**DATED 2020**

**Xxxxxxxxxxx[note 1]**

(the Owner) **(1)**

**and**

**READING BOROUGH COUNCIL**

(the Council) **(2)**

**AGREEMENT**

**constituting Planning Obligations relating to**

**land at xxxxxxxx**

**(Appl. No.xxxxxxxx)**

Michael Graham LLB (Hons); MBA

Assistant Director of Legal and Democratic Services

Reading Borough Council

Civic Offices Bridge Street

Reading RG1 2LU

**IKEN NO.**

[date of agreement drafted]

**THIS AGREEMENT** is made the day of 2020

**BETWEEN:**

**xxxxxx** of XXX (hereinafter referred to as “the Owner”) (1) and

**READING BOROUGH COUNCIL** of Civic Offices Bridge Street Reading RG1 2LU (“the Council”) (2)

**RECITALS**

**A. Planning Obligation**

This Agreement constitutes a planning obligation within the meaning of the term in Section 106 of the Town and Country Planning Act 1990 as amended by the Planning and Compensation Act 1991 (“the 1990 Act”)

**B. The Land**

The Council is the Local Planning Authority for the purposes of the 1990 Act for the Borough of Reading in which the land at xxxxxxxxxxxxx (“the Land”) more particularly described in the Schedule hereto is situated and the Council is the authority who can enforce the provisions of this Agreement

**C. Land Ownership**

The Owner is the owner of the freehold of the Land and has an interest in the Land within the meaning of the term in Section 106(9)(b) of the 1990 Act

**D. Planning Application**

An application (given reference xxxxxxx by the Council) has been submitted to the Council for the development of the Land hereinafter described

**E. Planning Permission**

The Council and the Owner having regard to the Development Plan and to all other material considerations consider that Planning Permission should be granted for the Development pursuant to the Application subject to the prior completion of this Agreement

NOW IN PURSUANCE OF THE POWERS CONTAINED in Section 106 of the 1990 Act IT IS HEREBY AGREED AND DECLARED between the parties hereto as follows:-

**1. DEFINITIONS AND INTERPRETATION**

1.1 Definitions

The following expressions shall have the under mentioned meanings:-

**“1990 Act”**

means the Town and Country Planning Act 1990 as amended

**“Affordable Housing”**

means social rented housing affordable rented housing and intermediate housing as defined in Annex 2 of the National Planning Policy Framework published on 1st February 2019 or any subsequent definition in any revision amendment or re-enactment thereof published by the U K Government

**“the Affordable Housing Contribution”**

means the sum of xxxxxx THOUSAND xxxxx HUNDRED POUNDS (£XXXX.00) towards the provision by the Council of Affordable Housing in the Borough which is not being provided by the Owner on the Land

**“this Agreement”**

means this planning obligation by agreement pursuant to Section 106 of the 1990 Act

**“the Application”**

means the application for planning permission submitted to the Council and given reference number XXXXXXX

**“develop” and “development”**

shall be construed in accordance with Section 55 of the 1990 Act

**“the Development”**

means the XXXXXXXXXXXX.

to be permitted by the Planning Permission

**“the Effective Date”**

means the date of this Agreement

**“Implementation”**

means the carrying out of a “material operation” as defined in Section 56(4) of the 1990 Act and “Implement” and “Implemented” shall be construed accordingly

**“Index”**

means the All Items Index of Retail Prices issued by the Office for National Statistics

**“the Land”**

means the land described in the Schedule hereto

**“the Mortgagee”**

Means the Bank of xxxxx (Co. Regn No xxxxxxx) of [address of bank] who has a registered charge over the property

**“New Dwelling”**

means the/any one of the new dwellings formed or to be formed in the carrying out of Development pursuant to the Planning Permission

**“Occupation”**

means (for the purposes of the covenant in Clause 4) the first beneficial occupation of a New Dwelling for residential purposes following Implementation of the Planning Permission and “Occupied” shall be construed accordingly

**“the Planning Permission”**

means planning permission granted by the Council pursuant to the Application substantially in the form of the draft set out in the Annexure hereto

1.2 **Interpretation**

**IT IS HEREBY FURTHER AGREED that unless the context otherwise requires:**

1.2.1 the singular shall include the plural and vice versa

1.2.2 references to any party shall include the successors in title of that party

1.2.3 where a party includes more than one person the obligations of those persons shall be joint and several

1.2.4 references to Clauses Schedules and the Annexure are references to clauses schedules and the Annexure respectively in this Agreement

1.2.5 references to a statute or statutory instrument shall mean and include any statutory revision amendment or re-enactment thereof

1.2.6 words denoting an obligation on a party to do any act or matter or thing include an obligation to procure that it be done and words placing a party under a restriction include an obligation not to permit infringement of the restriction

AND THAT Clause headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation

**2. CONDITIONALITY**

2.1 Subject to Clause 2.2 below this Agreement shall have immediate effect

2.2 The covenants by the Owner in Clause 4 are conditional upon the grant by the Council of the Planning Permission on the Effective Date and Implementation of the Development

**3. COVENANTS BY THE OWNER: DECLARATION**

The covenants by the Owner hereinafter set out are entered into with the intent that those covenants shall (subject to Clause 5) be enforceable without any limits of time against the Owner and any person deriving title from the Owner to all or any part of the Land and any person deriving title under them in respect of a lesser interest in the whole or any part of the Land as if that person had also been an original covenanting party in respect of the interest for the time being held by him

**4. THE OWNER’S COVENANTS**

The Owner COVENANTS AND AGREES with the Council to pay the Affordable Housing Contribution as increased by the indexation provision in Clause 10 to the Council no later than the date of first Occupation of the/any/a New Dwelling to be Occupied and not to Occupy any New Dwelling until such payment has been made to the Council in full including any interest due thereon under the terms of this Agreement

**5. CESSER OF LIABILITIES**

The liabilities of the person who for the time being is the Owner under this Agreement in relation to the Land shall cease (subject to and without prejudice to the Council’s rights in relation to any antecedent breach of the obligations contained in this Agreement) after the person has parted with all his interest in the Land

**6. NO WAIVER**

No waiver (whether express or implied) by the Council of any breach of or default by the Owner in performing or observing any of the terms of or covenants obligations or restrictions in this Agreement shall constitute a continuing waiver and no such waiver shall prevent the Council from enforcing any of the said terms covenants obligations or restrictions or from acting upon any subsequent breach or default in respect thereof by the Owner

**7. RIGHTS OF THIRD PARTIES**

It is not intended that any of the provisions of this Agreement be enforceable under the Contracts (Rights of Third Parties) Act 1999 by anyone other than the parties to this Agreement

**8. LOCAL LAND CHARGE**

This Agreement is and shall be registered as a Local Land Charge by the Council

**9. REVOCATION**

In the event that the Planning Permission expires or is quashed before implementation or is (without the consent of the Owner) revoked by any statutory enactment then in that event the provisions of this Agreement shall lapse and determine and in that event the Council will thereafter effect the cancellation of all entries made in the Register of Local Land Charges in respect of this Agreement

**10. INDEXATION**

The amount of any contribution payable under the provisions of Clause 4 of this Agreement shall be increased by an amount equivalent to the increase in the Index from the Effective Date until the date on which the respective contribution is payable

**11. INTEREST ON UNPAID MONIES**

If any payment due under this Agreement is paid late interest at the rate of 4% per annum above the base rate of the Bank of England for the time being in force will be payable from the date payment is due to the date of payment

**12. LEGAL FEES**

The Owner agrees to reimburse the Council the legal costs and expenses incurred by the Council in the preparation and completion of this Agreement in the sum of £1760.00 such sum to be paid to the Council on the Effective Date

**13. MONITORING FEE**

The Owner agrees to pay the Council’s costs and expenses incurred or to be to be incurred by the Council in the administration and monitoring of the provisions of his Agreement in the sum of £400.00 such sum to be paid to the Council on the Effective Date

**14. PAYMENTS TO THE COUNCIL**

Any payments due to the Council under the terms of this Agreement (SAVE AND EXCEPT for the legal fees payable to the Council under the provisions of the Clause 12 and the monitoring fee under the provisions of Clause 13) shall be paid to the Council by means of telegraphic transfer to the Council as follows**:**

Reading Borough Council

Sort Code: 30-91-31

Account Number: 00271502

Lloyds Bank plc 24 Broad Street Reading RG1 2BT

quoting reference: xxxxxx or other reference quoted in relevant S106 Demand Notice issued in respect of the obligation

**15. MORTGAGEE’S CONSENT (delete as appropriate)**

15.1 The Mortgagee consents to the completion of this section 106 agreement and declares that its interest in the Land shall be bound by the terms of this agreement as if it had been executed and registered as a local land charge prior to the creation of the Mortgagee’s interest in the Land

15.2 The Mortgagee shall not be personally liable for any breach of the obligations in this undertaking unless committed or continuing at a time when the Mortgagee is in possession of all or part of the Land

**16. AGREEMENT AND DECLARATION**

It is agreed by the Owner and the Council that should the Development the subject of the Planning Permission be varied under a new planning permission (“the VARIAT planning permission”) granted by the Council under Section 73 of the 1990 Act the planning obligations in this Agreement shall apply to the VARIAT planning permission

**EXECUTED** as a deed by the parties hereto and delivered on the date written at the start of this deed

**THE SCHEDULE**

(The Land)

All that land at xxxxxxxxxxx thesubject of the Application and which comprises the land registered at the Land Registry under Title Number BKXXXX shown edged red on the plan annexed hereto

**THE PLAN**

**THE ANNEXURE**

(The Draft Planning Permission)

|  |  |  |  |
| --- | --- | --- | --- |
| SIGNED AS A DEED (but not delivered until the date hereof) by the said  **xxxxxxxxxx** in the presence of:- | | )  )  ) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  *sign here* |
| W  I  T  N  E  S  S | Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | |

|  |  |  |  |
| --- | --- | --- | --- |
|  | |  |  |
|  |  | | |

EXECUTED (BUT NOT DELIVERED )

UNTIL THE DATE HEREOF) by )

the affixing of THE COMMON )

SEAL of **READING BOROUGH** )

**COUNCIL** in the presence of**:**-)

Authorised Signatory

|  |  |
| --- | --- |
| Minute | HPRS 23.07.14, Min 12 |
| Originator | WB |
| Seal No. |  |
| Checked |  |

**DATED 2020**

**xxxxxxxxx**

(the Owner) **(1)**

**and**

**READING BOROUGH COUNCIL**

(the Council) **(2)**

**AGREEMENT**

**constituting Planning Obligations relating to**

**land at xxxxxxxxx**

**(Appl. No.xxxxxxx)**

Michael Graham, LLB (Hons); MBA

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[date of draft]