

Further Consideration of Options

**In Respect of Progressing Residential Development of
Land known as St Martin Close (East), Handcross**

Prepared for
Slaugham Parish Council

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1. INTRODUCTION

- 1.1. This document has been prepared in relation to Slaugham Parish Council's (the 'Parish Council') consideration of options for progressing residential development of land known as St Martin Close (East), Handcross (the 'site'). The site is within the ownership of the Parish Council, and is allocated within the 'made' Slaugham Neighbourhood Plan (the 'Neighbourhood Plan') for development of up to 30 residential units.
- 1.2. The Parish Council have instructed dowsettmayhew Planning Partnership to advise on options for progressing the delivery of residential development of the site in accordance with the terms of the allocation. A 'Consideration of Options' report¹ set out the background to the site allocation and identified seven broad options available to the Parish Council for progressing residential development.
- 1.3. This was considered by the Parish Council at a meeting on Thursday 25th March 2021, where it was resolved to give further consideration to three of the identified options: Option 4 - Option agreement with third party; Option 5 - Promotion agreement with third party; and Option 6 - Parish Council pursuit of planning permission.
- 1.4. This report sets out further detail on those three options. It should be read in the context of, and in conjunction with, the previous Consideration of Options report. The purpose of the reports in combination, is to support the Parish Council in reaching an informed decision on the preferred way forward.
- 1.5. The reports do not provide valuation or financial advice on the options, nor on the obligations of the Parish Council in performing their statutory functions and/or regulatory requirements, including in relation of the disposal of assets.

2. BACKGROUND

- 2.1. The Consideration of Options report set out a summary of the site and its surroundings, the Town Planning system, the Development Plan, including the Slaugham Neighbourhood Plan and emerging Mid Sussex District Site Allocations DPD.
- 2.2. The report noted that the site is allocated in the Neighbourhood Plan for residential development for up to 30 residential units subject to compliance with a number of criteria²; and adjoining land to the west is allocated within the Neighbourhood Plan for residential development for up to 35 houses, subject to a future trigger point and a number of criteria.³ The latter site is also identified for residential development within the emerging Mid Sussex District Site Allocations DPD.⁴

¹ March 2021

² Policy 9: St Martin Close (East) - Slaugham Neighbourhood Plan 2014-2031

³ Policy 10: St Martin Close (West) - Slaugham Neighbourhood Plan 2014-2031

⁴ Policy SA27 of the Mid Sussex District Site Allocations DPD - Regulation 19 Submission Draft July 2020

2.3. The Consideration of Options report identified seven broad options for progressing residential development of the site. A brief summary of each, and their associated merits and demerits was detailed under the headings:

- Option 1 - Immediate disposal;
- Option 2 - Immediate disposal subject to 'Overage Clause';
- Option 3 - Disposal, conditional upon third party securing planning permission;
- Option 4 - Option Agreement with third party;
- Option 5 - Promotion Agreement with third party;
- Option 6 - Parish Council pursuit of planning permission; or
- Option 7 - Joint venture with third party.

2.4. The Parish Council have resolved to give further consideration Option 4, Option 5 and Option 6.

3. PLANNING PERMISSION

3.1. All of the three options identified for further consideration would entail securing planning permission prior to any disposal of the site.

3.2. There are two principle forms in which planning permission could be sought:

- Full Planning Application - a single application with full details of the residential development scheme, including proposed layout, floor plans and elevations of each building; or
- Outline/ Reserved Matters Planning Application - a two stage application process, comprising an initial outline application to secure the principle of development and fix a number of broad details, (such as means of access to the site), followed by a subsequent reserved matters application with full details of the scheme.

3.3. For the purposes of this report, it is assumed that an initial outline application would be pursued, which would seek to determine the means of access to the site and would include indicative details of site layout and house design.

4. SCOPE AND CONTENT OF AN OUTLINE PLANNING APPLICATION

4.1. Guidance on the requirements on the scope and content of planning applications is set out at both a national level, and at a district council level.

4.2. The site extends to some 1.4 hectares, and the site allocation envisages the construction of up to 30 dwellings. As such, an application for residential development of the site would be classed as 'major development'.⁵

⁵ Town and Country Planning (Development Management Procedure) (England) Order 2015

4.3. Based on this, and the Mid Sussex District Council adopted local application validation list,⁶ it is considered that an outline application for residential redevelopment of the site would need to comprise:

- Existing and Proposed Drawings;
- Design and Access Statement;
- Planning Statement (to include an Affordable Housing Statement);
- Transport Statement (to include a Travel Plan Statement);
- Road Safety Audit and Designers Response;
- Flood Risk Assessment;
- Foul Sewage and Surface Water (Drainage) Assessment;
- Ecological Impact Assessment;
- Arboricultural Impact Assessment;
- Energy and Sustainability Assessment;
- Lighting Assessment;
- Historic Environment Records Search data;
- Statement of Community Involvement; and
- Application Forms (including Planning Obligation Instruction Form).

4.4. In addition to this, Mid Sussex District Council may also require the submission of the following as part of the application pack:

- Air Quality Assessment;
- Heritage Assessment;
- Land Contamination Assessment; and/ or
- Viability Assessment.⁷

5. PREFERRED DISPOSAL OPTIONS

5.1. Following discussions arising from the 'Consideration of Options' report, the Parish Council have resolved to undertake further consideration of three of the original seven prospective options for disposal of the site. These are:

- Option 4 - Option Agreement with third party;

⁶ Validation Criteria for Planning Applications (including Technical Details Consent, Local Requirements) - September 2020

⁷ Only required for schemes which propose non-policy compliant provision of infrastructure and/or affordable housing

- Option 5 - Promotion Agreement with third party; and
- Option 6 - Parish Council pursuit of planning permission.

5.2. Each of these are now considered in turn, having regard to (i) recommended process overview, (ii) potential costs to the Parish Council, and (iii) extent of Parish Council control/ influence over design/ application detail.

6. OPTION 4 - OPTION AGREEMENT WITH THIRD PARTY

6.1. The broad terms, merit and demerits of Option 4 are summarised in Paragraph 7.23-7.29 of the Consideration of Options report.

Process Overview

- 6.2. The site would be marketed, to invite bids from interested parties ('Developers') to enter into an Option Agreement with the Parish Council as landowner.
- 6.3. Tenders would be invited, subject to specified terms. An indication of the prospective terms of the Option Agreement is outlined in the Table at Appendix 1.
- 6.4. The Parish Council would consider the Tenders and interview potential Developers to select a 'preferred bidder.'
- 6.5. The Parish Council and the preferred Developer would enter into a negotiated Option Agreement.
- 6.6. The Developer would be required to use reasonable endeavours to obtain a Satisfactory Planning Permission, as defined within the Option Agreement (eg compliant with Policy 9 of the Neighbourhood Plan).
- 6.7. Within, say, 1 month of the date of the grant of a Satisfactory Planning Permission, the Developer would be required to determine whether to exercise their 'option' to acquire the site and commence the process to determine the purchase price that the Developer must pay the Parish Council for the site.
- 6.8. The Parish Council and the Developer would pursue pre-agreed protocols and mechanisms for determining Land Value, based on the terms of the planning permission that has been secured.
- 6.9. Upon resolution and agreement of the purchase price, the Developer would acquire the site, in accordance with Completion date that would be defined within the Option Agreement.

Parish Council Costs

- 6.10. The costs incurred by the Parish Council in pursuing Option 4 would be limited.
- 6.11. The costs incurred would principally be from (i) an 'Agent' for the Council in undertaking the marketing exercise and assisting with the identification of a 'preferred bidder' Developer; and

(ii) a Legal advisor (solicitor) in assisting in the preparation of an Option Agreement for signing by the Parish Council and Developer.

- 6.12. Such costs would typically be reimbursed by the Developer at the point the Option Agreement is signed.
- 6.13. A small premium payment may also be paid by the Developer to the Parish Council at the point the Option Agreement is signed.

Parish Council Influence Over Scheme Design

- 6.14. Through the terms of the Option Agreement it may be possible to exert some influence over the scheme design, including in relation to design, layout, affordable housing etc.
- 6.15. The extent and detail of this would be the subject of negotiated terms within the Option Agreement. It could, for example include a requirement that the planning application shall be 'policy compliant' with the terms of Policy 9 of the Neighbourhood Plan and Policy 31 (Affordable Housing) of the Mid Sussex District Plan,
- 6.16. It would typically be a requirement that the Developer must obtain the landowner's approval of a planning application before it is formally submitted to the local planning authority. However, such approval must not normally be 'unreasonably withheld'.
- 6.17. The Developer who is signatory of the Option Agreement would normally intend to implement the scheme following the grant of planning permission.
- 6.18. As such, the Developer would typically be reluctant to allow the Parish Council to exert significant influence over the scheme design.

7. OPTION 5 - PROMOTION AGREEMENT WITH THIRD PARTY

- 7.1. The broad terms, merit and demerits of Option 5 are summarised in Paragraph 7.30-7.36 of the Consideration of Options report.

Process Overview

- 7.2. The site would be marketed, to invite bids from interested parties ('Promoters') to enter into a Promotion Agreement with the Parish Council as landowner.
- 7.3. Tenders would be invited, subject to specified terms. An indication of the prospective terms of the Promotion Agreement is outlined in the Table at Appendix 2.
- 7.4. The Parish Council would consider the Tender and interview potential Promoters to select a 'preferred bidder.'
- 7.5. The Parish Council and the preferred Developer would enter into a negotiated Promotion Agreement.

- 7.6. The Promoter would be required to use reasonable endeavours to obtain a Satisfactory Planning Permission, as defined in the Promotion Agreement (eg compliant with Policy 9 of the Neighbourhood Plan).
- 7.7. Within, say, 3 months of the date of the grant of a Satisfactory Planning Permission, the Promoter and landowner would agree a 'Sales Programme' to seek to dispose of the site to a House Builder/ Developer.
- 7.8. The Promotion Agreement would be likely to include a Minimum Sale Price (ie a reserve); and an ability for Landowner and/ or Promoter to pause the Sales Programme in the event of prevailing adverse economic conditions that would be likely to suppress Sale Price (ie a national recession).
- 7.9. Subject to achieving Minimum Sale Price, the land would be sold for Optimum Value.
- 7.10. The sale proceeds would then be distributed in accordance with a formula set out in the Promotion Agreement. This would typically comprise the initial recovery of any pre-agreed costs by the Promoter (such as securing the planning permission), and payment of the Promoters Proportion (likely to be a percentage of the Sale Price), with the remainder then paid to the Parish Council as landowner.

Parish Council Costs

- 7.11. The costs incurred by the Parish Council in pursuing Option 5 would be limited.
- 7.12. The costs incurred would principally be from (i) an 'Agent' for the Council in undertaking the marketing exercise and assisting with the identification of a 'preferred bidder' Promoter; and (ii) a Legal advisor (solicitor) in assisting in the preparation of a Promotion Agreement for signing by the Parish Council and Promoter.
- 7.13. Such costs might be reimbursed by the Promoter at the point the Promotion Agreement is signed.
- 7.14. A small premium payment may also be paid by the Promoter to the Parish Council at the point the Promotion Agreement is signed, though this is not standard.

Parish Council Influence Over Scheme Design

- 7.15. Through the terms of the Promotion Agreement it may be possible to exert some influence over the scheme design, including in relation to design, layout, affordable housing etc.
- 7.16. The extent and detail of this would be the subject of negotiated terms within the Promotion Agreement. It could, for example include a requirement that the planning application shall be 'policy compliant' with the terms of Policy 9 of the Neighbourhood Plan and Policy 31 (Affordable Housing) of the Mid Sussex District Plan,
- 7.17. It would typically be a requirement that the Promoter must obtain the landowner owner's approval of a planning application before it is formally submitted to the local planning authority. However, such approval must not normally be 'unreasonably withheld'.

- 7.18. The Promoter who is signatory of the Promotion Agreement would not normally implement the scheme following the grant of planning permission. Instead, the site would be sold, with the benefit of planning permission, to a third party developer to build.
- 7.19. As such, the Promoter may be willing to allow the Parish Council to exert some influence over the scheme design. However, the Promoter would seek to ensure the planning permission achieves maximum sale value. They would therefore typically be reluctant to allow such influence to diminish the likely Sale Value of the site with the planning permission in place.

8. OPTION 6 - PARISH COUNCIL PURSUIT OF PLANNING PERMISSION

- 8.1. The broad terms, merit and demerits of Option 6 are set out in Paragraph 7.37-7.41 of the Consideration of Options report.

Process Overview

- 8.2. The Parish Council would appoint a 'Main Consultant' to project manage the preparation and submission of an application and the pursuit of planning permission. This is likely to be a Planning Consultant (or similar).
- 8.3. The Main Consultant would be responsible for project managing the co-ordination of the requisite consultancy team to prepare the application pack, under instruction from the Parish Council, as client.
- 8.4. The Main Consultant would lead on all negotiations for, and on behalf of the Parish Council with key stakeholders, including the Local Planning Authority.
- 8.5. Upon securing planning permission, the Parish Council could seek to dispose of the site, or pursue delivery of the scheme (such as under a joint venture arrangement (Option 7)).

Parish Council Costs

- 8.6. Under this option, the Parish Council would be responsible for the costs of seeking to secure planning permission, comprising the costs of the consultancy team, and the application fee, payable to the Local Planning Authority.
- 8.7. Precise costs would be obtained via securing competitive fee quotations from consultants, set against a defined scope of works.
- 8.8. Notwithstanding this, the table below provides an indicative budget of costs, based on dowsettmayhew Planning Partnership's experience, of obtaining planning permission for comparable schemes.
- 8.9. These costs are based on the assumption (at this stage) that the development would not be treated as EIA Development under the terms of Town and Country Planning (Environmental Impact Assessment) Regulations 2017. This would be clarified with the Local Planning Authority as part of the preparation of the application.

Table 1 - Indicative Budget Costs of Pursuit of Outline Planning Permission for up to 30 Dwellings	
Report/Documentation	Cost
Topographical Survey	£1,500
Architectural Drawings*	£20,000-£40,000
Planning Consultancy Services	£20,000-£25,000
Transport - Road Safety Audit	£3,000
Transport Assessment and Travel Plan	£6,000-£8,000
Flood Risk Assessment	£1500-£2,000
Foul Sewage and Surface Water (Drainage) Assessment	£1,500-£2,500
Preliminary Ecological Appraisal	£1,000
Budgetary allowance for potential Species Surveys/Reports	£3,000-£5,000
Arboricultural Impact Assessment (including Tree Survey)	£2,000
Landscape and Open Space Design	£2,500
Energy and Sustainability Assessment	£1,500-£2,000
Lighting Assessment	£1,000-£2000
Pre-application Public Engagement and Statement of Community Involvement	£5,000
Legal Costs Associated with S106	£5,000
Air Quality Assessment**	£2,000-£3,000
Noise Impact Assessment**	£2,000-£3,000
Land Contamination**	£3,500-£5,000
Viability Assessment***	£2,500-£3,500
TOTAL	£84,500-£121,000
<i>*Architectural fees can vary widely, depending on detail of drawing required etc.</i>	
<i>**Assessments may not be required, dependent on scheme detail</i>	
<i>***Only required for applications which are non-policy compliant in respect of financial contributions for the provision of infrastructure and/ or Affordable Housing</i>	

8.10. The indicative budget of costs below, covers the scope of works up to determination of an outline application, as set out in Section 3.

- 8.11. In addition to the costs of the preparation of the application would be the application fees, payable to the Local Planning Authority.
- 8.12. The fee payable for an outline application is calculated based on the application site area. For a site of 1.4 hectares, the fee would normally be £6468. However, Parish Council's are liable for a 50% reduction⁸. In planning application fees, resulting in an application fee of £3234.
- 8.13. The fee payable for a full application, or a subsequent Reserved Matters application, is calculated based on the number of dwellings proposed. Application fee costs are currently £462 per dwelling. For a 30 units scheme this would result in a fee of £13860. Applying a 50% reduction would result in an application fee of £6930.

Parish Council Influence Over Scheme Design

- 8.14. As applicant, the Parish Council would be able to exert full control over the design and detail of the planning application.
- 8.15. As with all planning applications, it would be a matter for the Local Planning Authority to determine whether the design and detail of the scheme is acceptable, having regard to the primacy of the 'development plan', including the Neighbourhood Plan.
- 8.16. If the Parish Council were to subsequently sell the site to a developer with the benefit of planning permission, it may be possible, via the terms of the sale to require the developer to implement the scheme in accordance with the planning permission, or a substantively similar like form.
- 8.17. Such a requirement within a sale agreement may modestly impact on sale price, given it would remove flexibility for a developer to seek to uplift value through subsequent scheme changes.
- 8.18. It would be likely the developer would wish to retain some flexibility to amend the design (subject to requisite planning approval) in the event of, for example, practical impediments to the approved scheme.

9. CONSIDERATIONS

- 9.1. To support and help facilitate the decision of the Parish Council in selecting a preferred option for progressing the residential development of the site, set out below is a comparative consideration of the 3 preferred options, having regard to (i) cost to the Parish Council; (ii) control that can be exerted over the design by the Parish Council; and (iii) risk to the Parish Council.

⁸ Paragraph 2, Schedule 1 of the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012

- 9.2. This considerations relate to the point an outline planning application has been positively determined and disposal of the site could proceed.

Comparative Parish Council Costs

- 9.3. The likely costs for the Parish Council in pursuing Options 4 and 5 are similar.
- 9.4. The Parish Council costs up to the point an Option Agreement or Promotion Agreement is signed will be similar. It is difficult to estimate this precisely, but might be in the region of £20,000.
- 9.5. Under an Option Agreement, and to a slightly lesser extent a Promotion Agreement, it is common that these costs would be reimbursed by the Developer/ Promoter at the point the Agreement is signed.
- 9.6. Under an Option Agreement it is also commonplace that the Developer pays the landowner (the Parish Council) a premium at the point the Agreement is signed. This might be in the region of £20,000 - 40,000. Such premiums are less likely with a Promotion Agreement but are possible.
- 9.7. Ultimately these costs would be deducted off the final purchase price.
- 9.8. Following the signing of either an Option or Promotion Agreement, the costs to the Parish Council should be modest. There may be some costs in maintaining professional support to monitor the role of the Developer/ Promoter. These costs may however, again be covered by the Developer/ Promoter, the terms of which would be set out in the Agreement.
- 9.9. The Parish Council's costs for pursuing Option 6 would be comprised of the fees of the consultancy team in preparing and submitting the application, and subsequent work that might be required up to determination, and the application fees payable to the Local Planning Authority.
- 9.10. An indicative budget of these is set out in Table 1 and paragraphs 8.12 and 8.13. In broad terms, this is likely to be in region of £100,000.
- 9.11. Having regard to the above, Option 4 would be either cost neutral or generate a small level of income for the Parish Council. Option 5 would be likely to be cost neutral. Option 6 would be likely to incur costs to the Parish Council of circa £100,000.

Comparative Parish Council Influence Over Scheme Design

- 9.12. The extent of Parish Council influence over the scheme design under Option 4 and 5 would be the subject of a negotiated settlement, that would then be encapsulated within the Option/ Promotion Agreement.
- 9.13. The Parish Council could consider this as an integral part of the process of selecting a preferred bidder. The level of expected control would therefore be detailed within the Tender process, and established by negotiation ahead signing a finalised Agreement.

- 9.14. In broad terms, the greater control that the Parish Council seek to exert, the higher the risk of diminished interest in the site, and/ or the lower the financial terms that might be offered by Developers/ Promoters.
- 9.15. Under an Option Agreement, the signatory is likely to be the subsequent developer/ builder of the scheme. They would be likely to have clear aspirations in respect of design and build of the scheme; either as it would reflect their brand etc, or as they will have standardised systems in respect of design and build etc.
- 9.16. Under a Promotion Agreement, the Promoter will receive their financial return by a share of the sale price of the land. Whilst they will therefore be less directly concerned by practical implications of the Parish Council exerting control over the design, they are likely to consider the implications of this on the final land value.
- 9.17. Whilst this would be unlikely to dissuade a Promoter tendering for the site, the diminution of autonomy of the design would be likely to be reflected in a reduction in the value of a Promoters Tender bid. In practical terms it might be that the Promoter would wish to retain a greater percentage of the final sale price, to offset the risk of an overall lower land value.
- 9.18. Under Option 6, the Parish Council would retain full control over the design of the scheme. The scheme design would need to be considered by the Local Planning Authority as part of the planning application, but a policy compliant scheme would have a good prospect of success.
- 9.19. If the Parish Council subsequently sold the site with the benefit of planning permission, it would be important to ensure that the purchaser was required to implement the approved scheme (or a substantively similar design) to avoid negating the benefit of securing the consent. This control would need to be detailed in the terms of the sale.
- 9.20. Having regard to the above, the Parish Council could exert the greatest level of control over the scheme design under Option 6. Much less controlled is likely to be possible under Option 4 or 5. Between these two, Option 5 is likely to offer greater control, given that the Promoter would not be the intended developer of the site.

Comparative Risk To The Parish Council

- 9.21. Each of the 3 options carries different risk implications.
- 9.22. Under Option 4, the predominant risk relates to the level of control that can be exerted over the design process, and the negotiation and agreement over the final sale price.
- 9.23. The former would be substantively clarified through the selection of a preferred bidder and subsequent wording in the Option Agreement.
- 9.24. The risk in the negotiation of the sale price would arise following the grant of planning permission. Whilst the formula for determining the sale price would be set out in the Option Agreement, the valuation exercise is ultimately theoretical, and therefore intrinsically subjective. Reference would be made to comparables, but there is a risk of divergence of views, given that

the Developer would seek to acquire the site for the lowest sale price, whilst it would be in the Parish Council's interests to seek the maximum sale price.

- 9.25. Such inevitable tension built into the process of establishing sale price can lead to litigation to resolve and agree a final figure.
- 9.26. Under Option 5, the predominant risk relates to the level of control that can be exerted over the design process and the sale process of the site, following the grant of planning permission.
- 9.27. As with Option 4, the former would be substantively clarified through the selection of a preferred bidder and subsequent wording in the Promotion Agreement.
- 9.28. The risk over the sale process of the site would arise following the grant of planning permission. Both parties are likely to seek to achieve Optimum Value for the site, and thus interests between the Parish Council (as landowner) and the Promoter are more naturally aligned, than under Option 4.
- 9.29. However, there would normally be flexibility contained within the terms of the Promotion Agreement, to enable either party to exercise some discretion over the terms of the sale. For example, whilst there would be likely to be a Minimum Sale Price in the Agreement, there remains the prospect of divergence of view over what is Optimum Value for the site, and/ or the timing of the site. Some of this risk can be mitigated by the terms of the Promotion Agreement.
- 9.30. Under Option 6, the predominant risk relates to the cost of seeking planning permission. This would be incurred without guarantee that planning permission would be secured. The allocation of the site for residential development significantly mitigates the risk, but there would remain a prospect of, say a practical, or legal, impediment to the grant of consent, that is not yet known.
- 9.31. Having regard to the above, the greatest risk to the Parish Council in initial financial outlay terms, relates to Option 6, whilst the greatest risk of procedural complexities relates to Option 4. The lowest risk overall is Option 5.

10. SUMMARY

- 10.1. All of the three preferred options would entail the pursuit of planning permission before land is disposed.
- 10.2. Options 4 and 5 are comparable and involve the use of a third party, who would bear the significant majority of the cost and risk in obtaining the planning permission.
- 10.3. The main difference between these two options is at the point of sale. In broad terms, Option 4 would carry greater risk to the Parish Council at the point of sale, due to the inherent tension between the Developer and landowner in seeking agreement over the land value. Option 5 is typically preferential for a landowner, as such risk at this stage is minimised by a greater alignment of interest between the Promoter and landowner.
- 10.4. Option 6 carries greatest financial risk for the Parish Council through the planning application stage, as they would be responsible for the cost of this process. However, this financial risk,

results in much greater control over the design of the scheme. It would also avoid the risks associated with the subsequent sale process under Options 4, and to a lesser extent Option 5.

- 10.5. Ultimately the decision for the Parish Council can be seen as a balance between financial risk and control of the design and application process.

APPENDIX 1
PROSPECTIVE TERMS OF OPTION
AGREEMENT

APPENDIX 1

PROSPECTIVE TERMS OF OPTION AGREEMENT

Preliminary Terms of Option Agreement

Developer to reimburse landowners reasonable legal and other professional fees at the point of completion of Option Agreement

Landowner consents to registration of a restriction on the Register of the Owners title to reflect Option Agreement

Application to be approved by landowner (such approval not to be unreasonably withheld).

Application Scheme

Developer to use reasonable endeavours to obtain a Satisfactory Planning Permission (policy compliant?) as soon as reasonably practicable

Application to be policy compliant with Policy 9 of the SNP

Application to include provision for satisfactory access to St Martin Close (West) residential development scheme

Application to be policy compliant with Policy 30 of the MSDP (Housing Mix)

Application to contain minimum developable area.

Application to contain minimum number of houses.

Application to contain minimum gross floor area (excluding garages and outbuildings etc).

Affordable Housing

Application to be policy compliant with DP31 of the MSDP (Affordable Housing).

Affordable Housing provision to be 'pepper-potted' through the application site.

Landowner to retain nomination rights for proposed developer of Affordable Housing (subject to achievement of minimum land value to be paid by RSL?).

Developer to use all reasonable endeavours to negotiate with the LPA for the nomination rights of the first occupiers of the Affordable Housing to be those with a local connection to the Parish of Slaughton

Planning Application Process

Developer to keep landowner informed and provide access to key meetings with the LPA and other stakeholders as part of the discussions and negotiations of the pursuit of planning permission

Landowner to enter into a Planning Agreement as reasonably required in order to procure a Satisfactory Planning Permission

Land Sale
Developer to have 1 calendar month from the date of the grant of a Satisfactory Planning Permission to exercise the option to purchase the land
Formula for determination of Sale Price against Open Market Value
Formula for distribution of sale proceeds (eg recovery of costs of securing planning permission up to a maximum value), and Developers discount (fixed percentage of Sale Price).
Landowner not required to dispose of land for less than Minimum Land Value

APPENDIX 2

**PROSPECTIVE TERMS OF PROMOTION
AGREEMENT**

APPENDIX 2

PROSPECTIVE TERMS OF PROMOTION AGREEMENT

Preliminary Terms of Promotion Agreement

Promoter to reimburse landowners reasonable legal and other professional fees at the point of completion of Option Agreement

Landowner consents to registration of a restriction on the Register of the Owners title to reflect Promotion Agreement

Application to be approved by landowner (such approval not to be unreasonably withheld).

Application Scheme

Promoter to use reasonable endeavours to obtain a Satisfactory Planning Permission (policy compliant?) as soon as reasonably practicable

Application to be policy compliant with Policy 9 of the SNP

Application to include provision for satisfactory access to St Martin Close (West) residential development scheme

Application to be policy compliant with Policy 30 of the MSDP (Housing Mix)

Application to contain minimum developable area.

Application to contain minimum number of houses.

Application to contain minimum gross floor area (excluding garages and outbuildings etc).

Affordable Housing

Application to be policy compliant with DP31 of the MSDP (Affordable Housing).

Affordable Housing provision to be 'pepper-potted' through the application site.

Landowner to retain nomination rights for proposed developer of Affordable Housing (subject to achievement of minimum land value to be paid by RSL?).

Promoter to use all reasonable endeavours to negotiate with the LPA for the nomination rights of the first occupiers of the Affordable Housing to be those with a local connection to the Parish of Slaughtam

Planning Application Process

Promoter to keep landowner informed and provide access to key meetings with the LPA and other stakeholders as part of the discussions and negotiations of the pursuit of planning permission

Landowner to enter into a Planning Agreement as reasonably required in order to procure a Satisfactory Planning Permission

Land Sale
Sales Programme to be agreed within 3 calendar months from the date of the grant of a Satisfactory Planning Permission
Sales Programme to define marketing and disposal process and Back Stop dates
Landowner and Promoter to have rights to Pause Sales Programme for specified reasons (eg adverse economic conditions)
Back Stop date to any Pause in Sales Programme
Formula for land sale to achieve Optimum Value
Formula for distribution of sale proceeds (eg recovery of costs of securing planning permission up to a maximum value), and Promoters Proportion (fixed percentage of Sale Price).
Landowner not required to dispose of land for less than Minimum Land Value