

SEVENTH SCHEDULE

PART 1

AFFORDABLE RENT AND SHARED OWNERSHIP TENURES

DRAFT

THIS DEED OF NOMINATION RIGHTS

is made the                      day of                      2020

**BETWEEN:**

- (1) XXXXXXXX whose registered address is XXXXXXXXXXXXXXXXXXXX  
(‘the RP’) and
- (2) **BABERGH DISTRICT COUNCIL/MID SUFFOLK DISTRICT COUNCIL**  
**(delete as appropriate)** of Endeavour House, 1 Russell Road Ipswich  
Suffolk, IP1 2BX (‘the Council’)

**1. Definitions**

In this Deed:

- 1.1 ‘Affordable Housing’ has the meaning given to it in Annex 2 of the National Planning Policy Framework published in February 2019 (as may be amended from time to time or such other national policy that may from time to time replace or update this framework) or any successor policy thereto issued by HM Government
- 1.2 ‘Affordable Housing Unit’ means the XX Dwellings (35% of the consented Dwellings) all of which shall be Affordable Housing to be provided on the Property of which XX Dwellings shall be Affordable Rent Dwellings (unless otherwise agreed by the Council as part of the Affordable Housing Scheme) which shall be let at an Affordable Rent and shall be occupied by persons allocated in accordance with a

Choice Based Lettings Scheme to which the Council is a party or otherwise nominated by the Council pursuant to this Deed as varied from time to time and XX Dwellings shall be Shared Ownership Dwellings and shall be occupied by persons in accordance with the Government's Help to Buy Scheme (or other subsequent scheme) and Affordable Housing Units shall be construed accordingly.

- 1.3 'Affordable Housing Scheme' means the affordable housing scheme to be submitted to the District Council for its written approval for the provision of Affordable Housing as part of the Development detailing:
- i) the plots and location;
  - ii) bedroom numbers per Dwelling;
  - iii) Dwelling size; and
  - iv) tenure
- 1.4 'Affordable Rent' means rent charged at a level up to 80% of the equivalent Market Rent including any service charges applicable
- 1.5 'Affordable Rent Dwelling' means an Affordable Housing Unit made available by a Registered Provider as low-cost rent accommodation (as defined by the Housing and Regeneration Act 2008 Section 69) with a rent charged at a level up to 80% of the equivalent market rent (inclusive of any service charges applicable) for a dwelling of comparable size in the same location.
- 1.6 'Chargee' means any mortgagee or chargee of the RP who is in possession or any receiver or manager (including an administrative receiver) appointed by such a mortgagee or charge to realise its security or any administrator (howsoever appointed) including a housing administrator.
- 1.7 'Chargee's Duties' means the tasks and duties set out in Clause 12.4 of this deed.

- 1.8 'Choice Based Lettings Scheme' means an integrated electronic and manual information system which enables members of the public who have made or potentially might make an application for housing in the area to which the Choice Based Lettings Scheme relates to apply for a selection of suitable property or be supplied with details of housing available throughout the relevant area operated pursuant to any agreement to which the Council is a party.
- 1.9 'Dwelling' means a dwelling (including a house flat or bungalow and including both Market Housing Units and Affordable Housing Units) to be constructed pursuant to the Planning Permission and "Dwellings" shall be construed accordingly
- 1.10 'Gateway to Homechoice' means the Greater Haven Gateway sub-regional Choice Based Lettings Scheme (or any replacement or similar system in place at the time
- 1.11 'Homes England' means Homes England or such other organisation as may from time to time be the Regulator of Social Housing within the meaning of section 81 of the Housing and Regeneration Act 2008 or such other body with statutory force charged with regulating Registered Providers
- 1.12 'Initial Let' means the first tenancy of such newly constructed and previously unoccupied Affordable Rent dwelling
- 1.13 'Initial Purchase' means the first purchase of such newly constructed and previously unoccupied Shared Ownership Dwelling
- 1.14 'Local Connection Criteria' means an individual who immediately before taking up occupation of an Affordable Housing Unit

1.14.1 has his only or principal home in the district of XXX and in the event that there are no or insufficient individuals qualifying under this sub-paragraph then the choice of person shall default to (but with no preference in ranking order) to those individuals fulfilling the criteria set out in the following sub-paragraphs 1.14.2 to 1.14.4 inclusive.

1.14.2 has or a member of whose household has a parent adult child brother or sister whose only or principal home is and has been for a continuous period of not less than two (2) years in the district of XXX and wishes to be near that relative or

1.14.3 is employed in the district of XXX on the date of the consideration of the individual's entitlement for an Affordable Housing Unit and has been continuously so employed for two (2) years

1.14.4 who during the period commencing from the date on which an Affordable Housing Unit to which such individual is eligible pursuant to this sub-paragraph becomes available (for the purposes of this sub-paragraph called the "Availability Date") can provide satisfactory written evidence to the Council of his or her former residency in the district of XXX for either (i) six (6) months out of the preceding twelve (12) months or (ii) three (3) years out of the preceding five years and in either case such period of former residency shall end with the Availability Date

1.15 'Mutual Exchange' means the procedure by which a tenant may exchange their house with another council or housing association tenant

1.16 'Nomination List' means the Gateway to Homechoice Short List produced in accordance with the Gateway to Homechoice SLA



- 1.17 'Nominee' means a person named on the Gateway to Homechoice Short List who satisfies the Local Connection Criteria and is verified by the RP as best meeting the criteria for the category of Affordable Rent Dwelling in respect of which the RP is to select a person from the Nomination List and offer a Tenancy Agreement
- 1.18 'Practical Completion' means issue of a certificate of practical completion by the RP's surveyor or in the event that the Affordable Housing Units are constructed by a party other than the RP the issue of a certificate of practical completion by that other party's surveyor
- 1.19 'Property' means the land and dwellings at XXXX Suffolk shown edged red on the plan annexed
- 1.20 'Protected Tenant' means any Nominee who has exercised the right to acquire pursuant to 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 particular Affordable Housing Unit
- 1.21 'Registered Provider' means a registered provider of social housing as defined in section 80(2) of the Housing and Regeneration Act 2008 and listed in the register kept by Homes England under Chapter III of that Act and for the avoidance of doubt this could include the Council.
- 1.22 'Shared Ownership Dwelling' means an Affordable Housing Unit to be let on a Shared Ownership Lease in accordance with the terms as set out in the Capital Funding Guide the Capital Funding Guide published by Homes England and any other publication that supercedes it
- 1.23 '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:

(a) not more than 75% and not less than 10% of the equity (or such other percentages the Council may agree) shall be initially sold to the purchaser by the Registered Provider;

(b) power to the purchaser to increase their ownership up to 100% if they so wish;

(c) an initial rent not exceeding 2.75% of the value of the equity retained by the Registered Provider subject to annual increases not exceeding 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.

1.24 'Service Level Agreement' or 'SLA' means the Gateway to Homechoice service level agreement or such other service level agreement for the time being in force made between the Registered Provider (1) and the Council (2)

1.25 'Staircasing' means the acquisition after the date of the Initial Purchase of additional tranches of equity in the Shared Ownership Dwelling as set out in the Shared Ownership Lease for that Affordable Housing Unit and as detailed in the Capital Funding Guide published by Homes England and any other publication that supercedes it.

1.26 'Tenancy Agreement' means an assured tenancy agreement in a form prepared by the RP and containing terms which accord with the form of tenancy agreement being used by the RP from time to time for its general lettings

1.27 'Vacancy Notice' means a written notice (in a form to be agreed between the RP and given by the RP to the Council within five (5) weeks from the date of this Deed) the function of such notice being the notification to the Council by the RP of the expected date on which the

construction and fitting out of the Affordable Rented Dwellings will be complete

1.28 'Void' means an Affordable Rent Dwelling which is vacant otherwise than as a result of the tenant having:

1.28.1 moved to other accommodation either by transfer or decant provided by the RP

1.28.2 moved to other accommodation under a reciprocal arrangement provided by another Registered Provider

1.28.3 vacated and moved to other accommodation as a consequence of the tenant having accepted a mutual exchange which provides such tenant with accommodation elsewhere

1.29 'Void Notice' means a written notice given by the RP to the Council (in a form to be agreed between the RP and the Council within five (5) weeks from the date of this Deed) the function of such a notice being the notification to the Council of a void in respect of an Affordable Rent Dwelling

## **2 Enabling Provisions**

This Deed is made pursuant to the Local Government Act 1972 Section 111, Section 1 of the Localism Act 2011 as amended and all other enabling powers

## **3 Procedure**

The parties agree that the Service Level Agreement procedure to which they are signatories and the Local Connection Criteria shall apply to the nomination of persons in respect of the Affordable Housing Units

**4 Initial Lets/Initial Purchase**

In relation to the Initial Lets and Initial Purchase of any Affordable Housing Units the following provisions shall apply:

4.1.1 The RP shall give the Council not less than four (4) months' written notice of the date when all the Affordable Housing Units will be ready for occupation

4.1.2 The RP shall serve a Vacancy Notice upon the Council in respect of an Affordable Rent Dwelling not earlier than ten (10) weeks prior to an Affordable Rent Dwelling becoming available for occupation

**5. Voids**

Should any Affordable Rent Dwelling become a Void after the Initial Let or the RP has reasonable cause to believe it will become a Void then the Gateway to Homechoice SLA procedure shall apply in each case

**6. Supplemental provisions relating to allocating Initial Lets and Voids**

6.1 Where there are two (2) or more applicants applying to occupy one of the Affordable Housing Units the Local Connection Criteria set out in clause 1.14 of this Deed and thereafter subject to clause 6.2 and 6.3 of this Deed, preference must be given to the applicant/s who have the highest housing need according to the Council's current allocations policy

6.2 If any of the Affordable Housing Units are designed or adapted for people with disabilities or in need of level access then any such dwelling may be first offered to a person or persons with disabilities or level access needs who require such accommodation even where such person(s) have a lesser local connection under clause 1.14 of this deed than someone who does not have disabilities or level access need



**7. RP covenants**

The RP covenants with the Council to the intent that the Local Government (Miscellaneous Provisions) Act 1982 applies

- 7.1 To ensure the Affordable Housing Units comprised within the Property are used as Affordable Housing Units
- 7.2 To ensure that the Affordable Housing Units are let on the basis of a Tenancy Agreement at an Affordable Rent or as low-cost home ownership and they are all retained and managed by a Registered Provider in accordance with the objectives of such Registered Provider
- 7.3 To construct the Affordable Housing Units in accordance with Homes England requirements and the Affordable Housing Scheme

**8. Alteration of lists**

- 8.1 The Council and the RP agree that the nomination rights contained in this Deed may be varied from time to time by agreement in writing by the parties

**9. Notices**

Any notice required to be served hereunder shall be sufficiently served on the parties at the address indicated above or such other address notified by one party to the other and any notice shall be deemed to have been served two (2) working days after posting or in the case of electronic mailing the day such notice was transmitted by the party serving the notice

**10. Transfer to other Registered Provider**

The RP shall use reasonable endeavours to ensure that any Registered Provider to which the Property and Affordable Housing Units erected thereon are transferred otherwise than by direction of Homes England

under its statutory powers shall enter into a similar deed mutatis mutandis with the Council and Gateway to Homechoice simultaneously on completing the transfer of the Property

**11 Disputes**

Where any matters fail to be agreed between the parties or any dispute or difference occurs the question shall be referred on the application of either party for the determination of a single expert to be agreed between the parties or in default of agreement to be nominated by or on behalf of the President for the time being of the Chartered Institute of Housing on the application of either party

**12 Agreements and declarations**

The parties agree:

12.1 Nothing in this Deed fetters or restricts the exercise by the Council of any of its powers

12.2 The obligations and covenants contained in this Deed are covenants for the purpose of the Local Government (Miscellaneous Provisions) Act 1982 Section 33

12.3 From the date of Practical Completion the Affordable Housing Units shall be let or purchased in accordance with the terms of this Deed save that the obligations and restrictions contained in this Deed shall not be binding on:

12.3.1 any Protected Tenant or any mortgagee or Chargee of the Protected Tenant or any person deriving title from a Protected Tenant or any successor in title thereto and their respective mortgagees and Chargees; or

12.3.2 any chargee and any successor in title to the Chargee  
PROVIDED THAT the Chargee shall have first complied with  
the Chargee's Duties; or

12.3.3 any mortgagee and any purchaser from a mortgagee of an  
individual Affordable Housing Unit pursuant to any default by  
the individual mortgagor and any successor in title to either of  
them.

12.4 The Chargee shall prior to seeking to dispose of any of the Affordable  
Housing Units pursuant to any default under the terms of its mortgage or  
charge comply with the requirements under Part 2 of Chapter 4 of the  
Housing and Regeneration Act 2008 PROVIDED THAT at all times the  
rights and obligations in this paragraph 12.4 shall not require the Chargee  
to act contrary to its duties under its charge or mortgage and that the  
District Council shall give full consideration to protecting the interest of the  
Chargee in respect of moneys outstanding under its charge or mortgage

### **13. Mutual Exchanges**

The requirements of this Deed shall apply to all requests for Mutual  
Exchanges

### **14. Shared Ownership Dwellings - Capital Receipts from Staircasing**

Capital receipts received by the RP for shares sold between 81% and 100%  
must be recycled and reinvested in new Affordable Housing within the  
District of Mid-Suffolk for a period of five (5) years from the date of receipt  
and if not spent within 5 years the Registered Provider will be able to  
expend such sums for Affordable Housing elsewhere.

AS WITNESS whereof the parties have executed this instrument as a Deed  
hereto the day and year first above written

Signatories:

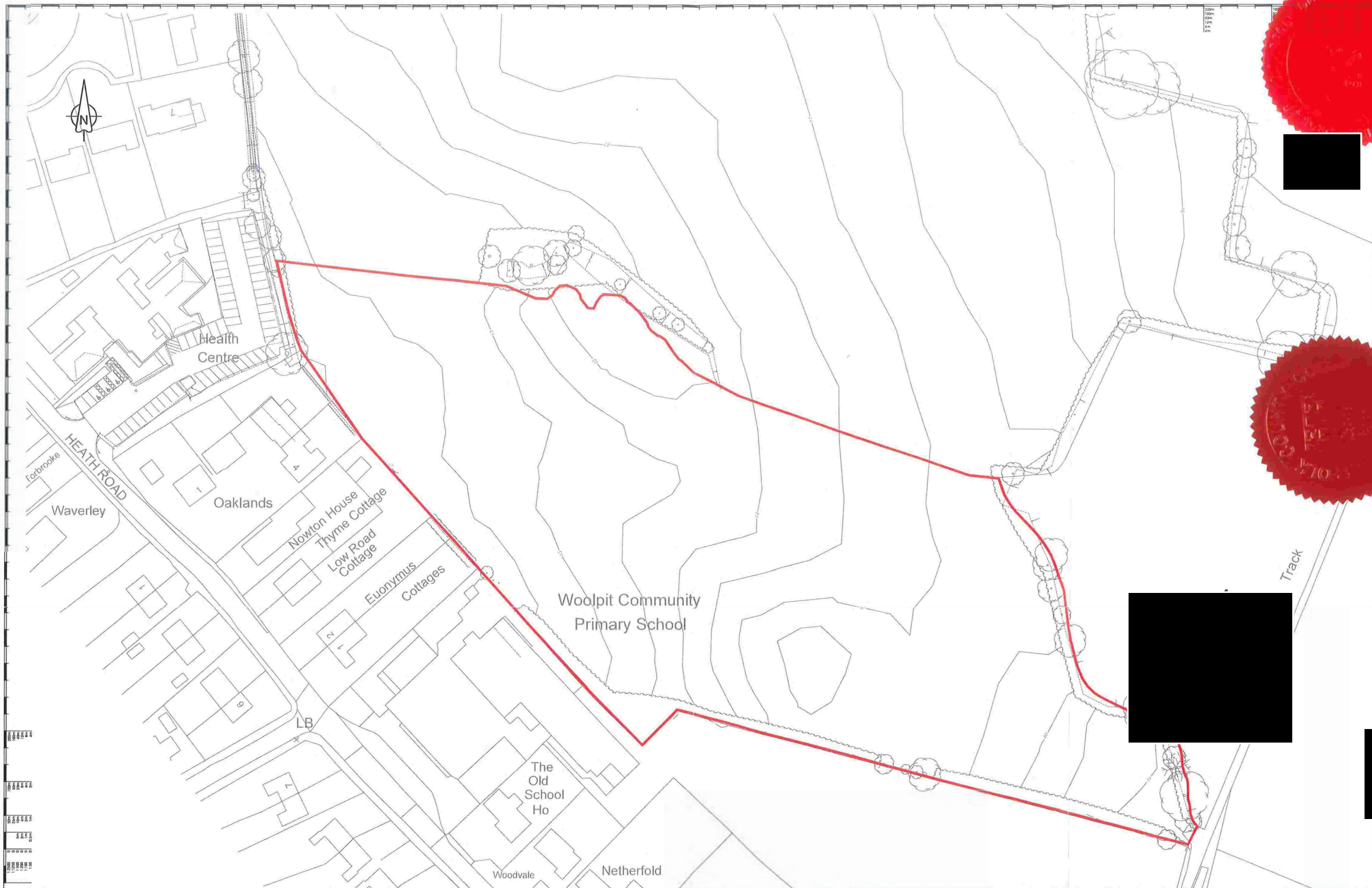
Babergh/Mid Suffolk District Council

Registered Provider



**ANNEX 1**

**SITE PLAN**



**note**

© This drawing is the copyright of Parc Design Solutions Ltd. and may not be reproduced or amended without written permission. No liability will be accepted for amendments made by other persons. The contractor is to check and verify all dimensions and levels prior to work commencing. The contractor is to comply with all current Building Legislation whether or not specifically stated on this drawing. This drawing must be read with and checked against all relevant Engineering and Architect drawings and all other specialist information provided.

**notes**

Levels reproduced from Survey Solutions Survey drawing no. 16769ea

Do not scale. Only figured dimensions to be worked to. Any discrepancies are to be reported to Parc Design Solutions Ltd.

rev.	date	by	detail

**site**

Proposed Residential Development  
LAND SOUTH OF OLD SOW MARKET ROAD  
WOOLPIT  
SUFFOLK

**client**

Pigeon Capital Management 2 Ltd.

**drawing title**

Existing Site Plan

<b>drawn</b> SC	<b>checked</b> 
<b>scale</b> 1:500 @ A1	<b>date</b> January 2019
<b>drawing number</b> 017 - 033 - 003	<b>revision</b> P2

**parc** DESIGN SOLUTIONS  
architecture and urban design

e: info@parcdesign.co.uk  
w: www.parcdesign.co.uk

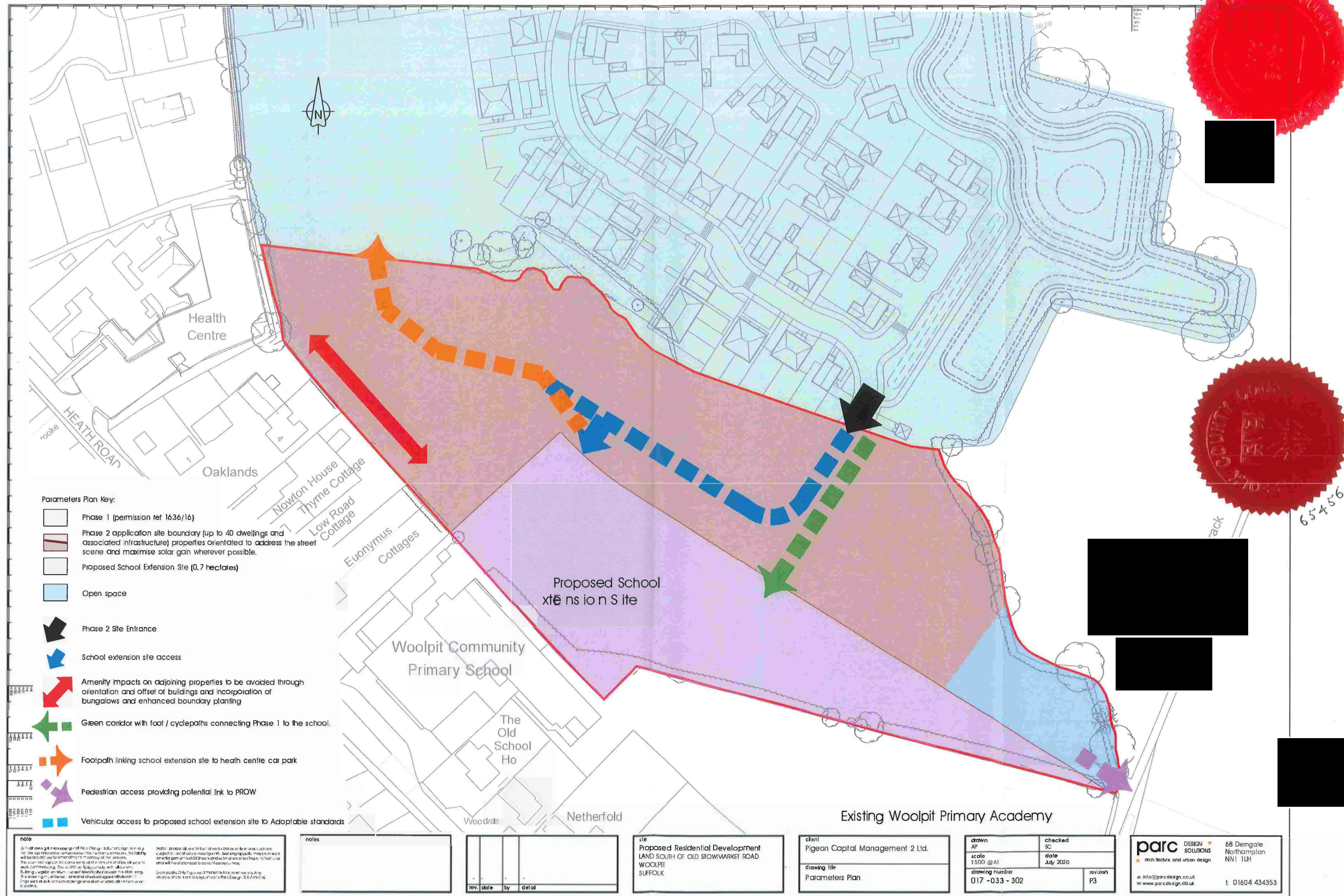
68 Derngate  
Northampton  
NN1 1UH

t: 01604 434353

**ANNEX 2**

**SCHOOL PLAN**







**ANNEX 3**  
**AFFORDABLE HOUSING CONTRIBUTION**

- £54,215.00 per 1 bed flat & bungalow that was to be provided as an Affordable Housing Unit
- £75,936.00 per 2 bed house that was to be provided as an Affordable Housing Unit
- £69,195.00 per 2 bed bungalow that was to be provided as an Affordable Housing Unit
- £86,422.00 per 3 bed 5 person house that was to be provided as an Affordable Housing Unit
- £93,163.00 per 3 bed 6-person house that was to be provided as an Affordable Housing Unit