



## **Supplemental Agreement**

**Pursuant to Section 106A of the Town and Country Planning Act 1990 (as amended)**

In respect of: Land West of Whalley Road and South West of Barrow near Clitheroe Lancashire

Ribble Valley Borough Council (1)

BDW Trading Limited (2)

Planning Application Ref: 3/2019/0012

Dated *9 August* 2022

### **Osborne Clarke**

2 Temple Back East

Temple Quay

Bristol

BS1 6EG

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THIS DEED is made the 9th day of August

2022

**BETWEEN**

- (1) **RIBBLE VALLEY BOROUGH COUNCIL** of Council Offices, Church Walk, Clitheroe, Lancashire BB7 2RA (the "**Council**"); and
- (2) **BDW TRADING LIMITED** (company registration number 03018173) whose registered office is at Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF (the "**Owner**")

together referred to as the "Parties"

**RECITALS**

- A. The Council is the local planning authority for the purposes of the Act for the area in which the Site is situated and the authority by whom the obligations hereby created are enforceable.
- B. The Owner is the freehold owner of the part of the Site which is registered at the Land Registry under title number LAN229463 on which the First Homes Units are proposed to be provided in accordance with the terms of the Principal Deed as amended by this Deed.
- C. The Site is bound by the terms of the Principal Deed.
- D. The Parties to this Deed have agreed to vary the Principal Deed in the manner set out in this Deed.

**NOW THIS DEED WITNESSES AS FOLLOWS:**

**1 DEFINITIONS AND INTERPRETATION**

- 1.1 In this Deed, including for the avoidance of doubt the recitals, save where indicated otherwise words and phrases shall have the meanings ascribed to them in the Principal Deed and the following expressions shall have the following meanings:

"**First Homes Unit**" shall have meaning given to that term in Part 1B of the Third Schedule of the Principal Deed as inserted by this Deed

"**Principal Deed**" means the agreement made under section 106 of the Act dated 30 August 2019 between: (1) Ribble Valley Borough Council; (2) Lancashire County Council; (3) Barrow Lands Co. Limited; (4) Taylor Wimpey UK Limited; and (5) BDW Trading Limited as

amended by:

- (a) a Memorandum of Agreement dated 5 October 2020; and
- (b) a Deed of Variation made under section 106A of the Act dated 14 October 2021 between: (1) Ribble Valley Borough Council; (2) Lancashire County Council; (3) Taylor Wimpey UK Limited; and (4) BDW Trading Limited

1.2 In this Deed where the context so requires:

- (a) the singular includes the plural and vice versa;
- (b) references to any party will include the successors in title of that party and to any person deriving title through or under that party and in the case of the Council the successors to its statutory functions;
- (c) where a party includes more than one person, any obligations of that party will be joint and several;
- (d) references to clauses, schedules and paragraphs are references to clauses and paragraphs in and schedules to this Deed except where otherwise specified;
- (e) title headings to the clauses, schedules and paragraphs are for convenience only and shall not affect the interpretation of this Deed; and
- (f) references to any statute or statutory instrument shall except where otherwise specifically provided include reference to any statutory modification or re-enactment thereof for the time being in force

## **2 LEGAL EFFECT**

2.1 This Deed is made pursuant to the provisions of Section 106A of the Act and all other powers enabling so as to vary the Principal Deed in the manner set out in this Deed and the Owner's obligation and covenants contained in this Deed:

- (a) are covenants and planning obligations to which these statutory provisions apply;
- (b) relate to the Site in the manner set out in this Deed; and
- (c) are enforceable by the Council.

2.2 Save as hereby modified all other obligations and terms of the Principal Deed shall continue in full force and effect.

2.3 This Deed shall be registered as a local land charge by the Council.

### **3 COMMENCEMENT**

The provisions in this Deed shall take effect upon its completion.

### **4 VARIATIONS TO THE PRINCIPAL DEED**

4.1 The parties agree that the Principal Deed shall be varied as set out in the Schedule to this Deed but shall otherwise remain in full force and effect.

4.2 This Deed shall be read in conjunction with the Principal Deed.

### **5 LEGAL COSTS**

The Owner will pay on or before the date of this Deed the Council's reasonable legal costs and disbursements in connection with the preparation and completion of this Deed.

### **6 COUNCIL'S COSTS (FIRST HOMES)**

The Owner shall pay to the Council on or before the date of this Deed the sum of £<sup>600</sup>~~1,200~~ (£150 per First Homes Unit) as a contribution towards the Council's costs incurred in connection with the performance of the Council's obligations under Part 1B of the Third Schedule of the Principal Deed which is to be inserted therein pursuant to this Deed. 60A  
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### **7 JURISDICTION**

This Deed is governed by and interpreted in accordance with the Law of England.

## THE SCHEDULE

The Principal Deed shall be varied as follows:

1 Clause 6.1 of the Principal Deed shall be amended to read as follows:

6.1 The Council covenants with the Developer and the Owner to observe and perform the obligations set out in Part 1B of the Third Schedule and the Fourth Schedule

2 Clause 14.2 of the Principal Deed shall be amended to read as follows:

14.2 No purchaser or tenant of any individual Dwelling (or their mortgagee) to be constructed on the Site or a statutory undertaker shall be liable for any of the covenants contained in this Deed SAVE THAT:

- (a) paragraph 1.4 of Part 1A of the Third Schedule shall, subject to the terms of this Deed – and in particular subject to exemption in clause 15 below, bind the purchaser or tenant of an Affordable Housing Unit; and
- (b) Part 1B of the Third Schedule shall, subject to the terms of this Deed – and in particular subject to the exemption in paragraph 5 of Part 1B of the Third Schedule below, bind the purchaser or tenant of a First Homes Unit.

3 In Clause 1 of the Principal Deed the following additional definitions shall be added:

<b>"Additional First Homes Contribution"</b>	<p>means in circumstances where a Disposal of a First Homes Unit other than as a First Home has taken place in accordance with paragraph 3.8, 3.9 or 5 of Part 1B of the Third Schedule of this Deed, the lower of the following two amounts:</p> <ul style="list-style-type: none"><li>(a) 30% of the sale proceeds; and</li><li>(b) the sale proceeds less the amount due and outstanding to any Mortgagee of the relevant First Homes Unit under relevant security documentation. For this purpose, the "amount due and outstanding to any Mortgagee" shall include all accrued principal monies, interest and reasonable costs and expenses that are payable by the First Homes Owner to the Mortgagee under the terms of any mortgage, but for the avoidance of doubt shall not include any other costs or expenses incurred by the First Homes Owner in connection with the sale of the First Homes Unit</li></ul>
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	and which for the avoidance of doubt shall in each case be paid following the deduction of any additional SDLT payable by the First Homes Owner as a result of the Disposal of the First Homes Unit other than as a First Home.
<b>"Appendix 2"</b>	means Appendix 2 to this Deed (Compliance Certificate)
<b>"Appendix 3"</b>	means Appendix 3 to this Deed (First Homes Plan)
<b>"Armed Services Member"</b>	means a member of the Royal Navy the Royal Marines the British Army or the Royal Air Force or a former member who was a member within the five (5) years prior to the purchase of the First Homes Unit, a divorced or separated spouse or civil partner of a member or a spouse or civil partner of a deceased member or former member whose death was caused wholly or partly by their service
<b>"Authority to Proceed &amp; Eligibility Approval"</b>	means the document issued by the Council confirming that the person(s) who have submitted a First Homes Application Form satisfy the Eligibility Criteria (National) and Eligibility Criteria (Local) (if any) and may proceed with the purchase of a First Homes Unit such document (or its equivalent) to be in the form prescribed by Homes England from time to time
<b>"Cluster"</b>	shall mean a group of Affordable Housing Units and First Homes Units which does not have contiguous boundaries with another group of Affordable Housing Units and First Homes Units)
<b>"Compliance Certificate"</b>	means the certificate issued by the Council confirming that a First Homes Unit is being Disposed of as a First Home to a purchaser meeting the Eligibility Criteria (National) and unless paragraph 3.2 of Part 1B of the Third Schedule of this Deed applies the Eligibility Criteria (Local) in the form at Appendix 2 or such other form (or its equivalent) as may be issued by Homes England from time to time
<b>"Communication and Approval Protocol"</b>	means such communication and approval protocol as may be agreed between the Owner and the Council from time to time in respect of the conveyancing process relating to the Disposal of the First Homes Units

<b>"Discount Market Price"</b>	means a sum which is the Market Value discounted by <del>at least</del> 30%
<b>"Disposal"</b>	<p>means a transfer of the freehold or (in the case of a flat only) the grant or assignment of a leasehold interest in a First Homes Unit other than:</p> <ul style="list-style-type: none"> <li>(a) a letting or sub-letting in accordance with paragraph 4 of Part 1B of the Third Schedule of this Deed;</li> <li>(b) a transfer of the freehold interest in a First Homes Unit or land on which a First Homes Unit is to be provided before that First Homes Unit is made available for occupation except where the transfer is to a First Homes Owner; or</li> <li>(c) an Exempt Disposal</li> </ul> <p>and <b>"Disposed"</b> and <b>"Disposing"</b> shall be construed accordingly</p>
<b>"Eligibility Criteria (National)"</b>	<p>means criteria which are met in respect of a purchase of a First Homes Unit if:</p> <ul style="list-style-type: none"> <li>(a) the purchaser is a First Time Buyer (and in the case of a joint purchase each joint purchaser is a First Time Buyer); and</li> <li>(b) the purchaser's annual gross income (or in the case of a joint purchase, the joint purchasers' joint annual gross income) does not exceed the Income Cap (National).</li> </ul>
<b>"Eligibility Criteria (Local)"</b>	<p>means criteria (if any) published by the Council at the date of the relevant Disposal of a First Homes Unit which are met in respect of a Disposal of a First Homes Unit if:</p> <ul style="list-style-type: none"> <li>(a) the purchaser's annual gross income (or in the case of a joint purchase, the joint purchasers' joint annual gross income) does not exceed the Income Cap (Local) (if any); and</li> <li>(b) any or all of criteria (i) (ii) and (iii) below are met: <ul style="list-style-type: none"> <li>(i) the purchaser meets the Local Connection Criteria (or in the case of a joint purchase at least one of the joint purchasers meets the Local Connection Criteria); and/or</li> </ul> </li> </ul>

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	<p>(ii) the purchaser is (or in the case of a joint purchase at least one of the joint purchasers is) an Armed Services Member; and/or</p> <p>(iii) the purchaser is (or in the case of a joint purchase at least one of the joint purchasers is) a Key Worker</p>
<b>"Exempt Disposal"</b>	<p>means the transfer of the freehold or (in the case of a flat only) the grant or assignment of a leasehold interest of a First Homes Unit in one of the following circumstances:</p> <p>(a) to a spouse or civil partner upon the death of the First Homes Owner</p> <p>(b) to a named beneficiary under the terms of a will or under the rules of intestacy following the death of the First Homes Owner</p> <p>(c) to a former spouse or former civil partner of a First Homes Owner in accordance with the terms of a court order, divorce settlement or other legal agreement or order upon divorce, annulment or dissolution of the marriage or civil partnership or the making of a nullity, separation or presumption of death order</p> <p>(d) to a trustee in bankruptcy prior to sale of the relevant Dwelling (and for the avoidance of doubt paragraph 5 of Part 1B of the Third Schedule of this Deed shall apply to such sale)</p> <p>PROVIDED THAT in each case other than (d) the person to whom the transfer / assignment (as applicable) is made complies with the terms of paragraph 4 of Part 1B of the Third Schedule of this Deed</p>
<b>"First Home"</b>	<p>means a Dwelling which may be Disposed of to a First Time Buyer at the Discount Market Price and which on its first Disposal does not exceed the Price Cap and <b>"First Homes"</b> shall be construed accordingly</p>



<b>"First Homes Application Form"</b>	means the application form pursuant to which person(s) may apply to purchase a First Homes Unit such document (or its equivalent) to be in the form prescribed by Homes England from time to time																		
<b>"First Homes Mix"</b>	<p>means the <del>eight (8)</del> <sup>four (4)</sup> Dwellings comprised in the Development on the Site to be provided as First Homes in accordance with the following agreed details (or such other details as may be agreed between the Owner and the Council):</p> <table border="1"> <thead> <tr> <th>Plot No.</th><th>Unit Type</th></tr> </thead> <tbody> <tr> <td><del>154</del></td><td><del>3 bed house</del></td></tr> <tr> <td>146</td><td>3 bed house</td></tr> <tr> <td>147</td><td>3 bed house</td></tr> <tr> <td>148</td><td>3 bed house</td></tr> <tr> <td>145</td><td>3 bed house</td></tr> <tr> <td><del>162</del></td><td><del>3 bed house</del></td></tr> <tr> <td><del>164</del></td><td><del>3 bed house</del></td></tr> <tr> <td><del>163</del></td><td><del>3 bed house</del></td></tr> </tbody> </table>	Plot No.	Unit Type	<del>154</del>	<del>3 bed house</del>	146	3 bed house	147	3 bed house	148	3 bed house	145	3 bed house	<del>162</del>	<del>3 bed house</del>	<del>164</del>	<del>3 bed house</del>	<del>163</del>	<del>3 bed house</del>
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<b>"First Homes Owner"</b>	<p>means the person or persons having the freehold or leasehold interest (as applicable) in a First Homes Unit other than:</p> <ul style="list-style-type: none"> <li>(a) the Owner;</li> <li>(b) another developer or other entity to which the freehold interest or leasehold interest in a First Homes Unit or in the land on which a First Homes Unit is to be provided has been transferred before that First Homes Unit is made available and is Disposed of for occupation as a First Home;</li> <li>(c) a tenant or sub-tenant of a permitted letting under paragraph 4 of Part 1B of the Third Schedule of this Deed</li> </ul>																		
<b>"First Homes Phase 2 Pilot"</b>	means the second phase of Homes England's First Homes early delivery programme 2021 to 2023																		
<b>"First Homes Plan"</b>	<p>means plan reference H7863/FHP <sup>Revision A</sup> attached to this Deed at Appendix 3 which has been agreed with the Council and shows the</p>																		

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	location of the First Homes Units shaded dark blue (or such other plan as may be agreed between the Owner and the Council)
<b>"First Homes Units"</b>	means the Dwellings identified on the First Homes Plan as First Homes and <b>"First Homes Unit"</b> shall be construed accordingly
<b>"First Time Buyer"</b>	means a first time buyer as defined by paragraph 6 of Schedule 6ZA to the Finance Act 2003
<b>"Income Cap (Local)"</b>	<p>means:</p> <p>(a) on the first Disposal of a First Homes Unit eighty thousand pounds (£80,000); or</p> <p>(b) on a second or subsequent sale of a First Homes Unit such sum (if any) as may be published by the Council from time to time as the "First Homes Income Cap (Local)" for the Council's administrative area and is in operation at the time of the relevant Disposal of the First Homes Unit</p> <p>it being acknowledged that at the date of this Deed the Council has not set an Income Cap (Local) and that no Income Cap (Local) is intended to apply to the first Disposal of a First Homes Unit</p>
<b>"Income Cap (National)"</b>	means eighty thousand pounds (£80,000) or such other sum as may be published for this purpose from time to time by the Secretary of State
<b>"Key Worker"</b>	means such categories of employment as may be designated and published by the Council from time to time as the 'First Homes Key Worker criteria' and is in operation at the time of the relevant Disposal of the First Homes Unit and for the avoidance of doubt any such criteria in operation at the time of the relevant Disposal of the First Homes Unit shall be the 'Key Worker' criteria which shall apply to that Disposal it being acknowledged that at the date of this Deed the Council has not designated any categories of employment as Key Worker
<b>"Local Connection Criteria"</b>	means either (a) or (b) below:

	<p>(a) criteria which are met by a person who satisfies one or more of (i), (ii) and (iii) below at the date of submission of their First Homes Application Form:</p> <ul style="list-style-type: none"> <li>(i) is ordinarily resident within the Council's administrative area; and/or</li> <li>(ii) is employed within or has a firm offer of permanent employment within the Council's administrative area; and or</li> <li>(iii) who has a close family association with the Council's administrative area by reason of a parent, adult child, brother or sister who has been ordinarily resident within the Council's administrative area for a continuous period of at least 5 years)</li> </ul> <p>(b) such other local connection criteria as may be designated and published by the Council from time to time as its "First Homes Local Connection Criteria" and which is in operation at the time of the relevant Disposal of the First Homes Unit and for the avoidance of doubt any such criteria or replacement criteria in operation at the time of the relevant Disposal of the First Homes Unit shall be the "Local Connection Criteria" which shall apply to that Disposal</p> <p>it being acknowledged that the criteria in limb (a) only is intended to apply to the first Disposal of a First Homes Unit.</p>
<b>"Market Value"</b>	means in relation to the First Homes / First Homes Units the open market value as assessed by a Valuer as confirmed to the Council by the First Homes Owner and assessed in accordance with the RICS Valuation Standards (January 2014 or any such replacement guidance issued by RICS) and for the avoidance of doubt shall not take into account the 30% discount in the valuation
<b>"Mortgagee"</b>	means in relation to the First Homes / First Homes Units any financial institution or other entity regulated by the Prudential Regulation Authority and the Financial Conduct Authority to provide facilities to a person to enable that person to acquire a First Homes

	Unit including all such regulated entities which provide Shari'ah compliant finance for the purpose of acquiring a First Home
<b>"Practical Completion"</b>	means in relation to the First Homes / First Homes Units the stage reached when the construction of a First Homes Unit is sufficiently complete that, where necessary, a certificate of practical completion can be issued and it can be Occupied
<b>"Price Cap"</b>	means the amount for which the First Homes Unit is sold after the application of the Discount Market Price which on its first Disposal shall not exceed Two Hundred and Fifty Thousand Pounds (£250,000) or such other amount as may be published from time to time by the Secretary of State
<b>"SDLT"</b>	means Stamp Duty Land Tax as defined by the Finance Act 2003 or any tax replacing it of like effect .
<b>"Secretary of State"</b>	means the Secretary of State for Levelling Up, Housing and Communities from time to time appointed and includes any successor in function
<b>"Valuer"</b>	means a Member or Fellow of the Royal Institution of Chartered Surveyors being a Registered Valuer appointed by the First Homes Owner and acting in an independent capacity

- 4 In Clause 1 of the Principal Deed the definition of "Affordable Housing Units" shall be amended to read as follows:

<b>"Affordable Housing Units"</b>	the Affordable Housing to be provided on the Site shown coloured purple, blue, green and brown on Plan 2 and in accordance with the Affordable Housing Mix and shall be 30% of the total number of Dwellings a certain number of which equates to 7.5% of the total number of Dwellings which shall be Bungalows comprising Over 55 Accommodation and FOR THE AVOIDANCE OF DOUBT such term shall not include the First Homes / First Homes Units which shall be subject to the provisions in Part 1B of the Third Schedule of this Deed only
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- 5 In Clause 1 of the Principal Deed the definition of "Open Market Dwellings" shall be amended to read as follows:

<b>"Open Market Dwellings"</b>	means those Dwellings which are not Affordable Housing Units or First Homes / First Homes Units
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- 6 After the words 'The Owner covenants with the Council as follows:' at the start of the Third Schedule of the Principal Deed the following text shall be added:

**PART 1A**

- 7 A new Part 1B shall be added to the Third Schedule of the Principal Deed in the form annexed to this Deed as Annex 1.
- 8 A new Appendix 2 (Compliance Certificate) shall be annexed to the Principal Deed in the form annexed to this Deed as Annex 2.
- 9 The drawing annexed to this Deed at Annex 3 shall be inserted into the Principal Deed as a new Appendix 3 (First Homes Plan).

IN WITNESS whereof the Council and the Owner have executed this instrument as a Deed in the presence of the person(s) mentioned below the day and year above written

THE COMMON SEAL of )  
RIBBLE VALLEY BOROUGH COUNCIL )  
was affixed hereto in the presence of: )



1962

Mayor

Chief Executive

SIGNED as a DEED by )

and )

Attorneys for and acting on behalf of )

BDW TRADING LIMITED )

in exercise of the powers conferred on )

them by a Power of Attorney dated )

7/3/22 in the presence of ) *KEITH SMITH*

Attorney

Attorney

Witness Signature

Witness Signature

Witness Name

Witness Name

Barratt & David Wilson Homes

2ND Floor

303 Bridgewater Place

Birchwood Park

Warrington

WA3 6XF

Barratt & David Wilson Homes

2ND Floor

303 Bridgewater Place

Birchwood Park

Warrington

WA3 6XF

## ANNEX 1

### Wording to be inserted as new Part 1B to the Third Schedule of the Principal Deed

#### PART 1B

##### FIRST HOMES OBLIGATIONS

Unless otherwise agreed in writing by the Council, the Owner for and on behalf of itself and its successors in title to the Site with the intention that the following provisions shall bind the Site and every part of it into whosoever's hands it may come covenants with the Council as below save that:

- (a) paragraphs 1 and 2 of this Part 1B shall not apply to a First Homes Owner;
- (b) paragraphs 3 and 4 of this Part 1B apply as set out therein, save that where a First Homes Unit is owned by a First Homes Owner they shall apply to a First Homes Owner, but only in respect of the relevant First Homes Unit owned by that First Homes Owner; and
- (c) Paragraph 6 of this Part 1B applies as set out therein.

##### 1 QUANTUM OF FIRST HOMES

- 1.1 <sup>Four (4)</sup> ~~Eight (8)~~ of the Dwellings as identified as First Homes on the First Homes Plan have been reserved and set aside as First Homes Units and shall be provided and retained as First Homes Units in perpetuity subject to the terms of Part 1B of this Third Schedule.
- 1.2 If Homes England notifies the Council that one or more First Homes Units are no longer receiving grant funding from Homes England pursuant to the First Homes Phase 2 Pilot the Council will release the Owner from the obligations whether past present or future in paragraphs 1 to 6 of this Part 1B and direction issued pursuant to paragraph 3.7 of this Part 1B in respect of those First Homes Units only and shall do everything necessary to give effect to that release.
- 1.3 If Homes England notifies the Council that additional grant has been given to the Owner under the First Homes Phase 2 Pilot to deliver additional First Homes in addition to the First Homes Units, the Council and the Owner shall enter into a deed of variation to this agreement to agree:
  - 1.3.1 an amended First Homes Plan on which the First Homes Units and the additional First Homes shall be identified as First Homes; and
  - 1.3.2 that the provisions in paragraphs 2 to 5 of this Part 1B shall apply to the all the First Homes identified on the amended First Homes Plan

## **2 DEVELOPMENT STANDARD**

All First Homes Units shall be constructed to no less than the standard applied to the Open Market Dwellings.

## **3 DELIVERY MECHANISM**

3.1 The First Homes Units shall be marketed for sale and shall only be sold (whether on a first or any subsequent sale) as First Homes to a person or person(s) meeting:

3.1.1 the Eligibility Criteria (National); and

3.1.2 the Eligibility Criteria (Local) (if any).

3.2 If after a First Homes Unit has been actively marketed for 3 months (such period to expire no earlier than three (3) months prior to Practical Completion) it has not been possible to find a willing purchaser who meets the Eligibility Criteria (Local) (if any), paragraph 3.1.2 of this Part 1B shall cease to apply.

3.3 Subject to paragraphs 3.6 to 3.10 of this Part 1B, no First Homes Unit shall be Disposed of (whether on a first or any subsequent sale) unless not less than 50% of the purchase price (meaning the Discount Market Price) is funded by a first mortgage or other home purchase plan with a Mortgagee.

3.4 No First Homes Unit shall be Disposed of (whether on a first or any subsequent sale) unless and until:

3.4.1 The Council has been provided with evidence that:

3.4.1.1 the intended purchaser meets the Eligibility Criteria (National) and unless paragraph 3.2 of this Part 1B applies meets the Eligibility Criteria (Local) (if any);

3.4.1.2 the First Homes Unit is being Disposed of as a First Home at the Discount Market Price; and

3.4.1.3 the transfer of the First Homes Unit includes:

a) a definition of the "Council" which shall be Ribble Valley Borough Council

b) a definition of "First Homes Provisions" in the following terms:

"means the provisions set out in paragraph 3.1 – 3.9 (inclusive) of



Part 1B of the Third Schedule of the S106 Agreement a copy of which is attached hereto as the Annexure."

- c) A definition of "S106 Agreement" in the following terms:

"means the agreement made pursuant to Section 106 of the Town and Country Planning Act 1990 dated 30 August 2019 and made between (1) Ribble Valley Borough Council; (2) Lancashire County Council; (3) Barrow Lands Co. Limited; (4) Taylor Wimpey UK Limited; and (5) BDW Trading Limited as amended / supplemented by:

- (i) a memorandum of agreement dated 5 October 2020;
- (ii) a deed of variation made under section 106A of the Act dated 14 October 2021 between: (1) Ribble Valley Borough Council; (2) Lancashire County Council; (3) Taylor Wimpey UK Limited; and (4) BDW Trading Limited;
- (iii) A supplement agreement made under section 106A of the Act dated [●] between: (1) Ribble Valley Borough Council; (2) Lancashire County Council; and (3) BDW Trading Limited,

and as may be further amended and / or supplemented from time to time)"

- d) a provision that the Property is sold subject to and with the benefit of the First Homes Provisions and the Transferee acknowledges that it may not transfer or otherwise Dispose of the Property or any part of it other than in accordance with the First Homes Provisions
- e) a copy of the First Homes Provisions in an Annexure

3.4.2 The Council has issued the Compliance Certificate and the Council hereby covenants that it shall issue the Compliance Certificate within twenty-eight (28) days of being provided with evidence sufficient to satisfy it that the requirements of paragraphs 3.3 and 3.4.1 of this Part 1B have been met

3.5 On the first Disposal of each and every First Homes Unit the Owner shall apply to the Chief Land Registrar pursuant to Rule 91 of and Schedule 4 to the Land Registration Rules 2003 for the entry on the register of the title of that First Homes Unit of the following restriction:

*"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by Ribble Valley Borough Council of Council Offices, Church Walk, Clitheroe, Lancashire BB7 2RA or their conveyancer that the provisions of clause [XX] (the First Homes provision) of the Transfer dated [Date] referred to in the Charges Register have been complied with or that they do not apply to the disposition"*

3.6 The owner of a First Homes Unit (which for the purposes of this clause shall include the Owner and any First Homes Owner) may apply to the Council to Dispose of it other than as a First Home on the grounds that either:

3.6.1 the First Homes Unit has been actively marketed as a First Home for six (6) months in accordance with paragraphs 3.1 and 3.2 of this Part 1B (and in the case of a first Disposal the six (6) months shall be calculated from a date no earlier than six (6) months prior to Practical Completion) and all reasonable endeavours have been made to Dispose of the First Homes Unit as a First Home but it has not been possible to Dispose of that First Homes Unit as a First Home in accordance with paragraphs 3.3 and 3.4.1 of this Part 1B; or

3.6.2 requiring the First Homes Owner to undertake active marketing for the period specified in paragraph 3.6.1 of this Part 1B before being able to Dispose of the First Homes Unit other than as a First Home would be likely to cause the Owner / First Homes Owner undue hardship

3.7 Upon receipt of an application served in accordance with paragraph 3.6 of this Part 1B the Council shall have the right (but shall not be required) to direct that the relevant First Homes Unit is disposed of to it at the Discount Market Price

3.8 If the Council is satisfied that either of the grounds in paragraph 3.6 of this Part 1B above have been made out it shall confirm in writing within twenty-eight (28) days of receipt of the written request made in accordance with paragraph 3.6 of this Part 1B that the relevant First Homes Unit may be Disposed of:

3.8.1 to the Council at the Discount Market Price; or

3.8.2 (if the Council confirms that it does not wish to acquire the relevant First Homes Unit) other than as a First Home

and on the issue of that written confirmation the obligations in this Deed which apply to First Homes shall cease to bind and shall no longer affect that First Homes Unit apart from

paragraph 3.10 of this Part 1B which shall cease to apply on receipt of payment by the Council where the relevant First Homes Unit is Disposed of other than as a First Home

- 3.9 If the Council does not wish to acquire the relevant First Homes Unit itself and is not satisfied that either of the grounds in paragraph 3.6 of this Part 1B above have been made out then it shall within twenty eight (28) days of receipt of the written request made in accordance with paragraph 3.6 of this Part 1B serve notice on the owner of the First Homes Unit setting out the further steps it requires the owner of the First Homes Unit to take to secure the Disposal of the relevant First Homes Unit as a First Home, and the timescale (which shall be no longer than six (6) months). If at the end of that period the owner of the First Homes Unit has been unable to Dispose of the First Homes Unit as a First Home he may serve notice on the Council in accordance with paragraph 3.6 of this Part 1B following which the Council must within twenty eight (28) days issue confirmation in writing that the First Homes Unit may be Disposed of other than as a First Home.
- 3.10 Where a First Homes Unit is Disposed of other than as a First Home or to the Council at the Discount Market Price in accordance with paragraphs 3.8 or 3.9 of this Part 1B above the owner of the First Homes Unit shall pay to the Council forthwith upon receipt of the sale proceeds the Additional First Homes Contribution (which obligation shall remain binding on the outgoing owner of the First Homes Unit notwithstanding such Disposal)
- 3.11 Upon receipt of the Additional First Homes Contribution the Council shall:
- 3.11.1 within five (5) Working Days of such receipt, provide a completed and duly signed application to enable the removal of the restriction on the title set out in paragraph 3.5 of this Part 1B where such restriction has previously been registered against the relevant title; and
- 3.11.2 apply all monies received towards the provision of Affordable Housing.
- 3.12 Any person who purchases a First Homes Unit free of the restrictions in Part 1B of this Third Schedule pursuant to the provisions in paragraphs 3.9 and 3.10 of this Part 1B shall not be liable to pay the Additional First Homes Contribution to the Council.

#### **4 USE**

- 4.1 Each First Homes Unit shall be used only as the main residence of the First Homes Owner and shall not be let, sub-let or otherwise Disposed of otherwise than in accordance with the terms of this Deed PROVIDED THAT letting or sub-letting shall be permitted in accordance with paragraphs 4.2 – 4.4 of this Part 1B below.

- 4.2 A First Homes Owner may let or sub-let their First Homes Unit for a fixed term of no more than two (2) years, provided that the First Homes Owner notifies the Council in writing before the First Homes Unit is Occupied by the prospective tenant or sub-tenant. A First Homes Owner may let or sub-let their First Homes Unit pursuant to this paragraph more than once during that First Homes Owner's period of ownership, but the aggregate of such lettings or sub-lettings during a First Homes Owner's period of ownership may not exceed two (2) years.
- 4.3 A First Homes Owner may let or sub-let their First Homes Unit for any period provided that the First Homes Owner notifies the Council and the Council consents in writing to the proposed letting or sub-letting. The Council covenants not to unreasonably withhold or delay giving such consent and not to withhold such consent in any of circumstances (a) – (f) below:
- a) the First Homes Owner is required to live in accommodation other than their First Homes Unit for the duration of the letting or sub-letting for the purposes of employment;
  - b) the First Homes Owner is an active Armed Services Member and is to be deployed elsewhere for the for the duration of the letting or sub-letting;
  - c) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting in order to escape a risk of harm;
  - d) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting as a result of relationship breakdown;
  - e) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting as a result of redundancy; and
  - f) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting in order to provide care or assistance to any person.
- 4.4 A letting or sub-letting permitted pursuant to paragraph 4.1 or 4.2 of this Part 1B must be by way of a written lease or sub-lease (as the case may be) of the whole of the First Homes Unit on terms which expressly prohibit any further sub-letting.
- 4.5 Nothing in paragraph 4 of this Part 1B prevents a First Homes Owner from renting a room within their First Homes Unit or from renting their First Homes Unit as temporary sleeping accommodation provided that the First Homes Unit remains at all times the First Home Owner's main residence.

## **5 MORTGAGEE EXCLUSION**

5.1 The obligations in paragraphs 1 - 4 of Part 1B of this Third Schedule in relation to First Homes shall not apply to any Mortgagee or any receiver (including an administrative receiver appointed by such Mortgagee or any other person appointed under any security documentation to enable such Mortgagee to realise its security or any administrator (howsoever appointed (each a "**FH Receiver**")) of any individual First Homes Unit or any persons or bodies deriving title through such Mortgagee or FH Receiver PROVIDED THAT:

5.1.1 such Mortgagee or FH Receiver shall first give written notice to the Council of its intention to Dispose of the relevant First Homes Unit;

5.1.2 once notice of intention to Dispose of the relevant First Homes Unit has been given by the Mortgagee or FH Receiver to the Council the Mortgagee or FH Receiver shall be free to sell that First Homes Unit at its full Market Value and subject only to paragraph 5.1.3 of this Part 1B;

5.1.3 following the Disposal of the relevant First Homes Unit the Mortgagee or FH Receiver shall following the deduction of the amount due and outstanding under the relevant security documentation including all accrued principal monies, interest and reasonable costs and expenses pay to the Council the Additional First Homes Contribution;

5.1.4 following receipt of notification of the Disposal of the relevant First Home the Council shall:

(a) forthwith issue a completed application to the purchaser of that First Homes Unit to enable the removal of the restriction on the title set out in paragraph 3.5 of this Part 1B; and

(b) apply all such monies received towards the provision of Affordable Housing

## **6 COMMUNICATION AND APPROVAL PROTOCOL**

The Owner and the Council hereby agree to co-operate in good faith with regard to the discharge of their respective obligations contained in Part 1B of this Third Schedule and shall use their reasonable endeavours to agree a Communication and Approval Protocol as soon as reasonably practicable.

## **7 ASSESSMENT OF ELIGIBILITY**

7.1 The Council hereby covenants with the Owner that in respect of the first Disposal of a First Homes Unit it shall upon receipt of the First Homes Application Form undertake a full and proper assessment of the person(s) named in the First Homes Application Form to assess

whether such person(s) meet the required Eligibility Criteria (National) and Eligibility Criteria (Local) (if any) and shall not issue an Authority to Proceed & Eligibility Approval unless it has satisfied itself that such person(s) meets the Eligibility Criteria (National) and Eligibility Criteria (Local) (if any).

7.2 The Owner shall be entitled to rely upon any Authority to Proceed & Eligibility Approval issued by the Council as the Council's confirmation that:

7.2.1 the Council has undertaken a full assessment of the eligibility of the person(s) named and the information contained in and/or documentation supplied with the First Homes Application Form; and

7.2.2 the person(s) named in the First Homes Application Form meet the Eligibility Criteria (National) and Eligibility Criteria (Local) (if any) and are eligible to purchase a First Homes Unit.

## ANNEX 2

### Form of new Appendix 2 to be annexed the Principal Deed

#### Appendix 2

#### Compliance Certificate

#### FIRST HOMES COMPLIANCE CERTIFICATE

Date:	[ ]
To:	[Buyer's conveyancer]
	[Builder's/Seller's conveyancer]
	[Buyer's mortgage advisor]
	[First Home Buyer(s)]
First Homes Buyer(s) name(s) (the proposed First Homes Owner(s)):	[ ]
First Home property to be purchased:	[plot number & site name/address]
Copied to:	[First Homes Buyer(s) current address before purchase] [First Homes house builder]

The proposed First Homes Buyer(s) First Homes application has been approved by Ribble Valley Borough Council pursuant to the agreement made pursuant to Section 106 of the Town and Country Planning Act 1990 relating to Land west of Whalley Road and south west of Barrow near Clitheroe, Lancashire dated 30 August 2019 and made between: (1) Ribble Valley Borough Council; (2) Lancashire County Council; (3) Barrow Lands Co. Limited; (4) Taylor Wimpey UK Limited; and (5) BDW Trading Limited (as supplemented / amended) and this Compliance Certificate is issued to the proposed First Homes Buyer(s) and their conveyancer by Ribble Valley Borough Council as follows:

First Homes Buyer(s) name(s) (the proposed First Homes Owner(s))	[ Full Names ]
[Builder] [Current First Homes Owner]	[Builder/Seller]
First Home property to be purchased:	[plot number & site name/address]
First Home forecast purchase legal completion date:	
Market value (100% of value)	[£ ]
First Homes discount %	30%
First Homes Purchase Price (price to be paid by the proposed First Homes Buyer(s) applying the First Homes discount to the Market value)	[£ ])
Proposed date of exchange of contracts	
Proposed date of completion	

This **COMPLIANCE CERTIFICATE** is issued by Ribble Valley Borough Council and confirms that a Dwelling is being disposed of to the First Home Buyer(s) specified in this Compliance Certificate who meet the:

- a. Eligibility Criteria (National)
  - i. First Time Buyer;
  - ii. Having Household income no more than £80,000 per annum; **and if applicable**

b. the Eligibility Criteria (Local)

i. insert Local eligibility Criteria]

ii. ]

As set out in full in the agreement made pursuant to Section 106 of the Town and Country Planning Act 1990 relating to Land west of Whalley Road and south west of Barrow near Clitheroe, Lancashire dated 30 August 2019 and made between: (1) Ribble Valley Borough Council; (2) Lancashire County Council; (3) Barrow Lands Co. Limited; (4) Taylor Wimpey UK Limited; and (5) BDW Trading Limited (as supplemented / amended) ("Planning Obligations").

The First Homes Buyer(s) (the new First Homes Owner) has provided all the necessary First Homes confirmations and declarations of eligibility required by Ribble Valley Borough Council and the First Homes Buyer(s) solicitor has confirmed that the transfer to the First Home Buyer(s) will comply with the requirements in Planning Obligations in relation to the Property.

Yours sincerely

Name:	
Signed:	
For and on behalf of	[Council]
Dated:	



**ANNEX 3**

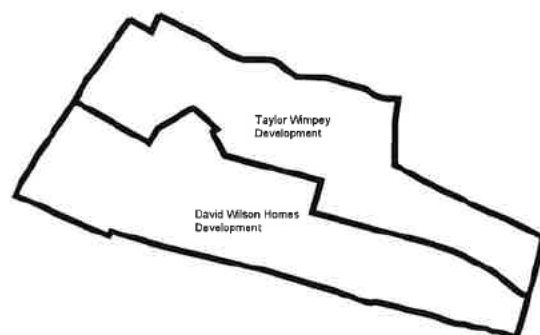
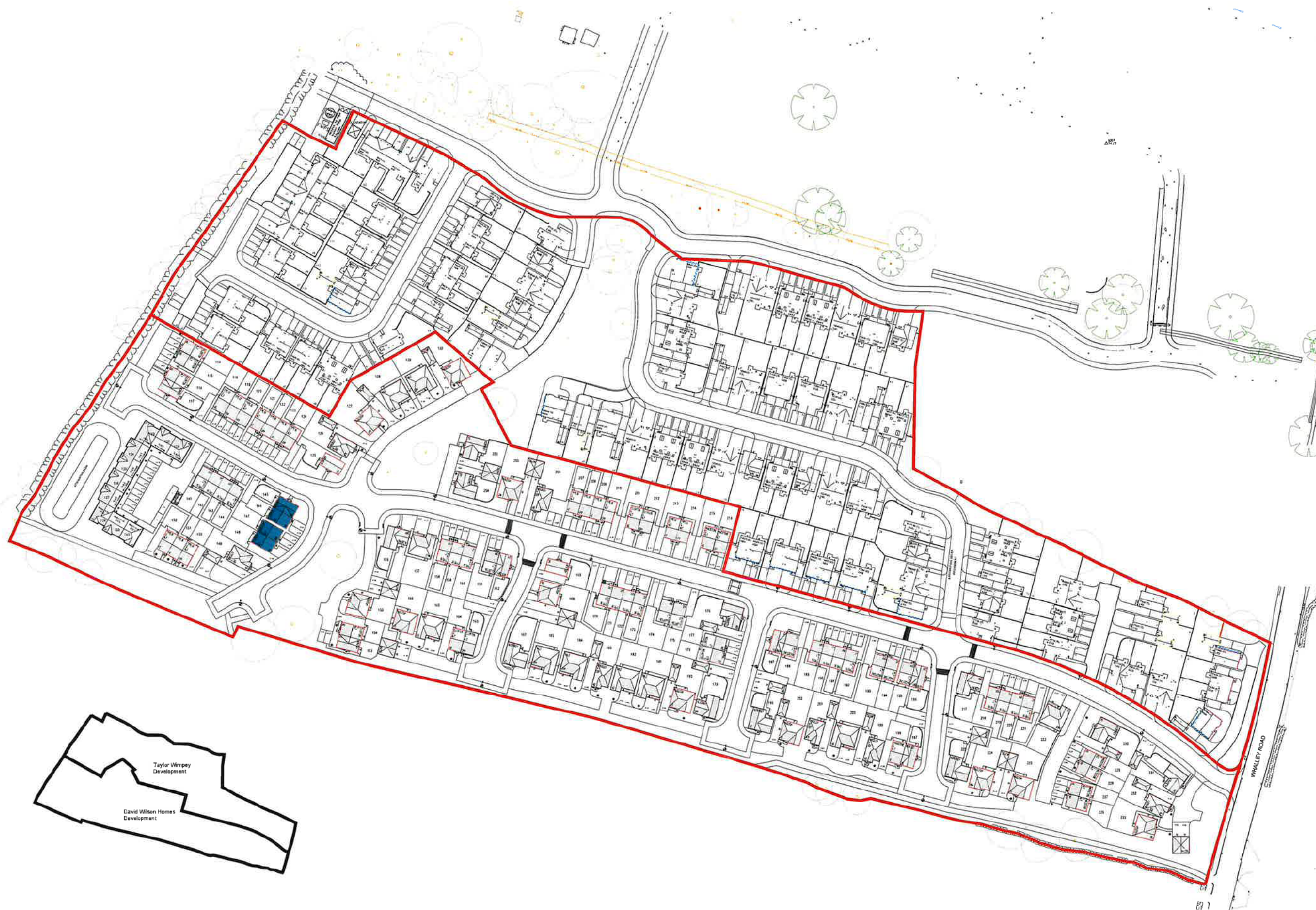
**Form of new Appendix 3 to be annexed to the Principal Deed**

**Appendix 3**

**First Homes Plan**



GDA  
Gedwards  
09/09/22



Key:		
 First Homes		

Rev	Description	Drawn/Date
1	Plan updated to show plots 145-148 only	JW 18.07.22

 **BARRATT HOMES**  
Barratt/David Wilson Homes  
381 Bridgewater Floor  
Warrington  
Cheshire  
WA5 1WJ  
TEL: 01925 440000

 **DAVID WILSON HOMES**  
HAPPY QUALITY HOMES

Project  
**THE BROOKS**  
Whalley Road  
Barrow

Drawing Title  
**First Homes Allocation Plan**

Status  
**For Issue**

Scale  
**1:500 @ A0**

Date  
**11.05.22**

Drawn By  
**JCarman**



Drawing Ref  
**H7863/FHP A**