

EAST OF OTLEY HIF BID CONDITIONS (with revised agreements) – Pre and Post Contract

Pre-Contract Conditions (All evidence except condition 10 was provided to Homes England in May 2019)	
Condition	
1.	LCC to provide written confirmation that it accepts the obligation to recover the £6,318,000 grant funding in full from developers (on a proportional basis) and recycle it into future residential housing development schemes in the locality. Homes England have agreed that this condition can move from Pre-Contract to Pre-grant drawdown
2.	Written confirmation from LCC confirming it will meet any cost overruns relating to the EORR.
3.	Written confirmation that if the wider development costs increase these will be met by either LCC and/or the developer/s to enable the entire Land East of Otley development (550 units) to be delivered.
4.	Leeds City Council (LCC) to provide evidence to Homes England that the transaction complies with State Aid requirements.
5.	LCC to provide evidence of the agreed and signed land deal between Persimmon Homes and LCC, for the LCC owned parcel/s of land.
6.	LCC to provide evidence of Persimmon Homes, Miller Homes and Lovell Homes ownership, or signed option agreements for all land required for the delivery of both the infrastructure works and housing.
7.	LCC to provide confirmation that Persimmon Homes is the under bidder for the consortium land and confirmation from Permission Homes that should Lovell Homes not complete on the acquisition that it would take all reasonable steps to progress the acquisition of this land to ensure it comes forward for housing delivery. Note: This condition falls away if Lovell Homes complete acquisition on the consortium land.
8.	Evidence to be provided that all funding/sources of finance required for both the infrastructure works and housing delivery has been secured by the relevant parties.
9.	LCC to provide evidence of a signed agreement with Otley Rugby Club to acquire their land and provide alternative, replacement facilities, including evidence of ownership of the land on which the replacement facilities are to be built. Agreement to contain dates that align with the delivery of the EORR and LCC's commitment to spent HIF monies by March 2021. Extended to March 2022
10.	LCC to provide evidence that comprehensive, intrusive ground investigations have been completed to establish a) the nature of the ground conditions and any identified contamination/remediation works required and b) the allowances that need to be included within both the design and cost plan to accommodate these. LCC to provide evidence these allowances have been included within both the design and cost plan as applicable.
Post-Draw Down Conditions (All dates to be revised following extension granted by Homes England)	
Condition	
1.	EORR tender (following EOI in July 2019) to be issued to prospective bidders no later than 01 September 2019, with a tender submission deadline of no later than 30 September 2019.
2.	EORR tender to be awarded by end-October 2019, confirming advanced earthworks commence immediately after the grant of planning permission, with EORR construction completing no later than October 2021, with the HIF funded element completing by March 2021 at the latest. A signed copy of the Design and Build Contract for the EORR reflecting the above and contract sum to be provided.
3.	LCC to provide cost reports for all infrastructure and abnormal works, confirming cost levels are in line with submitted cashflow/appraisal (Appendix 1 of the Applicants Bid). If costs are higher, LCC to identify funds to meet these increased costs (as per Pre-Contract Condition 2)
4.	Planning applications for both the infrastructure and 550 housing units to be submitted by mid-May 2019, including the relocation of Otley Rugby Club.
5.	Implementable planning permissions secured and in place for the infrastructure works, including the relocation of Otley Rugby Club, and housing by end May 2020.
6.	Affordable Housing to be confirmed at policy position level (35%). If a reduction is agreed with the local planning authority, this is to be confirmed as acceptable by Homes England.
7.	Option Agreements exercised for all land parcels required for the delivery of the EORR upon grant of planning permission.
8.	Vacant Possession of the land, including Otley Rugby Club, required for the delivery of the EORR is achieved by the end of May 2020 to allow the construction of the EORR to commence as soon as planning consent is secured
9.	Residential units to be delivered in accordance with the unit build profile submitted as part of the HIF application which states 100 units during FY20/21, a further 100 units during FY21/22, with the remaining 250 units following post FY22/23. These should be considered as minimum numbers, as acceleration of units would be welcomed.