endeavours to reach agreement on any matter to be finalised after completion of the S106 agreement.	
15		Owners Covenant	Highways	To construct right hand turn lane on A29 Westergate Street into Orchard Gardens	To be constructed prior to commencement of development above damp proof course level.

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16		Owners Covenants	Affordable Housing	Subject to financial viability to provide up to 30% of the plots for affordable housing. The indicative layout shows space for 57 units which would mean 17 affordable units. Following consultation with Arun District Council's Housing Strategy and Enabling Manager, Andy Elder, the Council's affordable housing requirement for this site will be satisfied by 17 units as follows: Affordable Rent Total 9 units comprising 4 x 2 bed flats, 2 x 1 bed flats and 3 x 2 bed houses. Intermediate Total 8 units comprising 2 x 2 bed flats, 4 x 1 bed flats and 2 x 2 bed houses.	Actual plots to be dependent on the number of plots and layout for which detailed permission is granted but to be similar in size and type to those provisionally agreed for the outline layout: Serviced plots to be offered for sale to social housing providers selected by the Council at a price equivalent to 45% of the value of equivalent unrestricted market housing plots. Those fully serviced plots to be available prior to occupation of the unit which takes the percentage of occupied market units over 32% In the absence of agreement as to what the offer amount should be the price is to be determined by an expert chartered surveyor appointed by the RICS at the expense of the Owner. The Owner to use best endeavours to enter into a contract. If no provider willing to enter into a contract within 2 years from commencement of development then the owner can serve notice on the Council to buy the plots at 40% of unrestricted market value. If the Council does not wish to buy them then the owner can elect to make a commuted payment to the council for providing social housing elsewhere at no more than £45,000 per social housing unit subject to an inflation multiplier. Until such time as the affordable housing plots are sold the Owner will keep the services secure and the plots laid to grass and kept mown.
17		Owners Covenants	Library Contribution	To pay Library contribution	Pay contribution on actual number of units for which detailed permission is granted set at current contribution per unit type plus inflation multiplier. Payable prior to occupation of the unit which takes the percentage of occupied market units over 65%
18		Owners Covenant	Fire Service Contribution	To pay Fire service contribution	Pay contribution on actual number of units for which detailed permission is granted set at current contribution per unit type plus inflation multiplier. Payable prior to occupation of the unit which takes the percentage of occupied market units over 65%

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19		Owners Covenant	Education	To pay contribution to Secondary Education provision only	If substantiated as necessary then a proportionate contribution to be made based on actual number and type of units for which detailed permission is granted. Payable at current rate per place and payable prior to occupation of the unit which takes the percentage of occupied market units over 65%
20		Owners Covenant	NHS Contribution	To pay healthcare contribution	Pay contribution based on actual number of units for which detailed permission is granted set at current contribution per unit type plus inflation multiplier. Payable prior to occupation of the unit which takes the percentage of occupied market units over 65%
21		Owners Covenant	Footpath/Cycle Network	To pay a contribution of £20,000 (Twenty Thousand Pounds) towards the costs of improving the footpath/cycle Network between Westergate and Barnham	Payable on commencement of development
22		Owners Covenants	Open Space Provision	To provide Public Open space within the development for use by residents and the public and make provisions for maintenance.	Maintenance to be by estate management company. Area of Public open space to be no greater than shown in indicative layout and to be maintainable by Residential Estate Management Company.
23		Owners Covenant	Estate Management Company	Owner to set up properly administered Estate Management company	Estate Management company to collect contributions from unit owners in order to maintain roads, open space and any common services such as Sustainable Urban drainage system.
					30 August 2016