

DRAFT - SUBJECT TO CONTRACT

DATED 2026

NORTH HERTFORDSHIRE DISTRICT COUNCIL

and

VISION RESIDENCES

DEED OF PLANNING OBLIGATION

made pursuant to Section 106 of the Town and Country Planning Act 1990

relating to Affordable Housing at

Land at Pirton, Hitchin, Hertfordshire, SG5 3RA

Outline development for 30 residential dwellings - all matters reserved

Draft prepared for planning purposes

To be settled by the parties' solicitors before execution

THIS DEED

is made the day of 2026

BETWEEN

1. **NORTH HERTFORDSHIRE DISTRICT COUNCIL** of Council Offices, Gernon Road, Letchworth Garden City, Hertfordshire SG6 3JF (the “Council”); and
2. **VISION RESIDENCES** [full legal name, company/LLP number and registered office to be confirmed] (the “Owner”).

The Council and the Owner are together referred to as the “Parties”.

RECITALS

- A** The Council is the local planning authority for the purposes of the Act in respect of the Land.
- B** The Owner has an interest in the Land sufficient to enter into this Deed. The registered title number(s), nature of the Owner’s interest and any mortgagee or other person whose interest must be bound are to be confirmed before completion.
- C** An outline planning application has been or is to be submitted to the Council for the Development comprising 30 residential dwellings with all matters reserved, together with associated landscaping, access, open space and infrastructure.
- D** The submitted Affordable Housing Statement commits the Development to 40% on-site Affordable Housing, equivalent to 12 Affordable Housing Units where 30 Dwellings are delivered, with no viability case advanced to reduce that provision.
- E** The Parties intend this Deed to secure the Affordable Housing obligations necessary to support the grant of Planning Permission, including the amount, tenure, affordability, mix, design, accessibility, nomination, local connection, delivery and long-term retention arrangements set out in Schedule 1.

1. DEFINITIONS AND INTERPRETATION

“**Act**” the Town and Country Planning Act 1990 (as amended).

“Affordable Housing” housing for sale or rent for those whose needs are not met by the market, comprising the tenures secured by this Deed and falling within the applicable national and development plan definition of affordable housing at the date the relevant Affordable Housing Scheme is approved.

“Affordable Housing Scheme” the detailed scheme required by paragraph 1 of Schedule 1 and approved in writing by the Council.

“Affordable Housing Unit” a Dwelling within the Development secured as Affordable Housing pursuant to this Deed.

“Affordable Rented Unit” an Affordable Housing Unit made available at a rent which complies with paragraph 4 of Schedule 1.

“Commencement” the carrying out of a material operation comprised in the Development for the purposes of section 56(4) of the Act, excluding site investigations, archaeological investigations, ecological works, demolition, remediation, utility diversions and other enabling works agreed in writing by the Council; and Commence and Commenced shall be construed accordingly.

“Development” the development of the Land for 30 residential dwellings with associated landscaping, access, open space and infrastructure as authorised by the Planning Permission.

“Dwelling” a dwellinghouse or flat forming part of the Development.

“Eligible Person” a person or household eligible for Affordable Housing under the Council’s allocation, nomination or affordable home ownership requirements and any local connection cascade applicable under this Deed.

“First Occupation” the first occupation of a Dwelling for residential purposes, excluding occupation solely for construction, fitting out, marketing, security or caretaker purposes.

“Land” the land at Pirton, Hitchin, Hertfordshire SG5 3RA shown edged red on the plan to be annexed to this Deed, with the indicative application layout reproduced at Schedule 2 for identification only pending insertion of the agreed deed plan.

“Market Dwelling” a Dwelling which is not an Affordable Housing Unit.

“M4(3)” the optional wheelchair user dwelling standard in Requirement M4(3) of Schedule 1 to the Building Regulations 2010 or any successor standard.

“Nomination Agreement” any nomination agreement or protocol reasonably required by the Council to give effect to the nomination and allocation provisions in this Deed.

“Occupation” occupation of a Dwelling for residential purposes, excluding temporary occupation for construction, fitting out, marketing, security or caretaker purposes; and Occupied shall be construed accordingly.

“Planning Application” the outline planning application for the Development [application reference to be inserted].

“Planning Permission” the outline planning permission granted pursuant to the Planning Application [decision date and reference to be inserted].

“Registered Provider” a provider registered with the Regulator of Social Housing or any successor body, or such other affordable housing provider approved in writing by the Council.

“Rented Affordable Housing” the eight Affordable Housing Units referred to in paragraph 2 of Schedule 1, or such revised number or tenure approved in writing by the Council under paragraph 2.4 of Schedule 1.

“Shared Ownership Unit” an Affordable Housing Unit disposed of under a shared ownership lease which satisfies applicable Homes England requirements and paragraph 5 of Schedule 1.

“Working Day” a day other than Saturday, Sunday, Christmas Day, Good Friday or a bank holiday in England.

- 1.2 References to statutes and regulations include amendments, replacements and re-enactments from time to time, so far as consistent with the purpose of this Deed.
- 1.3 Words importing the singular include the plural and vice versa. Headings do not affect interpretation.
- 1.4 Where an approval, consent or agreement of the Council is required under this Deed, it is to be in writing and shall not be unreasonably withheld or delayed where the relevant obligation is expressed to be subject to approval.

2. STATUTORY BASIS AND EFFECT

- 2.1 This Deed is a planning obligation for the purposes of section 106 of the Act and is enforceable by the Council against the Owner and its successors in title to the Land in accordance with section 106 of the Act.
- 2.2 The covenants in Schedule 1 are entered into with the intent that they bind the Land and each part of it, subject to the release provisions in this Deed.

- 2.3 Nothing in this Deed prohibits or limits the right to develop any part of the Land in accordance with a planning permission other than the Planning Permission, provided that such development does not rely upon implementation of the Planning Permission.
- 2.4 The Owner shall give the Council not less than 10 Working Days' written notice of Commencement and such notices of occupation, transfer or other trigger events as are reasonably required to administer Schedule 1.

3. CONDITIONS, COMMENCEMENT AND DURATION

- 3.1 The obligations in Schedule 1 shall take effect upon Commencement, except for obligations expressly stated to apply before Commencement.
- 3.2 If the Planning Permission expires without the Development having Commenced, or is quashed or revoked without being replaced by a substantially equivalent permission, this Deed shall cease to have effect save for accrued rights and liabilities.
- 3.3 No person shall be liable for breach of an obligation occurring after that person has parted with all interest in the part of the Land to which the breach relates, except for liability arising from an antecedent breach.
- 3.4 A purchaser or tenant of an individual completed Market Dwelling shall not be liable for the planning obligations in this Deed.
- 3.5 A purchaser or tenant of an Affordable Housing Unit shall be bound only by those restrictions that are intended to regulate the use, occupation, affordability or disposal of that Affordable Housing Unit.

4. COUNCIL COVENANTS

- 4.1 The Council covenants to act reasonably and without undue delay in considering any Affordable Housing Scheme, nomination protocol, request for approval or other submission made pursuant to Schedule 1.
- 4.2 Where the Council approves a variation under an express flexibility provision in Schedule 1, that written approval shall be sufficient to vary the relevant operational detail without requiring a formal deed of variation, provided that the overall purpose and minimum quantum of Affordable Housing secured by this Deed are not reduced.

5. MORTGAGEE AND RECEIVER PROTECTION

- 5.1 The restrictions affecting an Affordable Housing Unit shall not bind a mortgagee or chargee, or receiver appointed by it, which has taken possession of that Affordable Housing Unit and has complied with the notice and disposal procedure in this clause.
- 5.2 Before exercising a power of sale, the mortgagee shall give the Council and any Registered Provider with an interest in the unit not less than 28 days' written notice and shall give them a reasonable opportunity to procure a transfer to an eligible Registered Provider or other person approved by the Council at a price sufficient to discharge the sums secured by the mortgage and the reasonable costs of enforcement.
- 5.3 If no such transfer is completed within the notice period, the mortgagee may dispose of the Affordable Housing Unit free from the affordable housing restrictions in this Deed, but only to the extent necessary to permit that disposal. Any surplus after discharge of the secured debt and reasonable enforcement costs shall be dealt with in accordance with applicable law and any relevant funding or grant requirements.
- 5.4 This clause shall not release any other Affordable Housing Unit or the remainder of the Land from the obligations in this Deed.

6. NOTICES

- 6.1 Notices under this Deed shall be in writing and delivered by hand, prepaid first-class post or email where the recipient has confirmed an address for service.
- 6.2 The Council's address for service is Council Offices, Gernon Road, Letchworth Garden City, Hertfordshire SG6 3JF, marked for the attention of Planning / Legal Services, or such replacement address as notified in writing.
- 6.3 The Owner's address for service shall be [insert address and email].

7. GENERAL

- 7.1 No waiver by the Council of any breach shall constitute a waiver of a continuing or subsequent breach.
- 7.2 If any provision is held to be invalid or unenforceable, the remaining provisions shall continue in force so far as legally possible.

- 7.3 This Deed may be executed in counterparts, each of which shall be an original and together shall constitute one instrument.
- 7.4 Nothing in this Deed shall prejudice the Council's statutory functions, powers, rights or duties.
- 7.5 The Owner shall pay the Council's reasonable legal costs of preparing, negotiating and completing this Deed and any reasonable monitoring fee lawfully chargeable in connection with the Affordable Housing obligations, to the extent agreed or otherwise properly recoverable.
- 7.6 The Council shall register this Deed as a local land charge against the Land.
- 7.7 This Deed is governed by the law of England and Wales and the courts of England and Wales shall have jurisdiction.

SCHEDULE 1 - AFFORDABLE HOUSING OBLIGATIONS

1. Affordable Housing Scheme

- 1.1 No Development above slab level shall take place until an Affordable Housing Scheme has been submitted to and approved in writing by the Council.
- 1.2 The Affordable Housing Scheme shall identify the Affordable Housing Units by plot or parcel and shall specify their tenure, bedroom numbers, dwelling types, accessibility standard, proposed phasing, construction and transfer programme, Registered Provider or delivery body where known, proposed rent or shared ownership parameters, nomination arrangements and any service charges.
- 1.3 The Affordable Housing Scheme shall demonstrate that the Affordable Housing Units are tenure-neutral in external appearance and appropriately integrated throughout the Development in small clusters, with equivalent access to the Development's open space, play areas and pedestrian routes.
- 1.4 The Development shall thereafter be carried out in accordance with the approved Affordable Housing Scheme, subject to any variation approved in writing by the Council under this Schedule.

2. Quantum and tenure

- 2.1 The Owner shall provide not less than 12 Affordable Housing Units where 30 Dwellings are constructed, being 40% of the Development, all on-site.
- 2.2 The starting tenure split shall be 8 Rented Affordable Housing Units and 4 other Affordable Housing Units, expected to comprise Shared Ownership Units unless the Council approves another qualifying affordable home ownership product.

- 2.3 The 8 rented units represent the nearest whole-unit application of the Council's 65% rented / 35% other affordable housing starting point.
- 2.4 The Council may approve in writing a different split between rented and other Affordable Housing Units, or a different qualifying affordable home ownership product, where justified by updated housing need, affordability evidence or delivery considerations, provided that the total number of Affordable Housing Units is not reduced below 12 without a formal modification of this Deed.

3. Indicative dwelling mix and accessibility

- 3.1 Unless otherwise approved in writing by the Council following consideration of the latest Strategic Housing Market Assessment, housing register evidence and relevant Pirton or parish-level evidence, the Affordable Housing Scheme shall use the following indicative mix as its starting point:

Dwelling size	Indicative number
1 bedroom	2
2 bedrooms	4
3 bedrooms	5
4 bedrooms	1
Total	12

- 3.2 At least one Affordable Housing Unit shall be delivered within the rented tenure to the M4(3) wheelchair user standard, subject to the detailed design and any lawful technical or viability considerations accepted by the Council. Where the Council agrees that wheelchair accessible provision is not practicable, an M4(3) wheelchair adaptable unit may be accepted.
- 3.3 The Affordable Housing Units shall meet the applicable nationally described space standards and any other dwelling standards lawfully applicable through the Planning Permission or approved Affordable Housing Scheme.

4. Rented Affordable Housing - affordability

- 4.1 Subject to any later written requirement of the Council reflecting an adopted policy or strategy applicable when the Affordable Housing Scheme is approved, rents shall not exceed: (a) 80% of market rent for 1 and 2 bedroom units; (b) 70% of market rent for 3 bedroom units; and (c) Social Rent for 4 bedroom or larger rented units.

- 4.2 All rents shall remain within the applicable Local Housing Allowance and, for 1, 2 and 3 bedroom units, the percentage caps in paragraph 4.1 shall be inclusive of service charges, management fees and similar compulsory housing costs.
- 4.3 The Affordable Housing Scheme shall identify how the proposed rents comply with these requirements.

5. Shared ownership / affordable home ownership

- 5.1 Any Shared Ownership Unit shall be offered on terms consistent with the applicable Homes England model lease requirements, with an initial equity share within the range permitted by those requirements and, at the date of this draft, between 10% and 75%.
- 5.2 Rent on unsold equity shall not exceed 2.75% per annum at initial sale, subject to any lower or replacement requirement applicable under the approved Affordable Housing Scheme.
- 5.3 The total housing cost shall be demonstrated to be affordable having regard to local income and local house price evidence and the Council's then-current affordability methodology.
- 5.4 Because Pirton is a Designated Protection Area, staircasing shall be restricted to a maximum 80% equity share where the applicable statutory provisions require or permit such a restriction. The relevant lease shall contain the necessary restriction.
- 5.5 If the Council approves an affordable home ownership product other than shared ownership, equivalent affordability and long-term retention provisions shall be included in the Affordable Housing Scheme.

6. Nomination rights and local connection cascade

- 6.1 The Council shall have 100% nomination rights for the initial letting of the Rented Affordable Housing Units.
- 6.2 The Council shall have not less than 75% nomination rights for subsequent re-lets, with nominations made in accordance with the Council's Common Housing Allocations Scheme or successor arrangements.
- 6.3 In applying nomination and allocation arrangements to rented units in Pirton, the following rural cascade shall normally apply, subject to the Council's allocation scheme and any lawful equality or housing duties: (a) applicants from within Pirton Parish; (b) applicants from adjoining parishes; (c) applicants from other rural parishes in North Hertfordshire; and (d) applicants from elsewhere in the District.

- 6.4 The detailed nomination procedure, response periods and evidence of local connection may be set out in a Nomination Agreement approved by the Council.

7. Delivery and occupation triggers

- 7.1 The Affordable Housing Units shall be constructed and made available in step with the Market Dwellings and shall not be back-loaded to the end of the Development.
- 7.2 Unless otherwise agreed in the approved Affordable Housing Scheme:
- (a) no more than 10 Market Dwellings shall be Occupied until at least 4 Affordable Housing Units have reached practical completion and are capable of transfer or occupation in accordance with this Deed;
 - (b) no more than 14 Market Dwellings shall be Occupied until at least 8 Affordable Housing Units have reached practical completion and are capable of transfer or occupation in accordance with this Deed; and
 - (c) no more than 16 Market Dwellings shall be Occupied until all 12 Affordable Housing Units have reached practical completion and have been transferred to a Registered Provider or otherwise made available for occupation in accordance with the approved Affordable Housing Scheme.
- 7.3 The Council may approve alternative equivalent triggers in the Affordable Housing Scheme where the construction programme or parcel phasing reasonably requires a different sequence, provided that the Affordable Housing is not materially back-loaded.

8. Transfer and disposal

- 8.1 Rented Affordable Housing Units shall, unless otherwise approved by the Council, be transferred to a Registered Provider before First Occupation.
- 8.2 Shared Ownership Units may be transferred to a Registered Provider or other body approved by the Council and shall be disposed of only on the affordability terms approved in the Affordable Housing Scheme.
- 8.3 No Affordable Housing Unit shall be Occupied as a Market Dwelling except where expressly permitted by the mortgagee protection provisions in clause 5 or by a formal modification or discharge of this Deed.

9. Long-term retention and tenure neutrality

- 9.1 The Affordable Housing Units shall be retained for occupation by Eligible Persons in accordance with their approved tenure, subject only to statutory rights, the mortgagee protection provisions and any other exception expressly approved in this Deed.
- 9.2 Affordable Housing residents shall have access on terms no less favourable than Market Dwelling residents to communal open space, play areas, walking routes and other shared residential amenities within the Development, subject to payment of the same properly attributable estate charges where applicable.
- 9.3 The Affordable Housing Units shall be externally indistinguishable in architectural quality, materials, landscaping and appearance from comparable Market Dwellings, save for differences reasonably required by accessibility, management or tenure.

10. Evidence and compliance

- 10.1 The Owner shall provide to the Council, on reasonable request, evidence of compliance with this Schedule including transfer documents, nomination records, rent calculations, shared ownership lease terms and practical completion information.
- 10.2 The Owner shall notify the Council in writing when each Affordable Housing Unit is completed, transferred and first occupied.

SCHEDULE 2 - INDICATIVE SITE PLAN

The plan below is the submitted Indicative Site Layout Plan, drawing LAP SITE 001 A. It is reproduced for identification of the application context only. Before execution of the Deed it shall be replaced or supplemented by the agreed Section 106 deed plan clearly identifying the Land and tied to the relevant Land Registry title(s).

Indicative Site Layout Plan - Land at Pirton, Hitchin SG5 3RA - Drg. No. LAP SITE 001 A

DRAFT

EXECUTION

IN WITNESS whereof the Parties have executed this Deed on the date stated at the beginning of it.

THE COMMON SEAL of NORTH HERTFORDSHIRE DISTRICT COUNCIL was affixed in the presence of:

Authorised

Signatory:

Name: _____

EXECUTED AS A DEED by VISION RESIDENCES [full legal entity to be confirmed] acting by its duly authorised signatories:

Signature:

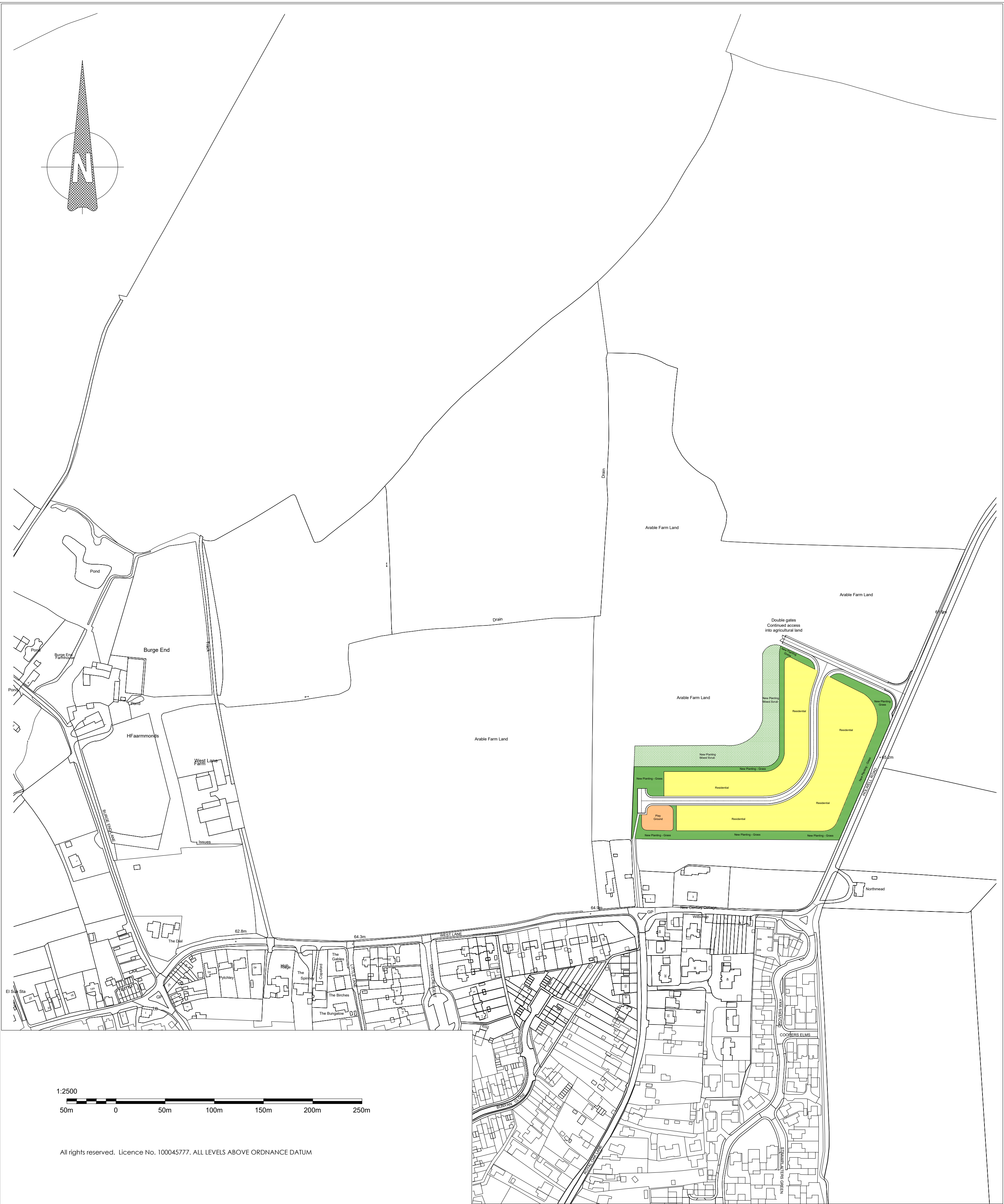
Name:

Capacity: _____

Signature:

Name:

Capacity: _____



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PSK Rural Limited
The Old Dairy, Hyde Farm, Marlow Road, Maidenhead, Berkshire, SL6 6PQ
www.pskrural.co.uk
01628 777666

Project	Land at Pirton Hitchin SG5 3RA						
Title	Indicative Site Layout Plan - Proposed Residential Development						
Drg. No.	LAP SITE 001	Rev	Drawn	Checked	Date	Scale	Status
			TM/C	SP4	18/02/26	1:2500 (A2)	Planning