

LDF

Building on Success

Planning Obligations

Adopted August 2010

Supplementary Planning Document
Local Development Framework



THE ROYAL BOROUGH OF
KENSINGTON
AND CHELSEA

GLOSSARY

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GLOSSARY

Access This term refers to the methods by which people with a range of needs (such as disabled people, people with children, people whose first language is not English) find out about and use services and information.

Air Quality Management Area (AQMA) An area which a Local Authority had designated for action, based upon a prediction that Air Quality Objectives will be exceeded.

Area Action Plan (AAP) A type of Development Plan Document focusing on implementation, providing an important mechanism for ensuring development of an appropriate scale, mix and quality for key areas of opportunity, change or conservation.

Car club Car Club offers members 'pay as you go' driving. The car is booked either online or over the phone, and is picked up and returned to the same on- or off- street bay by the member. The car is booked for the period of time required by the member. Members can generally use vehicles for as little as 30 minutes to a week or more.

Department of Communities and Local Government (DCLG)* The government department responsible for planning, local government, housing and regional development. The Secretary of State for Communities may call-in an application for his determination. In such cases, the Secretary of State/Planning Inspectorate will decide whether or not planning permission should be granted. In these cases it is usually inappropriate for a s106 agreement to be entered into between the Developer and the Council. However, if the Secretary of State is minded to grant permission, notwithstanding the Council's objections, the Council will want to ensure that any planning obligations offered by the developer are reasonable, comply with planning policy and the development plan and will be delivered. The developer will normally submit a unilateral undertaking in these situations and the Council will, seek to negotiate the planning obligations being offered so that the obligations are secured in accordance with development plan and other planning policies. Such negotiations would be without prejudice to the Council's objections to the proposals

Development plan document (DPD) Statutory planning documents, produced by the Royal Borough, that together form the Local Development Framework.

Homes and Communities Agency (formerly Housing Corporation)* A statutory public body whose role is to fund and regulate Registered Social Landlords in England.

Lifetime Homes Ordinary homes designed to provide accessible and convenient homes for a large segment of the population from young children to frail older people and those with temporary or permanent physical or sensory impairments. Lifetime Homes have 16 design features that ensure that the home will be flexible enough to meet the existing and changing needs of most households, as set out in the Joseph Rowntree Foundation report 'Meeting Part M and Designing Lifetime Homes'.

Local Development Framework Statutory plans produced by the Royal Borough that comprise a portfolio of development plan documents including a core strategy, proposals and a series of area action plans.

Local Implementation Plan (LIP) Statutory transport plan produced by the Royal Borough bringing together transport proposals to implement the Mayor of London's Transport Strategy at the local level.

Local Strategic Partnership (LSP) Cross-sectoral, cross-agency umbrella partnerships, which are focused and committed to improving the quality of life and governance in a particular locality. They seek to enable services to be aligned in a way that effectively meets the needs and aspirations of those who use them.

Major development The definition of Major Development is as defined in Art. 1 of the General Development Procedure Order 1995.

Metropolitan Open Land Strategic open land within the urban area that contributes to the structure of London.

Nature conservation Protection, management and promotion for the benefit of wild species and habitats, as well as the human communities that use and enjoy them. This also covers the creation and re-creation of wildlife habitats and the techniques that protect genetic diversity and can be used to include geological conservation.

Open space All land that is predominantly undeveloped other than by buildings or structures that are ancillary to the open space use. The definition covers a the broad range of types of open space, whether in public or private ownership and whether public access is unrestricted, limited or restricted.

Public realm The spaces between and within buildings that are publicly accessible, including streets, squares, forecourts, parks and open spaces.

Public Transport Accessibility Level (PTAL)

Provides a methodology for assessing the relative ease of access of a location to the public transport network. PTAL 1 is 'very poor' with PTAL 6 being 'excellent'.

Renewable Energy Energy derived from a source that is continually replenished, such as wind, wave, solar, hydroelectric and energy from plant material, but not fossil fuels or nuclear energy.

Section 106 Agreements These agreements confer planning obligations on persons with an interest in land in order to achieve the implementation of relevant planning policies as authorised by Section 106 of the Town and Country Planning Act 1990. Such obligations can (i) restrict the development or use of land in any specified way; (ii) require specified operations or activities to be carried out in, on, under or over the land; (iii) require the land to be used in any specified way; or (iv) require a sum or sums to be paid to the Council (or the Greater London Authority) on a specified date or dates or periodically. References to s106 "agreements" in this SPD equally refer to "unilateral undertakings" provided under s106 of the Town & Country Planning Act 1990.

Planning obligations should meet the tests as set out in Government policy in Circular 05/2005 and the requirements specified in the Community Infrastructure Levy (CIL) Regulations 2010. The CIL Regulations 2010 came into force on 6th April 2010.

From 6 April 2010 it will be unlawful for a planning obligation to be taken into account when determining a planning application for a development, or any part of a development, that is capable of being charged CIL if the obligation does not meet all of the following tests:

(a) necessary to make the development acceptable in planning terms;

(b) directly related to the development; and

(c) fairly and reasonably related in scale and kind to the development.

Supplementary Planning Document (SPD)

An SPD forms a part of the Local Development Framework supplementing specific policies in the plan. It must be consistent with national and regional planning guidance, as well as the policies set out in the adopted plan. Public consultation should be undertaken and SPDs should be regularly reviewed. SPDs may be taken into account as a material consideration.

Transport Assessment This is prepared and submitted alongside planning applications for developments likely to have significant transport implications. For major proposals, assessments should illustrate the following: accessibility to the site by all modes; the likely modal split of journeys to and from the site; and proposed measures to improve access by public transport, walking and cycling.

Transport for London (TfL)* A statutory body appointed by the Mayor of London for the purpose of providing public transport in the capital and for delivering an integrated and sustainable transport strategy for London.

Unitary Development Plan (UDP) Statutory plan produced by the Royal Borough which integrate strategic and local planning responsibilities through policies and proposals for the development and use of land in the area.

Vicinity: in this document means nearby and within surrounding area so as to ensure a geographical relationship between the contribution and the development.

Wheelchair accessible housing This refers to homes built to meet the standards set out in the second edition of the Wheelchair Housing Design Guide by Stephen Thorpe, Habinteg Housing Association 2006.

*** Note: references made to any existing organisation, body or guidance will apply to successor arrangements as changes may occur over time**

Foreword

This Supplementary Planning Document (SPD) has been prepared to set out the Royal Borough of Kensington and Chelsea's approach, policies and procedures in respect of planning obligations. These are taken forward through legal agreements, typically known as Section 106 Agreements, made under s106 of the Town and Country Planning Act 1990 (as amended). Such legal agreements are often called "planning obligations". They are usually negotiated and entered into between the local planning authority and all parties with a legal interest in the development site being the subject of the planning application, including the owners and developers of the site.

The document is also on the Council's website www.rbkc.gov.uk. Further information can be obtained via the Council's website, or by email to planningpolicy@rbkc.gov.uk or sent by post to:

Planning Policy, Planning & Borough Development, The Town Hall, Hornton Street, W8 7NX

The draft SPD was approved for consultation in January 2010. Consultation was conducted in accordance with Regulation 17 of the Town and Country Planning (Local Development) (England) Regulations 2004 and the Council's adopted Statement of Community Involvement, December 2007, for a period of six weeks from 29th January to 12th March 2010.

During this period, the draft SPD, together with the Statement of SPD Matters and standard response form, was made available for inspection at the Kensington Town Hall, all local libraries and on the Council's website. Approximately 300 people viewed the web page during this period. A press release was also produced and circulated.

Notice of the consultation arrangements was published in the Kensington and Chelsea News on 5th February 2010, the Council's LDF newsletter and sent to all Councillors and approximately 400 consultees on the LDF database.

Should you need any further information on the SPD, please call on 020 7361 2732, or email the above address.

1: Introduction

1.1 This Supplementary Planning Document (SPD) has been prepared to set out the Royal Borough of Kensington and Chelsea's approach, policies and procedures in respect of planning obligations. These are taken forward through legal agreements, typically known as Section 106 Agreements, made under s106 of the Town and Country Planning Act 1990 (as amended). Such legal agreements are often called "planning obligations". They are usually negotiated and entered into between the local planning authority and all parties with a legal interest in the development site being the subject of the planning application, including the owners and developers of the site. In some limited circumstances the applicant for planning permission might be able to submit a unilateral planning obligation known as a "unilateral undertaking". This is where the local planning authority is not a party to the agreement and does not make any covenants on the Council's behalf.

1.2 In either case, all parties with an interest in the development site must be a party to the agreement so that the agreement is acceptable to the Council and enforceable to secure the delivery of the planning obligations concerned. This means if the development site is subject to a mortgage or a charge, the relevant bank or charge holder will need to consent to and be party to the s106 planning agreement or unilateral undertaking. One of the key reasons why agreements are delayed is because developers fail to make sure that all relevant parties with an interest in land are (1) aware that they will be expected to by a party to the agreement and (2) fail to involve the other parties in negotiations regarding S.106 agreements at an early stage.

1.3 Planning obligations are set out in legal agreements made under s106 of the Town and Country Planning Act 1990 whereby developers agree to

- (a) restrict the development or use of land,
- (b) carry out operations in, on, under or over the land,
- (c) use the land in a specified way, and/or

(d) pay a sum or sums of money towards measures necessary to make a scheme acceptable in planning terms.

1.4 Planning obligations provide a means to ensure that a proposal for development contributes towards the creation of sustainable communities through the above restrictions, actions or requirements. Where planning obligations are required, planning permission will not usually be granted until such time as the s106 agreement has been prepared and completed by all relevant parties.

1.5 Planning obligations are local land charges and run with the land. This means they are intended to be enforceable against the original parties who entered into the agreement or undertaking and, in most cases, against anyone acquiring an interest in the land after it has been sold or transferred.

1.6 Obligations are generally used to minimise the impact of the development and to implement the Royal Borough's planning policy through:

- prescribing the nature of a development (e.g. by requiring a proportion of affordable housing);
- securing a contribution from a developer to compensate or reprovide for loss or damage created by a development (e.g. open space),
- mitigating a development's impact on the locality (e.g. towards the provision of necessary infrastructure and facilities such as through increased public transport provision, such as providing a new road or transport improvements or education facilities as a result of increased households).

1.7 The outcome of the use of planning obligations should be that the proposed development is brought into compliance with the Development Plan, regional and national planning policies. Planning Obligations should meet the tests as set out in Government policy in Circular 05/2005. As part of the introduction of the Community Infrastructure Levy (CIL) the Government introduced new statutory restrictions upon the use of planning obligations to clarify their respective purposes and to ensure that the two mechanisms can work effectively and complement each other. The final CIL Regulations 2010 came into force on 6th April 2010.

1.8 CIL regulation 122 places into law for the first time the Government's policy tests on the use of planning obligations. From 6 April 2010 it will be unlawful for a planning obligation to be taken into account when determining a planning application for a development, or any part of a development, that is capable of being charged CIL if the obligation does not meet all of the following tests:

(a) necessary to make the development acceptable in planning terms;

(b) directly related to the development; and

(c) fairly and reasonably related in scale and kind to the development.

1.9 Used properly, planning obligations can significantly increase the quality of development. They can secure benefits capable of mitigating the adverse impacts of a development. However, they cannot be used to make a bad application good where, for example, a scheme does not comply with the development plan. They are intended to make acceptable development which would otherwise be unacceptable in planning terms (Para B3 of Circular 05/2005).

1.10 Circular 05/2005 enables more systematic approaches and pooling of contributions. The Planning Act 2008 allows for regulations to empower local councils to apply a Community Infrastructure Levy on new developments in their areas to support infrastructure. This SPD has been prepared with future changes in mind. The approach within the Planning Obligations SPD will assist with future work on the CIL, if implemented, and if the authority becomes a charging authority.

2: The role of the SPD

2.1 This is the Planning Obligations SPD for Royal Borough of Kensington and Chelsea. It sets out in principle what kinds of planning applications will require planning obligations and in broad terms how monies are likely to be spent on projects related to the proposed development. This SPD cannot be an exhaustive list of the planning obligations which will be required in each case but it will provide a general guide for developers.

2.2 This SPD comprises 3 parts:

- Part 1 sets out the general principles
- Part 2: Annexes A-G set out the range of obligations and their policy justification. This

section, it is intended, will be updated and amended over time.

- Part 3: sets out when obligations will be sought, and at what level. The costs will be monitored and updated annually.

2.3 Planning obligations will be sought to support the implementation of the primary aims and strategic objectives and policies of the Development Plan and where appropriate to further the strategic aims of the Royal Borough of Kensington and Chelsea Community Strategy.

2.4 Where planning applications do not meet Development Plan requirements, it may be possible to make acceptable development proposals which might otherwise be unacceptable through the use of planning conditions, or, where this is not possible, through planning obligations. In conformity with Circular 05/2005, the Council will secure planning obligations in respect of **measures which are essential for the development to proceed and measures which are required to mitigate the impact of the development.** Planning obligations will also be sought to deliver national planning objectives, such as the provision of affordable housing.

2.5 Development specific works, such as highways works, safety and security measures, and infrastructural requirements, are an integral part of a development scheme and are normally required to be implemented as part of the development scheme. Where necessary, a planning obligation will be used to ensure that these development specific works are undertaken satisfactorily. In addition, it will often be necessary for a development to contribute towards the necessary infrastructure and facilities required in order to contribute to achieving the strategic planning objectives of the Council.

2.6 Securing financial contributions through planning obligations, adopting as far as possible a formula-based approach, will help meet the three central government objectives for planning obligations: transparency, certainty and speed.

Development Plan

2.7 The Royal Borough of Kensington and Chelsea's overall policy in relation to s106 is set out in the Unitary Development Plan 2002 (as amended September 2007) as

MI1 Where appropriate, the Council will negotiate planning obligations in order to ensure satisfactory developments.

2.8 It goes on to give a range of examples, as it is not possible to specify the nature of the planning obligation in every appropriate case. The following are stated for guidance purposes and **should not be considered as exhaustive**:

(a) *environmental improvements - to buildings, the street, open spaces;*

(b) *economic - such as securing jobs for local residents, community based initiatives, employment training schemes;*

(c) *provision of affordable housing;*

(d) *provision of community, social and health facilities;*

(e) *provision of transportation facilities including public transport and highway improvements;*

(f) *conservation of buildings of architectural or historic interest*

2.9 These principles of Policy MI1 are repeated in central government guidance (Circular 05/2005). Additionally, Policy MI1 is supported by the Core Strategy. Policy C1 relates to Planning Obligations and Infrastructure Delivery. This states that planning obligations will be negotiated taking account of the proposed development, and in determining which measure receives priority, account will be taken of the individual characteristics of the site, the infrastructure needs of the site and surrounding area, and the London Plan.

2.10 The Core Strategy is based on seven Strategic Objectives. Each Strategic Objective has one or more Strategic Policies, setting out more detail.

Keeping Life Local protects all existing social and community uses. It also sets out that local convenience shopping should, for the majority of residents, be within a 5 minute walk, and that schools and doctors' surgeries should be within a 10 minute walk.

Fostering Vitality sets out a policy framework that will protect and further encourage non-residential uses to enrich the quality of life of residents. It presents a land use hierarchy for the management of development proposals.

Better Travel Choices is about improving the quality of walking, cycling and public transport to encourage modal shift from the car. It identifies key public transport infrastructure which will improve accessibility.

Engaging Public Realm includes a range of issues from the quality of the streetscape, through to the provision of open spaces, communal green areas such as garden squares.

Renewing the Legacy contains the core policies around conservation and new buildings, and includes the core concept of character.

Diversity of Housing deals with housing provision, affordability and residential environment, based on the findings of the Strategic Housing Market Assessment

Respecting Environmental Limits sets out policies to address climate change, flooding and waste.

2.11 The table in Part 2 illustrates the links between these objectives and the relevant parts of this SPD.

The London Plan

2.12 The London Plan policies relating to planning obligations are Policy 6A.4 and Policy 6A.5. Policy 6A.4, on priorities in planning obligations states :

"The Mayor will and boroughs should reflect the policies of this plan and include strategic as well as local needs in their policies for, and negotiation of, planning obligations." The policy goes on to state "Affordable housing and public transport improvements should generally be given the highest importance with priority also given to learning and skills and health facilities and services and childcare provisions."

The Mayor, when considering planning applications of potential strategic importance will take into account, among other issues, the content and existence of planning contributions."

2.13 Policy 6A.5 of the London Plan also requires Boroughs to set out a framework for negotiating planning obligations. Policy 8.2 of the draft Replacement London Plan provides the Mayor's emerging policy direction and approach to planning obligations. This gives greatest priority to

affordable housing and public transport (including Crossrail). Policy 8.3 also explains that the Mayor will prepare guidance for Boroughs, setting out a clear framework for application of the CIL.

3: Priorities and review

3.1 Circular 05/2005 – “Planning Obligations”, states that planning obligations have a positive role to play in the planning system and used properly can remedy genuine planning problems and enhance the quality of development. They provide a means of reconciling the aims and interests of developers with the need to safeguard the local environment or to meet the costs imposed as a result of development, for example the full cost of essential community facilities required as a direct result of a proposed new development.

3.2 The range of obligations is set out under separate topic headings in subsequent sections within this document. In determining the relevant obligations, the Council will have regard to relevant government guidance. This will ensure measures are secured which are essential for the development to proceed, mitigate any impact of the development and are beneficial to the development of the area, in accordance with the Community Strategy priorities.

3.3 Certain contributions will be pooled toward provision of measures to mitigate the impact of the developments within the Borough. These will be used to provide or improve facilities to cater for increased usage and needs arising from residents or users of new developments in order to achieve the overall aims and objectives of the Council as set out in the Development Plan and Community Strategy.

3.4 After considering any comments made during consultation period and making any amendments the Council considers appropriate, the amended SPD will be adopted by the Council. The SPD will have the status of a Supplementary Planning Document (SPD) for the Council.

3.5 An SPD forms part of the LDF to be used in the determination of planning applications. This SPD will form the basis of discussions on planning applications with, where appropriate, the aim of creating suitable planning obligations. This SPD will be subject to review and has been developed as part of the Local Development Framework for

the Royal Borough. Updates to this SPD will be published, and progress monitored, through the Annual Monitoring Report (AMR).

4: What type of Obligations will be sought?

4.1 The obligations set out in this document are not exhaustive, and the local planning authority may wish to negotiate other obligations where they are relevant and necessary to a particular development. It must be emphasised that planning obligations cannot be used to ‘make a bad application good’. If an application is unacceptable in planning terms and cannot be made acceptable by the provision of planning obligations or the imposition of conditions, the offer of planning obligations will not mean that planning permission will be granted.

4.2 Examples of possible planning obligations given in the Circular include new access roads, improved public transport accessibility and community facilities such as open space, social, educational or sporting facilities, provided they are related in scale and kind to the development proposed. The guidance suggests that to retain public confidence in the planning system, negotiations on planning obligations should be conducted in a way that is seen to be fair, open and reasonable.

4.3 This SPD does not only cover financial contributions but also benefits in kind negotiated as part of planning applications. In many cases provision in kind is preferable and suitable, especially where this reduces management costs and/or where finding land for a facility is a problem. Where provision is made within developments, this will be credited to the scheme and would off-set financial contributions that may otherwise be sought. but other contributions may be secured for reasonable fitting out and infrastructure costs. These would ensure that providers of community services necessitated by the development have facilities suitable for their needs and provided at nominal rents and service charges.

5: Process of Negotiating and Securing Planning Obligations

5.1 This SPD seeks to ensure that the negotiation process is conducted with fairness and consistency and it is intended that the document be used as a clear starting point in the negotiation process.

5.2 Clarifying the use of planning obligations provides an indication of what the Council may expect from developers and therefore a better framework for discussion.

5.3 Circular 05/05 emphasises the importance of ensuring that the negotiation of planning obligations does not unnecessarily delay the planning process, thereby holding up development. In cases where a planning obligation is required, planning permission will not be granted until an acceptable legal agreement has been completed (or, in relation to a unilateral undertaking, an acceptable undertaking has been signed and delivered to the planning authority). The applicant will be informed of the target date for determination of the application in the acknowledgement letter issued upon registration of the application.

5.4 In order for target dates to be achieved it is essential that developers (and all parties with an interest in the development site) enter into discussions regarding planning obligation requirements with Council officers as soon as possible, during the pre-application stage. The nature of planning obligations that are likely to be required for a particular development will be made known to the developer as early as possible in the planning process, using this SPD as a basis.

5.5 These early discussions help to ensure that formal applications can be dealt with in a more certain and speedy manner and allow for the legal agreement or unilateral undertaking to be executed and completed as soon as practicable following agreement as to the heads of terms for the requisite planning obligations. In all cases the heads of terms will be reported to the committee in order to reach a decision on the planning application.

5.6 It is crucial that the developer liaises with and ensures that any mortgagees and/or their legal advisors are kept fully apprised of the negotiations

concerning the legal obligations at an early stage. Mortgagees will need to consent to the planning obligation and be party to it.

5.7 In appropriate cases where s106 requirements are known, developers will be required to submit draft or executed unilateral planning obligations as part of their planning application, for example, where a permit free obligation is required.

5.8 Where a unilateral obligation is not appropriate, developers should use this SPD to submit and identify the heads of terms of the s106 agreement with their planning application, using the Royal Borough's standard legal agreements. Copies of the Council's preferred forms of standard legal agreements are available from www.rbkc.gov.uk

5.9 Unilateral planning obligations should contain the terms that reflect the terms found in the standard legal agreements. The Council will consider and advise upon the terms of submitted unilateral undertakings in order to ensure that they are in a satisfactory form, effective for their purposes and enforceable.

5.10 It should be noted that the standard form of legal agreements may be amended by the Council as necessary to reflect particular circumstances, or from time to time to reflect best practice. The developer will be expected to reimburse the Council for its legal and professional costs in relation to the negotiation, preparation and completion of the s106 planning obligation and/or unilateral undertaking, whether or not planning permission is granted. Such legal costs are payable before permission is granted, or in the event of permission being refused or the agreement not being completed, on refusal or within 7 working days of a request being made by the Council.

5.11 The developer will be required to pay the Council's costs of monitoring the development and ensuring that the provisions of the s106 agreement are being complied with.

5.12 In all cases heads of terms of a S106 agreement need to be reported to the Planning Committee. Therefore, planning permission may be refused in circumstances where the required s106 legal agreement or unilateral undertaking is not sufficiently completed or executed within the appropriate timescale (i.e. the 8-week, 13-week and 16-week periods).

6: Viability Issues

6.1 One aim of this SPD is to facilitate and encourage transparency in the negotiation of planning obligations to ensure that developers can gain access to information as early as possible in the development process.

6.2 The Council recognises that in specific instances planning obligations may be a significant factor that affects development viability. However, planning obligations are a necessary cost of development and it will be expected that the likely cost of obligations will be factored into the development cost from an early stage. It is recognised that there may be circumstances where a developer may consider that it is not feasible for the proposed development to meet all the requirements set out in local, regional and national planning policies and still be economically viable (for example, where development specific costs are exceptionally high).

6.3 The SPD has been subject to assessments of viability to ensure that what is sought is viable in the local context, and will be reviewed and monitored over time. Therefore the onus will be on the developer to provide robust information regarding the viability of an individual scheme. In these circumstances, the Council may review the range and nature of obligations. In order to determine such applications in accordance with Circular 05/05, the Council may require valuation advice and/or the use of an independent third party.

6.4 In cases where a dispute relates to the viability of a proposal, and in any case, where the local planning authority considers it appropriate, verification of viability assessment will be carried out by an independent third party of the Council's choice. The applicant will be required to provide any financial information to support the viability assessment to the Council and/or to the independent assessor, on a strictly confidential basis. Open book appraisal may be required. The Circular stresses that the role of the independent third party is to facilitate or contribute to the negotiation process, not to arbitrate, and that responsibility for the final determination of the application remains with the local planning authority. **The Council will require its reasonable costs associated with the use of an independent third party or any other necessary valuation advice to be paid for by the developer following the assessment being carried out.**

6.5 Any analysis will be based on land values as set by the application of planning policy in determining the permissible scope of development, rather than on the price actually paid for the land.

For this reason valuations will be done on a residual basis where the value of land is an output of the process. Arguably no allowance should be made for the original cost of purchasing the land or for payments that are contracted to be made to the landowner or third party under an existing option, conditional land sale agreement, profit share (overage) or clawback arrangement. If it is suggested that the viability of the development is compromised as a result of an allowance for these items then it will be at the discretion of the Council as to what extent, if any, obligations are amended in recognition of them.

6.6 In order to address economic uncertainties which may arise over the lifetime of the proposal the Council will give consideration to put in place provisions for re-appraising the viability of schemes prior to implementation in whole or in part. These are also known as "contingent obligations" and may also be known as "overage" provision or clauses. These will obligate the applicant to resubmit a financial appraisal immediately prior to the commencement of the development. If the margins of viability/profitability have increased since determination further obligations will be payable. If the situation has not improved the approved obligation stands. This allows for development to be carried out when it may otherwise would not be viable to do so, or to do so would be at increased levels of risk. It may also serve to encourage development sooner rather than later.

7: Development Plan and Community Strategy Context

7.1 The Community Strategy sets out a vision for Kensington and Chelsea up to 2018. 'The Future of our Community 2008-2018' involves residents, the Council, the police, the fire service, the Primary Care Trust, local businesses and the many voluntary and community organisations in the Borough who have been working hard to improve things for the people who live in, work in, or visit the Royal Borough.

<http://www.rbkc.gov.uk/kcpartnership/general>

7.2 The strategy is based upon a series of extensive consultation exercises and a review by partner organisations of their current policies and

priorities. The new strategy retains the format of the 2005 version and is organised around the following eight themes:

- Environment and Transport
- Culture, Arts and Leisure
- Safer Communities
- Health and Social Care
- Homes and Housing
- Community, Equality and Inclusivity
- Achieving Potential
- Work and Business

7.3 Part 2 of this SPD identifies the links between this SPD, the above themes, and the Strategic Objectives of the Core Strategy of the Local Development Framework.

8: Qualifying Developments

8.1 The exact type and range of planning obligations, which may be sought for an individual site, will depend upon the particular circumstances and development proposed, and its impact upon the local environment, local services and facilities. Whether or not planning obligations will be sought will be linked to the scale and type of development.

8.2 The thresholds for the planning obligations are set out in Appendix 1. For all major developments where a standard charge exists, the formula-based standard charge will be applied.

8.3 Smaller developments, will also contribute charged per unit or per sq m. in order to fairly apportion the impact of development across all site types. Types of obligations which do not yet have a standard charge also fall within the scope of mitigation measures secured through legitimate planning obligations. Through review and updating of the SPD, standard charges may be developed for these in the future.

8.4 Where, in the following sections of this document, the term 'major development' is used to describe a threshold, this refers to the definition of major development in the Town and Country Planning (General Development Procedure) Order 1995.

- For dwellings: where 10 or more residential units are to be constructed (or if the number is not given, the site area is 0.5 hectares or more)

- the provision of a building or buildings where the floor space to be created is 1000 sq metres or more (or site is 1 hectare or more).

8.5 Development is taken to include new development, redevelopment, and changes of use. Thresholds for qualifying developments are based on the total gross development, rather than on the net additional development, although the relevant formulae to calculate a contribution will be applied on a pro-rata basis for gross floor area (GFA) above the thresholds. For these purposes Gross External Area (GEA) is used.

8.6 In significant redevelopment cases, such as Estate Renewal, or in comprehensive redevelopment, the impacts of the development will be assessed to secure reasonable obligations which appropriately mitigate the development impact.

8.7 There are a number of sites or areas in the Borough where development requires more detailed guidance than is contained in the Development Plan, in the form of development briefs as SPDs or AAPs. Where such guidance is prepared, planning obligations specific to the site or area will be identified based on Development Plan policies, this SPD and site specific circumstances.

8.8 Where development sites are subdivided or developed in phases and this has the effect that separate development proposals (within a larger development site) fall below thresholds for which planning obligations may be sought the Council will (as far as is practical and reasonable) consider sites in their totality when assessing the appropriate necessary planning obligations.

8.9 Legal agreements (or unilateral undertakings) will need to allow for any increases in some or all of the required obligations subject to the detail of the application when considered at the reserved matters stage, or if subsequent details indicate that thresholds will be exceeded.

9: Standard Charges

9.1 The government, through legislation, encourages the use of standard charges and formulae to calculate financial contributions, where appropriate and where used consistently. The use of standard charges can give greater certainty to developers and increase the speed of negotiations.

9.2 There will continue to be a presumption in favour of the on-site provision of benefits sought by planning obligations and the Council will normally expect the developer to carry out the works. However, where it is not possible or practical to provide these benefits on-site, or where a development is required to contribute towards strategic infrastructure or facilities, a financial contribution will be sought towards the provision of these benefits offsite.

9.3 The Council will adopt a consistent approach to the application of standard charges in order to ensure fairness, predictability and transparency, and will be dependent on the nature of the proposed development. In all cases, the Royal Borough of Kensington and Chelsea as the local planning authority reserves the right to enter into negotiations specific to part or all of a proposed development should this be appropriate. Negotiated planning obligations will normally be required for large and complex developments. In such cases, the standard charges may act as a starting point for negotiations.

9.4 In cases where individual developments will have some impact but not sufficient to justify the need for a discrete piece of infrastructure, contributions may be sought from developers towards future provision where the combined impact of a number of developments does, may or will create a need for infrastructure. In such cases Circular 05/05 advises that spare capacity in existing infrastructure provision should not be credited to earlier developers. The Council will adopt this approach, in order to ensure that the negotiation of planning obligations is consistent and fair to all developers, and will continue to take into account any relevant circumstances in each case to ensure that any negotiations for planning obligations comply with Circular 05/05, the CIL Regulations 2010 and any subsequent changes to the planning obligations regime.

9.5 For developments staying within the same Use Class the floorspace or units which already exist on the site may be subtracted from the calculation so that the net additional impact is assessed, subject to the actual level of need that arises from the development proposal. For changes of use, separate calculations may need to be made for the proposed use, and the existing use, and the actual obligation sought will be assessed with reference to the difference between the two (except that a 'negative' contribution will not be allowable).

9.6 Each case will be considered on its merits to ensure that any obligation sought is sufficient to ensure that the proposed development is acceptable in policy terms and that the tests of Circular 05/05, and the statutory tests contained in the CIL Regulations 2010 are met.

9.7 Please note that for formulae that are based on gross external area (GEA), the relevant formulae will be applied on a pro-rata basis for GEA above the thresholds.

10: An explanation of the Charges

10.1 Planning obligations are required in order to deliver an acceptable development where the application does not accord with the development plan, or to regulate the future use and management of the land. This may, for example, include the requirement that the applicant undertakes off site highway works and may involve a S278 Agreement. These requirements are usually highly specific to the site or type of development being proposed and as such this SPD does not try to set out all of the circumstances where such requirements will arise.

10.2 The SPD is focussed on those planning obligations which arise directly out of the application of policies in the Development Plan, such as the requirement to provide affordable housing and are relevant across the whole Borough.

10.3 Different types and scales of development will require different planning obligations. The Council will apply a series of formulae or standardised charges for particular services or facilities. Detailed advice and the formulae applicable to particular obligations or services are set out in **Annexes A to G**. Appendix 1 identifies the thresholds at which level the charges, where they exist, are triggered. These will be reviewed and updated over time.

10.4 A Development Contributions Schedule has been developed to assist applicants in formulating the likely planning obligations.

10.5 The following table summarises infrastructure for which there is a standard charge, and those for which a formula-based approach is not readily available, but obligations will be sought commensurate with the impact of the development:

Standard charge applied	Obligations sought (non-formula based, and site specific)
Affordable Housing	Community facilities
Education	Streetscape improvements
Health facilities	Community safety
Libraries	Public transport
Sport & Leisure	Highways and traffic works
Parks and open spaces	Parking restrictions
Public art	Travel Plans and Car Clubs
Air quality	Energy efficiency
Construction training	Renewable energy
Employment and training	Flood risk mitigation measures
	Securing employment premises
	Town centre improvements and retail
	Policing resources and emergency services

Table 10.1

11: Pooling of Funds

11.1 Where the combined impact of a number of developments creates the need for infrastructure or facilities, associated developers' contributions can be pooled, in order to allow the required infrastructure to be secured in a fair and equitable way. Where this is required, the Council will take account of the CIL Regulations 2010.

11.2 CIL regulation 123 (3) has the affect that from 6 April 2014 and locally on the date that a charging authority's first charging schedule takes effect, whichever is earlier, local planning authorities will no longer be able to seek more than five individual planning obligation contributions towards infrastructure that is capable of being funded by CIL. Local planning authorities should not seek to define individual CIL infrastructure items by breaking them into smaller units or component parts for the purpose of circumventing this policy. For infrastructure that is not capable of being funded by CIL, local planning authorities are not restricted in terms of the numbers of obligations that may be pooled,

11.3 In some cases, individual developments will have some impact but not sufficient to justify the need for a discrete piece of infrastructure, and local planning authorities may wish to consider whether it is appropriate to seek contributions to specific future provision. The Circular makes it clear that, in these cases, any spare capacity in existing infrastructure should not be credited to developers.

11.4 Similarly, **where an item of infrastructure necessitated by the cumulative impact of a series of developments is provided by a local authority or other body before all the developments have come forward, the later developers may still be required to contribute the relevant proportion of the costs.**

11.5 In cases where a financial contribution is sought towards off-site provision, funds may be pooled to contribute towards the strategic aims of the Development Plan and the Community Strategy, that would lessen the impact (or enhance the benefits) of new developments in the area and help integrate the developments into the local community. Some schemes are Borough-wide whilst others are local.

11.6 In accordance with Circular 05/05, in the event that contributions are made towards specific infrastructure provision but the infrastructure is not provided within an agreed timeframe – normally ten years - the local planning authority will consider entering into an agreement in order to modify or discharge the specific planning obligation. Any pooling of funds will also take account of the CIL Regulations 2010, with regard to the limit on pooled contributions from 2014.

12: Maintenance

12.1 Circular 05/05 provides scope for seeking revenue or maintenance payments. The Circular advises that where contributions are secured through planning obligations towards the provision of facilities that are predominantly for the benefit of the users of the associated development, it may be appropriate for the developer to make provision for their subsequent maintenance.

12.2 As a general rule, where an asset is intended for wider public use, the costs of subsequent maintenance and other recurrent expenditure associated with the developer's contributions should normally be borne by the body or authority in which the asset is to be vested.

12.3 Initial support (pump priming) of new facilities can be sought where necessary, however payments should be time-limited and not be required in perpetuity by planning obligations. The Council will seek maintenance payments where necessary and appropriate for 'pump priming', and for facilities which are primarily intended for the use of residents of a development or for local use, in line with the latest government guidance. Ongoing maintenance payments will not be sought for facilities which are intended to serve the wider public.

13: Legal and Monitoring Fees

13.1 The Planning & Borough Development Department takes a strategic lead on the overall receipt, monitoring and programme management of financial contributions, working with other parts of the Council and, through them, with external partner agencies to implement spend.

13.2 Payment of s106 financial contributions are required to be paid to the Council as the Local Planning Authority by law. **Payments are required**

on commencement of development unless otherwise specified in the agreement to be phased according to need and impact. Payment can be made by electronic transfer (preferable), and/or by cheque. Once received, the money is held in a ring fenced corporate s106 account, with a unique code against each individual obligation.

13.3 On receipt of financial contributions, the database is updated and the relevant part of the Council, or other delivery agencies, likely to be involved in expenditure is informed. Relevant partner agencies are circulated with regular information on receipt of money.

13.4 Non financial planning obligations will also be monitored via the s106 database. The discharge of planning obligations over time requires monitoring and the input from a number of Council departments. For example, the delivery of on site affordable housing units is achieved through the Housing Department that manages the Borough's allocation under the Approved Development Programme, and other housing investment funds. Some major "phased" developments schemes will require their own schedules to monitor planning obligations triggers and delivery.

Legal and Monitoring Fees

Legal Fees

13.5 The Council's full legal fees in drafting and preparing and checking a Section 106 Agreement or unilateral undertaking will have to be paid by the developers before the Agreement or Undertaking is executed. The Council's full legal fees will also have to be paid in the event of the agreement/undertaking not being completed for whatever reason, or where planning permission is refused or where the developer does not proceed with the development or proposal. The Council's legal fees are charged at an hourly rate based on the number of hours dealing with the case.

13.6 The Developer's legal adviser will be expected to provide the Council's legal adviser with an undertaking to pay the Council's reasonable legal fees before the legal department starts to deal with the matter. Furthermore, the developer will also be expected to pay a sum on account of Council's legal costs at the same time. Such sum will be deducted from the total legal costs payable.

Where applications are referred to the Mayor and for which Transport for London's legal input is required in drafting and preparing a Section 106 Agreement, their legal fees will also be met by the developers.

Monitoring and other Fees

13.7 The costs of monitoring planning contributions will be financed through monitoring fees applied to individual s106 Agreements. The fee will depend on the extent of the obligations and the officer time involved in concluding, monitoring and implementing the agreements and will be applied as set out in Monitoring and Programme Costs.

13.8 For a legal agreement with a total financial contribution below £15,000 there will be a fixed charge of £500. For legal agreements with financial contributions over £15,000 there will be a fee of 2.5% on the total value of contributions. For an agreement with non-financial obligations there will be a separate fixed fee of £500. These are set out in Appendix 2, and are based on costs in monitoring individual agreements and will be amended annually.

13.9 If an agreement is exceptionally complicated (e.g. more than 10 items/heads of terms, variation on existing agreement, etc) and difficult to monitor it may be appropriate to request a contribution above the standard fee.

13.10 The total value of the agreed planning obligation will exclude the monitoring costs set out in this section. These are additional and will be added to the final cost. The fee will be payable on completion of the legal agreement.

13.11 Where valuation advice is required in order to assess the application, or in cases where a developer has raised concerns about viability of a development, the Council will expect all costs of valuation advice to be met by the developer. In cases where other professional advice is required, for example environmental, traffic, or ecological advice, the Council may seek its costs of seeking such advice to be met by the developer.

14: Other Issues

Confidentiality

14.1 In compliance with the guidance contained in paragraph B42 of Circular 05/05, the Council will comply with its statutory duty to record in Part 1 of the planning register details of proposed planning obligations and those planning obligations that have been entered into.

14.2 Once signed, the legal agreement will be registered against the title of the property and on the Local Land Charges Register, and is available on the statutory planning register. It is therefore in the public domain, and copies can be obtained from the Council, and accessed via the website (www.rbkc.gov.uk).

Referrals, call-ins and appeals

14.3 The Mayor of London must be consulted on planning applications that are considered of potential strategic importance. He can comment on and support these applications or, if he considers it necessary on strategic planning grounds, he can direct the Royal Borough to refuse planning permission if he is not satisfied that the proposed conditions and obligations will, in his opinion, make the development acceptable in planning terms. The applicant has the right then to appeal to the Secretary of State and at that stage the Mayor may state what obligations should be included in a legal agreement/unilateral undertaking. Further changes to the Mayor's powers will be taken account of through applying the provisions of this SPD.

14.4 Planning applications may be appealed, or the Secretary of State may call-in an application for his determination. In such cases, the Council will be unable to negotiate a planning obligation, as the Secretary of State/Planning Inspectorate will decide this. However, the developer can submit a unilateral undertaking and the Council will, in cases where the development would be acceptable if planning obligations were secured, seek to negotiate with the developer and would set out the nature of the planning obligations which would be sought.

Use and Monitoring of s106 Legal Agreements and Unilateral Undertakings

14.5 It is important that developers entering into planning obligations know where, when and how their money will be spent.

14.6 Planning obligations may be tied to specific schemes where they are necessary to overcome a planning objection to a development or pooled where planning obligations are sought from a number of smaller developments, towards the provision of an objective or scheme, for example from the Council's Community Strategy, Capital Programme and Infrastructure Delivery Plan or another identified strategy. Potential benefits towards which funds may be used are listed in the relevant sections of this document.

14.7 Contributions and interest accrued will be allocated to the implementation of projects specified in the agreement in a way that accords with the guidance in Circular 05/2005 "Planning Obligations", and any subsequent amendments..

14.8 Expenditure of developer contributions for local projects is considered as part of an annual rolling programme of s106 projects to be determined by the Council's relevant Business Group. In this way both elected Councillors and the public are able to see that the expenditure is appropriate, properly justified and that it meets the requisite legal tests.

14.9 A database is maintained, and incorporates a range of information in relation to planning obligations and unilateral undertakings including details of development site, relevant dates for receipt of funds, the purpose of the obligation and level of funding. Developers or interested parties are welcome to contact the Council to enquire as to the use and status of planning obligations.

Local Land Charge

14.10 Planning obligations are registerable as a Local Land Charge and as such would come to the notice of a prospective buyer of the land. The Council will require that they will also be registered against the title to the land at the land registry.

Index Linking

14.11 Contributions sought from developers will be index linked in the legal agreement, in order to maintain the value of the contribution. The Retail Price Index (RPI) is the most commonly used index

of inflation. It is freely available without subscription. The Building Cost Information Service (BCIS) published by the Royal Institution of Chartered Surveyors (RICS), and the Building Price and Cost Indices published by the Department of Trade and Industry (DTI) are alternative indices. Updating will use the most relevant index to the subject area.

14.12 The Council will also review all or parts of this document from time to time in order to update the value of the contributions sought.

15: Material Considerations to be delivered through Planning Obligations

Part 2: Planning Obligations List – Annexes A to G: Material Considerations to be delivered through planning obligations

15.1 The following headings are the main topic areas where planning obligations will be sought and relate to the Core Strategy and Community Strategy, and are detailed in the annexes following:

Planning Obligation	Core Strategy Strategic Theme	Community Strategy Theme
A Affordable Housing		
A1 Affordable Housing	Diversity Of Housing	Homes And Housing Community, Equality And Inclusivity
B Education		
B1 School Places	Keeping Life Local	Health And Social Care Community, Equality And Inclusivity Achieving Potential
C Community Facilities		
C1 Health	Keeping Life Local	Health And Social Care Community, Equality And Inclusivity
C2 Libraries	Keeping Life Local	Culture, Arts And Leisure Community, Equality And Inclusivity
C3 Sport & Leisure	Keeping Life Local	Culture, Arts And Leisure Health And Social Care
C4 Community Facilities	Keeping Life Local	Culture, Arts And Leisure Health And Social Care Community, Equality And Inclusivity
C5 Policing Resources And Emergency Services	Keeping Life Local	Safer Communities Community, Equality And Inclusivity
C6 Revenue Contributions	Keeping Life Local	Culture, Arts And Leisure Safer Communities

Planning Obligation	Core Strategy Strategic Theme	Community Strategy Theme
		Community, Equality And Inclusivity
D Public Realm		
D1 Public Realm - Parks And Open Spaces,	Keeping Life Local; Public Realm	Culture, Arts And Leisure Health And Social Care
D2 Public Realm – Streetscape	Public Realm; Better Travel Choices; Renewing The Legacy	Culture, Arts And Leisure Safer Communities Environment And Transport
D3 Public Art	Public Realm	Culture, Arts And Leisure
D4 Community Safety	Public Realm, Keeping Life Local	Safer Communities Community, Equality And Inclusivity
D5 Public Realm Revenue Payments	Public Realm; Better Travel Choices	Culture, Arts And Leisure Safer Communities Environment And Transport
E Transport		
E1 Public Transport	Better Travel Choices; Keeping Life Local	Environment And Transport Health And Social Care Community, Equality And Inclusivity
E2 Highways & Traffic Works	Public Realm, Better Travel Choices	Environment And Transport
E3 Parking Restrictions	Better Travel Choices; Public Realm, Keeping Life Local, Respecting Environmental Limits	Environment And Transport
E4 Travel Plans Car Clubs	Better Travel Choices; Respecting Environmental Limits.	Environment And Transport
F Natural Resource Management		
F1 Energy Efficiency	Respecting Environmental Limits	Environment And Transport

Planning Obligation	Core Strategy Strategic Theme	Community Strategy Theme
F2 Renewable Energy	Respecting Environmental Limits	Environment And Transport
F3 Flood Risk	Respecting Environmental Limits	Environment And Transport Safer Communities
F4 Air Quality	Respecting Environmental Limits	Environment And Transport Health And Social Care
G Employment & Training Initiatives		
G1 Local Training In Construction	Fostering Vitality	Community, Equality And Inclusivity Achieving Potential Work And Business
G2 General Employment And Training Contributions	Fostering Vitality	Health And Social Care Community, Equality And Inclusivity Achieving Potential Work And Business
G3 Securing Employment Premises	Fostering Vitality	Community, Equality And Inclusivity Achieving Potential Work And Business
G4 Town Centres And Regeneration	Fostering Vitality; Public Realm	Culture, Arts And Leisure Community, Equality And Inclusivity Achieving Potential Work And Business

Table 15.1

16: Affordable Housing - Introduction

16.1 Ensuring the delivery of affordable housing is long established as an integral part of Government policy. However, in recent years the manner of delivery has changed significantly.

16.2 A significant amount of affordable housing is now delivered through Registered Social Landlords (RSLs) and through the application of planning policies requiring the negotiation of a proportion of affordable housing as part of housing developments.

16.3 This section of the SPD explains the Royal Borough of Kensington and Chelsea's approach to the delivery of affordable housing through s106 planning obligations. It is supplementary to, and expands upon the Development Plan policies for affordable housing in the Royal Borough of Kensington and Chelsea, which are set out in the London Plan (Policy 3.A.4), and Core Strategy (Policy CH2 – Housing Diversity). It explains how the policies will be applied and provides additional information on what will be expected when dealing with planning applications for development for which an element of affordable housing should be provided.

17: The Need for Affordable Housing

17.1 There is a well-established justification for ensuring an adequate supply of affordable housing. As with all London boroughs and other Councils in the South East, the Royal Borough of Kensington and Chelsea Council continues to experience a significant gap between affordable housing supply and demand.

17.2 The 2009 Strategic Housing Market Assessment confirms the high levels of affordable housing need in the Royal Borough.

17.3 The need for additional housing throughout London is well documented in the London Plan. This estimates that at least 10,000 new affordable homes are required in West London for the period up to 2016. There is also a very high demand for larger family units. Additionally, house prices have risen considerably throughout recent years. The increase in house prices in the Royal Borough is broadly similar to the increase for London over the

same period and above the national average, including taking account of recent house price changes..

17.4 As part of the Core Strategy the Royal Borough of Kensington and Chelsea Council undertook a new Strategic Housing Market Assessment in line with latest government guidance to further inform the nature of housing need in the Royal Borough.

18: Development Plan

18.1 The policy context for affordable housing continues to be updated with new policy direction from the national and regional government. The publication of the *Planning Policy Statement 3 (PPS3) – Housing* and the accompanying *Delivering Affordable Housing (November 2006)* and *The Further Alterations to the London Plan (February 2008)*, as well as *Housing – The London Plan Supplementary Planning Guidance*.

18.2 This SPD provides the opportunity to amplify Policy CH2 “Housing Diversity”, of the Core Strategy and takes account of up-to-date national and regional government policy.

19: Sites where affordable housing will be sought

19.1 Policy CH2 of the Core Strategy sets out the Council's affordable housing policy requirements. Due to the distinct circumstances of the Royal Borough in terms of the provision of housing at the upper end of the property market, employment of a ten unit threshold has led to a substantial number of cases where the applicant has sought to avoid provision of affordable housing through proposing large flats with large floorspace. Within the Royal Borough, apartments can be very large. For example, a 9 unit development may easily have an internal area in excess of 1,400 square metres. A floorspace equivalent, therefore, clearly lays out what the threshold will be, and what the Council considers, reasonably and justifiably, is equivalent to a ten unit threshold in terms of capacity.

19.2 Proposals with 800m² gross external floorspace are expected to include provision for affordable housing (commuted sum or on site where over 1,200 sq m). The maximum reasonable

amount of affordable housing will be sought, with the presumption being 50% provision on gross residential floor space in excess of 800m²:

- Between 800m² and 1200 m², provision to be in the form of a commuted sum of £2,500 per m² in lieu of affordable housing;
- affordable housing provision on site where more than 1,200m² of gross external residential floor space is proposed, unless exceptional circumstances exist.

19.3 Any attempt to circumvent the threshold set in the development plan, for which the maximum reasonable proportion affordable housing shall be negotiated, is likely to lead to refusal of the application.

20: Types of Affordable Housing

20.1 One of the purposes of this SPD is to clarify what constitutes affordable housing in the Royal Borough among the various types of provision:

Social Rented Housing

20.2 In accordance with the Mayor's definition, the Royal Borough of Kensington and Chelsea defines Social Housing as: Housing that is affordable in that rents are no greater than target rents as set by Government (DCLG) for local authority and RSLs and co-operative tenants. Service charges should not be so great as to make a tenancy unaffordable for a household with an income of less than £17,000 on the basis of rents and service charges not exceeding 30% of net household income. Social Rented Housing needs to be available for rent on a long-term basis.

20.3 The Royal Borough seeks to ensure Social Housing is let and managed by an RSL. Any other arrangements will need to satisfy The Royal Borough that equivalent management and standards will be secured.

Intermediate Housing

20.4 Intermediate housing is housing where the costs are greater than target rents (see Social Rented Housing, above) but affordable to households that have incomes in the range £17,000 and £61,400 per annum or such other upper limit as may be identified in the London Plan ...”£

Shared ownership – also known as New Build HomeBuy

20.5 Shared Ownership housing is a form of intermediate housing. This is a low cost home ownership scheme where an applicant acquires a property from an RSL on a part rent -part buy basis.

20.6 The applicant raises a mortgage in the normal way to buy a share of the property and pays subsidised rent – capped to no more than 3% - to an RSL on the remaining share. The applicant can increase their share in the property as their finances improve if they wish, until they own the property outright, known as staircasing.

20.7 Shared ownership will need to be affordable to households with annual incomes of £17,000 – £61,400 (at the time of SPD production). The homes will be offered to applicants on the basis of housing need in accordance with the priorities determined by the Royal Borough.

Intermediate Rent

20.8 Intermediate rent is a form of intermediate housing that allows households to rent properties above target rent levels but below market rent levels. As with shared ownership the rents must be affordable to those with annual household incomes of £17,000 to £61,400 (at the time of production of the SPD). This income range puts the cost above social housing but below market housing. Intermediate Rent is made available on Assured Shorthold Tenancies, but can be long-term provision.

20.9 To be affordable, intermediate rent should be set at no more than 80% of the market rent for the type of units in the area where the scheme is located. This will be considered on a case-by-case basis as proposals arise. For advice on intermediate rents in new developments, contact the Royal Borough of Kensington and Chelsea Council Housing Initiatives Team.

20.10 In instances where provision is through any other organisation than an RSL arrangements will need to satisfy The Royal Borough that equivalent management and standards will be secured.

21: Affordable Housing Requirements

Mix Between Social and Intermediate Housing

21.1 Research has been undertaken to ascertain the type of affordable housing that should be provided in the Borough, taking into account the ability of a sample of households to afford different products. This research suggests that 4% of affordable housing should be equity based intermediate housing, 11% should be intermediate rented housing, and 85% should be social rented housing (Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment).

21.2 The greatest shortage relative to supply of social rented housing is for properties with four or more bedrooms: 45% of homes are recommended to include one and two bedrooms and 55% three or four bedrooms. For intermediate affordable housing nearly 70% of the demand is for one and two bedroom homes, with only 30% for larger homes of 3 or more bedrooms. Intermediate affordable housing includes key worker housing (Fordham Research (2009), Royal Borough of Kensington and Chelsea: Strategic Housing Market Assessment).

21.3 However, in the social rented sector, these underline the need for as high a proportion of large dwellings to be provided as possible. In intermediate housing the reverse is true. The exact mix of houses of any proposal will also take into account factors such as the characteristics of the site such as its location, size and built context, as well as the way housing need will change over time.

21.4 As with the amount of affordable housing, the mix between Intermediate and Social housing for a development will need to be established at the time of application. This should be agreed with Royal Borough of Kensington and Chelsea Council officers at the pre-application stage. There may be instances, however, when the Royal Borough accepts that an alternative mix between Social and Intermediate housing is appropriate.

22: Mix of Units and Space Standards for Social Housing

22.1 The Royal Borough seeks to ensure that the mix of dwellings, types, sizes and tenures in large housing developments and this applies to qualifying affordable housing schemes.

22.2 New residential developments will be required to include a mix of types, tenures and sizes of homes to reflect the varying needs of the Borough, taking into account the characteristics of the site, and current evidence in relation to housing need. These targets will be monitored and adjusted over time to allow for updating from SHMA and other monitoring.

22.3 The Royal Borough wishes to ensure that new affordable housing is fit for purpose now and in the future. The need to maximise land use through higher density housing, often in flatted developments with limited amenity space, means that internal space standards are now more important to ensure sustainability and livability into the future.

23: Negotiating the Maximum Reasonable Proportion of Affordable Housing

23.1 The Royal Borough will seek the maximum reasonable proportion of affordable housing on qualifying sites. In accordance with the Core Strategy the initial basis for negotiations is that 50% of all housing should be provided as affordable housing. Should an applicant propose a lower proportion of affordable housing a financial appraisal will be required in order to demonstrate the maximum reasonable proportion for the specific site. Where this is provided, the applicant will be expected to bear the Council's costs in assessing the financial appraisal (see Part 1 of the SPD).

23.2 One method for which proposed developments may be assessed in Royal Borough of Kensington and Chelsea is through the use of the Development Control Toolkit developed for the Greater London Authority (GLA) by Three Dragon's Consultants and Nottingham Trent University. Although it is recognised that a methodical

approach to projecting costs and profits will never be perfectly accurate, in the interests of objectivity and consistency of analyses, the Development Control Toolkit is publicly available and therefore is recommended as a tool to inform the negotiation process.

23.3 The Toolkit requires a number of inputs of information regarding incurred and projected costs. A reasonable profit for the developer is projected for, as is the amount of Social Housing Grant (if any) that may be available. An outcome projecting what would be a reasonable proportion of affordable housing contribution is provided, which will be used as one basis for negotiating the proportion of affordable housing.

23.4 It is important that the information provided for use in the Development Control Toolkit is accurate. The Royal Borough may seek detailed evidence of costs incurred, the assumptions made for those costs and sale prices that are projected. Pre-application research should be sufficient to consider all likely costs to be incurred in the development.

23.5 Applicants should not automatically assume that Social Housing Grant will be made available for private sector developments. **The applicant should consult with the Royal Borough's Housing Initiatives Team at an early stage**, preferably in cooperation with an RSL partner, to establish whether Social Housing Grant or an alternative source of funding is likely to be secured.

23.6 Although the Development Control Toolkit is recommended as a financial appraisal method, the Royal Borough will not preclude information being presented through other appraisal methods. However, all figures and assumptions will need to be clearly shown in any model used, so the Royal Borough can understand how the assumptions are made.

23.7 Early engagement with the Royal Borough is critical to ensure the processes of negotiation and securing affordable housing set out above are undertaken efficiently.

24: The Nature of Affordable Housing Provision

24.1 The following process explains the manner in which affordable housing can be provided in the Royal Borough of Kensington and Chelsea, ranging from the most likely: On-site provision to the least likely form of provision: a financial contribution (payment in lieu).

1. On-site provision

24.2 On-site provision is the Royal Borough's preference for how affordable housing will be provided by developers. Only where exceptional circumstances exist and where the Royal Borough is satisfied that it would be appropriate, will off-site provision be accepted. This reflects the Government's policy of ensuring a mix of housing types in communities so as to encourage the development of mixed and inclusive communities.

2. Off-site provision

24.3 There may be occasions where on-site provision is not the most suitable option. Such instances will be where there are demonstrable benefits in providing off-site affordable housing (in part or in full) and should be provided within the vicinity of the development. Exceptional circumstances will need to be demonstrated by the applicant. Examples of where it may be accepted (in part or in full) are:

24.4 - Where ongoing *necessary* costs of a considerable amount would be incurred by the occupants of the affordable units of a development, such as necessary and reasonable service charges

24.5 - Where certain affordable housing types, such as larger family provision, cannot be easily accommodated or be unsuitable on-site. This scenario may be considered should The Royal Borough's monitoring information indicate that certain unit types are not being delivered to the Royal Borough's targets.

24.6 - It may also be the case that on small sites it is not practical from a design or management perspective to provide a small number of on-site affordable units.

24.7 *Note the above list is not exhaustive.*

24.8 In instances where it is accepted that off-site provision is appropriate, the onus will be upon the developer to find and acquire a more suitable site which would not otherwise be expected to come forward for affordable housing, within the vicinity of the originating development. In such instances the amount of affordable housing will be negotiated and secured through a s106 Agreement. Off-site provision should be financially-neutral, i.e. there should be no financial advantage to a developer in providing the housing this way.

3. Financial Contribution to the Royal Borough

24.9 Between 800 and 1,200 Sq M of GEA residential development triggers a financial contribution formula, or if exceptional circumstances are shown by the applicant to demonstrate that neither on- nor off-site provision are appropriate, the Royal Borough may accept a financial contribution, to be pooled to assist the delivery of affordable housing within the Borough.

24.10 All financial contributions will be placed in The Royal Borough's Affordable Housing Fund, which is a specific interest bearing account administered by the Housing Department in accordance with policy and procedure determined by The Royal Borough.

Financial Contribution Formula (should such instances arise).

24.11 In cases where a financial contribution instead of on-site or off-site provision is appropriate, the Royal Borough of Kensington and Chelsea Council will calculate the contribution as follows:

- a. *An amount per square metre that would have been provided as the affordable housing contribution on site in accordance with The Royal Borough's target mix in respect of social housing.*

24.12 The amount per square metre to be used in the above calculation is:

Financial contribution per sq m: £2,500

24.13 The above has been calculated by reference to the Housing Corporation TCI for an 85-90m² dwelling to reflect the overarching need for larger family homes for rent [$\text{£}218,800 / 87.5 = 2500$].

- b. *the above total sum per square metre is multiplied by the Floorspace proposed in*

excess of the 800 sq metre threshold to reflect the increase in market units that will arise from not providing affordable housing on the site.

For example:

- Proposed Housing Scheme = 1000 sq metres.
- Making a financial contribution means that the Floorspace exceeds 800 sq metres by 200 sq metres.
- ***200 sq metres x £2,500 = £500,000***

24.14 This figure will be reviewed annually through the Annual Monitoring Report (AMR) process and adjusted according to actual costs of providing affordable housing within the Royal Borough.

24.15 All financial contributions will be placed in the Royal Borough's Affordable Housing Fund, which is a specific account administered by the Housing Department upon the recommendation of the Cabinet member. The Fund is only used for the provision of affordable housing in the Royal Borough in accordance with policy and procedure determined by the Royal Borough.

25: Delivering Affordable Housing In Royal Borough Of Kensington and Chelsea

25.1 The Royal Borough will support bids to the Homes and Communities Agency (HCA) for Social Housing Grant for mixed tenure and 100% affordable schemes that include affordable housing, where the amount and type of affordable housing would not be deliverable without it. Schemes that provide only shared ownership or other intermediate housing will not normally be supported for grant bids unless they are in support of other corporate Council initiatives such as the regeneration of a specific area.

26: Obtaining Subsidy

26.1 In order for the Royal Borough to support the level of subsidy required it will need to be satisfied that the amount is reasonable and necessary. In order to ensure affordability in the long term and meet HCA expectations in relation to value for money, the Royal Borough will require the affordable housing units to be transferred to an RSL at a cost that does not exceed the allowed

inflation uplift from 80% of the last published Total Cost Indicator of 2004/05 (TCI) less actual on-costs of the RSL. Based on grant per person, this should be demonstrably affordable and demonstrate value for money.

27: Securing Affordable Housing

27.1 The Royal Borough's preferred method for securing affordable housing is via a legal agreement in accordance with s106 of the Town and Country Planning Act (1990). In order to ensure that affordable housing continues to be affordable to those in housing need, and managed to standards set by the HCA and Audit Commission, the Royal Borough requires the legal interest and management of the affordable housing secured through the application of Development Plan Policy to be transferred to an RSL or, with the Royal Borough's agreement to an equivalent and satisfactory person or body. If the housing is transferred to an RSL these requirements will be deemed to have been met.

27.2 The proposed number and tenures of affordable units, and the number of bedrooms in each of those units, will be stated in the legal agreement or unilateral undertaking. All parties with an interest in the land will be bound by the legal agreement or unilateral undertaking.

28: Design Issues

28.1 Developments need to comply with the design policies of the development plan, and aside from the need to comply with affordable housing policies, issues relating to the design of a development can lead to the refusal of an application. There are, however, particular design issues that are raised by residential developments that provide affordable housing alongside market housing.

28.2 The outward appearance of affordable housing should not be distinguishable from market housing. Façades should consist of the same building materials and elements as the market houses of the same development.

28.3 This is in order to ensure the provision of developments that contribute positively to the streetscape and landscape and to minimise the impression of segregation between affordable and market units (which may create or reinforce

problems of social exclusion). Such issues are best discussed and resolved with Council officers during the pre-application stage.

29: Procedures for Schemes that Include Affordable Housing

29.1 The applicant should engage in early discussions with an RSL partner or agreed affordable housing provider (unless the applicant is itself an RSL). This is because the Royal Borough prefers RSL involvement and recommends that their experience be utilised in the process of bidding for grant. The Royal Borough's preferred RSL partners and their contact details, can be provided by the Royal Borough's Housing Initiatives Team.

29.2 Before an application is submitted the applicant should ensure, through discussions with Development Control officers, that they have included the required information, including specific information relating to affordable housing. Failure to submit sufficient information could lead to the scheme being refused.

29.3 In terms of affordable housing, the applicant will need to provide:

- Information on the amount of affordable housing in terms of units, habitable rooms and floorspace, and how this relates to the policy requirements in terms of:
 - i) the amount of affordable housing
 - ii) the target mix between Social and Intermediate housing and bedroom numbers in the units
 - iii) amount of living space in the units,
- a financial appraisal (should less than 50% affordable housing be proposed), including evidence of how all figures were arrived at and assumptions made; these will be assessed as part of a planning application,
- the affordability of each unit of affordable housing, in terms of costs to the occupant (including service charges)
- the number of units that are developed to full wheelchair and lifetime homes standards, and how design issues have been addressed.

30: B1 Education Contributions

Context

30.1 The Council will negotiate with developers to secure contributions to meet the increased demand for school places arising from development via planning obligations. There is a need for school provision, including extended schools and education uses.

30.2 There are very few spare **nursery education** places anywhere in the Royal Borough so that assistance is always likely to be sought to provide more of these, usually in association with additional childcare provision.

30.3 In some parts of the Borough **primary school** capacity may exist. In other areas, particularly south of Notting Hill Gate and Holland Park Avenue, primary schools are nearer their maximum capacity.

30.4 The Royal Borough's four **secondary schools** are at capacity with long waiting lists. The additional capacity to be provided by Chelsea Academy is likely to be outweighed immediately by rising pupil numbers; a new borough-wide secondary school will be provided in the north of the Borough. Contributions towards school places will contribute towards this.

Policy Framework

30.5 UDP Policy MI1 states that : “Where appropriate, the Council will negotiate planning obligations in order to ensure satisfactory developments.” And refers to the *provision of community, social and health facilities in the list of examples*.

30.6 Policy C1 “Infrastructure Delivery and Planning Obligations” and CK 1 and CK3 of the Core Strategy support the provision of facilities and infrastructure to support development.

Threshold

30.7 All residential development, including conversions, has the potential to create demand for school places and the formula below will therefore apply to all developments. Existing surplus capacity, which varies across the Royal

Borough and over time, is required to accommodate growth of the Royal Borough through increased birth rates.

30.8 It is recognised, however, that certain types of housing such as specialist housing for the elderly or for students will not directly generate children, and therefore contributions towards educational facilities will not be sought by the Council in respect of such developments.

The Formula

30.9 The following formula will be used to calculate payments due:

Number of each unit size by bedrooms x

Child Yield for that size unit – ‘discounted factor’

= No. Children Generated

x

average cost of new school place

= contribution required

Components of the Formula

30.10 **Child Yield** is the average number of children likely to be generated by new housing. From the GLA’s Data Management Access Group (DMAG) data, the Royal Borough is able to estimate the number of children likely to occupy housing of different sizes. These are set out below and have however been adjusted to take account of local factors, in particular the high proportion of children living in owner occupied accommodation who attend private and independent schools. For the affordable housing yield, these are based directly on the Borough’s allocations policy for this type of tenure which relates occupancy to the number and size of the bedrooms in each dwelling.

No. Bedrooms	1	2	3	4+
Market/ Intermediate housing	0.01	0.03	0.2	0.31
Affordable housing (social rented)	0.09	0.9	1.8	3.0

Table 30.1

30.11 The table is based on a range of best available data, including census analysis, sample data from existing developments, the Council's Housing Allocations Policy and GLA data. It will be monitored over time to ensure it is kept up-to-date.

Age distribution of pupils

30.12 The school rolls show an even distribution across the nursery, primary and secondary phases. That assumption has therefore been carried over to calculations affecting new developments. The calculation includes children aged from 3 to 16. The assumption is that within the affordable housing child yield follows the same pattern of distribution as reflected in the actual rolls of the Royal Borough's maintained schools.

The discount factor

30.13 The discount factor is applied in recognition that not all children of school age generated by a development will attend a maintained school in the Royal Borough as some may take up alternative education provision, or may not transfer school at all.

30.14 Allocations to social rented housing are made from the Royal Borough's waiting list. Most (but not all) of the applicants on the list live in Kensington and Chelsea and their children are likely to be attending schools in the Borough or (in the case of secondary schools) nearby LAs.

30.15 Evidence from recent developments suggest that as a general rule, 80% of primary age children will transfer to a school closer to their new home. The same investigation indicated that most secondary age pupils are likely to remain in their existing school unless they are moving from a considerable distance outside the Borough. It is assumed that no more than 20% of secondary age pupils will wish to change school when they move home.

Availability of existing school places

30.16 In cases where individual developments will have some impact but not sufficient to justify the need for a discrete piece of infrastructure, contributions may be sought from developers towards future provision where the combined impact of a number of developments does, may or will create a need for infrastructure. **In such cases Circular 05/05 advises that spare capacity in existing infrastructure provision should not be credited to earlier developers.** The Council will adopt this approach, in order to ensure that the negotiation of planning obligations is consistent and fair to all developers, and will continue to take into account any relevant circumstances in each case to ensure that any negotiations for planning obligations comply with Circular 05/05.

30.17 Where any form of capacity exists, therefore, the following factors must be taken into account.

- One new development might not use up all local spare capacity but, taken in conjunction with other proposed developments in the same area, may contribute to that effect cumulatively.
- Some margin of spare capacity is always necessary to allow for new arrivals and the exercise of parental choice.
- Account will also be taken of projections of pupil growth based on local demography. The pupil projections used by the Royal Borough are prepared by the GLA.

Cost per school Place

30.18 A Department for Children Schools and Families (DCSF) multiplier is used for calculating the cost of building new school accommodation. A location factor is added by the DCSF to the basic multiplier to take account of local variations in building costs. The DCSF location factor for Kensington and Chelsea is 1.16.

30.19 These multipliers are up-dated regularly. For **2009/10**, the DCSF cost multiplier for nursery and primary provision in Kensington and Chelsea, including the location factor, is **£14,218** per pupil. For secondary provision the corresponding DCSF multiplier is **£21,424** per student.

30.20 These figures are updated annually by the DCFS⁽¹⁾ and will be kept under review annually through the SPD and AMR. These are not

considered to be the full cost of providing a new school place and as such are seen as a contribution towards providing a school place.

WORKED EXAMPLE

30.21 The proposed development will have a total of 9 dwellings. The breakdown of the dwellings by size is as follows.

	2-bed	3-bed	4-bed
Market/ intermediate	2	2	1
Affordable	1	2	1

Table 30.2

1. Calculation of child yield:

Market $(2 \times 0.03) + (2 \times 0.2) + (1 \times 0.31)$

Affordable $(1 \times 0.9) + (2 \times 1.8) + (1 \times 3)$

TOTALS

Market yield: 0.77

Affordable yield: 7.5

This gives a total estimated yield of **8.27** children.

2 Calculation of age distribution of children:

In total, **8.27** divided by 16 (age groups from 0-16) = **0.52** children in each age group.

By phase:

nursery pupil yield = $2 \times 0.52 = 1.04$ pupils

primary pupil yield = $7 \times 0.52 = 3.64$ pupils

secondary pupil yield = $5 \times 0.52 = 2.6$ pupils

3 Calculation of “discount”:

Primary = $3.64 \times 80\% = 2.91$ pupils

Secondary = $2.6 \times 20\% = 0.52$ pupils

1 <http://www.teachernet.gov.uk/management/resourcesfinanceandbuilding/schoolbuildings/designguidance/costinformation/>

4 Calculation of building costs (based on DCSF multipliers including 1.16 location factor for RBKC):

Primary/nursery = $2.91 \times £14,218 = £41,374$

Secondary = $0.52 \times £21,424 = £11,140$

5 The financial contribution to be sought from developer is therefore £52,514

31: Annex C Community Facilities

31.1 Introduction

31.2 Residential and mixed use developments that result in more people living and working in the Borough will result in increased pressure on community facilities such as health facilities, libraries, police and other emergency services, community centres, meeting halls, and leisure facilities. Where existing facilities are unable to accommodate this increased pressure, contributions will be sought proportionate to the likely increased use caused by the proposed development.

31.3 The Royal Borough is working with other service providers through the Local Strategic Partnership and other means to ensure that deficiencies in service arising from the impact of development are met. The Council will also seek developer contributions for improvements to facilities from appropriate developments.

31.4 Where possible, the Council seeks to locate community facilities in town, district and neighbourhood centres which have the best accessibility and can add to the range of facilities in the centre..

31.5 The Core Strategy aims to protect all existing social and community uses. It also sets out that local convenience shopping should, for the majority of residents, be within a 5 minute walk, where schools and doctors' surgeries would be a 10 minute walk (Policies CK1 and CK2).

31.6 Policy Context and Framework

31.7 Paragraph B15 of Circular 05/2005 advises that if a proposed development would give rise to the need for additional or expanded community infrastructure, it may be acceptable to seek the contributions to additional provision through a planning obligation.

31.8 Policy CK1 of the Core Strategy protects and encourages social and community uses to support the needs of those who live, work and study in the Royal Borough. One of the overall objectives set out in the Core Strategy Strategic Vision is to "keep life local for strong effective neighbourhood centre and for social and community facilities to be widely available and for

neighbourhood functions, including local shopping facilities, to be easily accessible so that residential communities can flourish".

31.9 For the purposes of the Core Strategy, Social and Community uses are defined as including: care homes/care facilities and elderly people's homes; community/meeting halls and rooms,' doctors, dentists, hospitals and other health facilities; hostels; laundrettes; libraries; Metropolitan Police and other emergency service facilities; petrol filling stations; places of worship; bespoke premises for the voluntary sector; schools and other educational establishments; sport facilities; and youth facilities.

31.10 Outdoor sports facilities have been included within this category for the purposes of delivering through planning obligations, and access to play, and facilities for children and young people is also covered. These link to Council policies on services for children and young people, including the provision of inclusive play.

32: C1 Healthcare

Context

32.1 Residential development resulting in a net increase in the number of residents in an area will increase the need for local health care facilities. In many parts of the Borough, local health care facilities will already be at capacity or in accommodation which requires upgrading to accommodate additional demand. The Council will require developer contributions to maintain levels of health care facilities in the Borough.

32.2 The Kensington & Chelsea Estate Strategy 2006-2011 (first published in January 2007 and revised in 2009) has recently been further revised in 2010. The strategy builds on the previous strategies and is set within the context of an Integrated Strategic Plan (ISP) for North West London which describes the delivery of the vision outlined in Healthcare for London (2006).

32.3 The strategy provides the PCT with an overview of its current situation and focuses on commissioning high quality, safe and effective health and social care for the residents of the Royal Borough of Kensington and Chelsea (RBKC). The commissioning of hospital care is described in the PCT strategy. The PCT vision is:

32.4 To be the recognised Health Advocate for all residents of Kensington & Chelsea and by 2015, to lead an integrated healthcare system that transforms the way residents manage their physical and emotional health and wellbeing and helps them become the most engaged and vibrant community in London.

32.5 The PCT Strategy is built upon the information about the population health needs as described in the Joint Strategic Needs Assessment (JSNA). The PCT works closely with the Royal Borough to deliver many of the service changes for residents, as identified in the JSNA.

32.6 In the next five years the PCT plan to develop two integrated primary care-based healthcare systems known as “polysystems”; one in the north and one in the south of the Borough which will deliver a substantial portion of healthcare to residents of the Royal Borough.

Policy framework

32.7 Policy MI1 of the UDP states that : “Where appropriate, the Council will negotiate planning obligations in order to ensure satisfactory developments.” and refers to the *provision of community, social and health facilities* in the list of examples.

32.8 Policies CK1 and CK3 of the Core Strategy seek provision of appropriate social and community facilities in association with development schemes. These are dependent on the scale of the development, its location and its proximity to existing services. Policy C1 of the Core Strategy requires necessary infrastructure, including healthcare, to be provided alongside developments.

32.9 Threshold

32.10 In all residential developments the Council will seek advice from NHS K&C to assess if existing healthcare facilities are unable to cater for more patients. Where this is the case, developments will be required to make a contribution for health care facilities.

Application

32.11 A contribution will be sought taking account of advice in Circular 05/2005. One basis for calculating the contribution may be the Healthy Urban Development Unit (HUDU) developed standard model for predicting the likely health impacts of a development, based on the local

circumstances in the Royal Borough. The HUDU model forecasts the additional health demand that might result from a new residential development and quantifies the impact in terms of physical space and subsequent cost. The series of calculations and formulae used are described in detail in the guidance notes that accompany the model, available at www.hudu.org.uk or hudu@hudu.org.uk. Consideration will be given to relevant health documents such as the Local Delivery Plan, the Strategic Services Delivery Plan and Local Health Service Needs Assessment.

32.12 The model takes account of the demographics of the existing population and the future predicted population growth.

32.13 Where necessary, the PCT will assess the impact of the development on existing healthcare facilities and services which may include primary and community services, mental health and acute healthcare services

32.14 Contributions will be sought where, as a result of the development:

- New premises/facilities are required as a result of the increased needs arising from the development;
- Current facilities are inadequate for the additional users that will require them due to the new development, in terms of their quality or accessibility for users (based on accepted NHS standards) and therefore need to be improved or extended;

32.15 Contributions will be pooled over time and when appropriate, a new facility and services provided. This facility and services may be provided on or off the development site as appropriate or through expansion of existing facilities and services. Where a developer can provide a new facility and services on site, this cost can be set against their calculated contribution for health facilities due from the development.

33: C2 and C3 Libraries, Indoor Sport and Leisure Facilities

C2 Libraries Context

33.1 The development of new housing which results in an increased resident population, and commercial developments with an increased

workforce population, both increase the demands on the Council's library services and capacity constraints.

33.2 The six Borough library buildings - three of which were purpose-built - range in age from twenty to a hundred and forty years. Four are listed as of architectural or historic interest and are Grade II listed, whilst Chelsea Library is situated within Chelsea Old Town Hall, itself Grade II listed.

33.3 During a time when the population in the Royal Borough has been increasing,

33.4 demand has remained high but the level of expenditure has been static. The RBKC Library Plan therefore concentrates on maintaining the standard and quality of the service, as well as seeking improved and changed use of resources to meet the opportunities and challenges of developing initiatives in education, lifelong learning, and information provision. This will not be easy to accomplish without increasing support from grant aid, and other government sources allocated for these new developments.

33.5 The Council is implementing an innovative long-term 'Library Transformation Strategy' for all libraries in the Borough. This will include improving ways to access library services for all people who use libraries whether for leisure or learning.

Policy framework

33.6 The justification for seeking obligations in respect of library facilities is set out in Circular 05/2005 (para B15) and policy SC6 (e) of the UDP. Policies CK1 and CK3 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals.

Threshold

33.7 All major developments will be required to make a contribution to Library facilities. A major development is defined as development capable of providing 10 residential units or more, or of an area of 0.1 hectares or more irrespective of the number of units or 1,000 sq m or more for any other use (office, retail, industry, community, and leisure).

Application

33.8 A minimum standard for library floor space is 30 sq m per 1,000 population, and this will be proportionately applied in relation to new residential population arising from development above the

threshold. From non-residential development, experience and practice elsewhere demonstrates that one fifth of library users are from outside of the Borough, and use Borough libraries due to convenience to their workplace. Therefore, contributions will be sought from commercial developments over the threshold, using information on number of employees from the planning application, or from standard worker/floorspace ratios (see English Partnerships guide, 2001).

33.9 The cost of provision per square metre of library floor space including equipping space is given on an annual basis. It excludes land purchase costs.

33.10 Contributions secured through s106 agreements will be spent on the following:

- New library provision and/or improvement works to the existing public library provision to increase capacity for use; and/or
- The provision of new library books and IT equipment to meet new population demand.

Formula

33.11 The Museums and Libraries Archive Council (MLA) www.mla.gov.uk recommends that local planning authorities adopt a minimum standard charge of £90 per person for libraries from developments and £22 per person in new housing for archive provision.

Total = £112 per head of population.

Individual dwelling contributions =

Bedroom size (= ave no. persons per household)
x New resident charge

£112 x persons

1 bed (1.4 persons) = £156.8

2 bed (2 persons) = £224

3 bed (2.8 persons) = £313.6

4 bed+ (3.5 persons) = £392

New workforce population growth charge =

No employees x 0.2

X

£112 = £22.40 per employee.

C3 Sport & Leisure Context

33.12 The Council's objective is to ensure that there is a high quality of provision of sports facilities throughout the Borough.

33.13 There is a shortage of outdoor sports pitch provision across the Borough means there is a heavy reliance on commissioning the use of facilities in neighbouring authorities. There is also a shortage of indoor sports space particularly in the centre and south of the Borough. The priority is therefore to make the best possible use of the existing space, and to prevent its loss to other uses.

33.14 Planning obligations may therefore be sought for new and improved leisure facilities to ensure that facilities keep pace with the increased demand.

33.15 Three main public leisure centres serve the Borough (Kensington Leisure Centre and Chelsea Sports Centre which are RBKC run, and the Westway Sports Centre, which is run by the Westway Development Trust) and each of the five main parks has a range of sports facilities on offer.

33.16 The Community Strategy aims to secure, enhance and increase the scope and accessibility of all the Borough's arts, culture and leisure facilities. It recognises that this is important if residents' quality of life is to be preserved and improved.

33.17 Additionally, the 2028 project recognised health and well-being as a significant factor affecting change in the Borough in the next twenty

33.18 years. The Kensington Partnership is likely to be under increased pressure to provide health and lifestyle services that allow residents to improve their own well-being.

Policy Framework

33.19 Under Policy LR3 of the UDP, the Council will require new facilities or contributions to improving existing facilities for sport and leisure, as there are current boroughwide deficiencies in Sport and Leisure provision to serve the existing population. Policies CK1 and CK3 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals.

33.20 It is an aim of the Community Strategy to improve the quality and accessibility of sports and leisure provision for all in the Borough and encourage participation in physical activities

Threshold

33.21 RBKC is under provided in various sports facilities for a Borough of its population size (see below). Therefore all major developments will be required to make a contribution to sports and leisure facilities. A major development is defined as development capable of providing 10 residential units or more, or of an area of 0.1 hectares or more irrespective of the number of units or 1,000 sq m or more for any other use (office, retail, industry, community, and leisure).

Application

33.22 The Sport England Facility Calculator indicates that RBKC is under provided in various sports facilities for a Borough of its population size. These include public swimming pools and sports halls. The Facility Calculator can also be used to calculate the requirements for new facilities arising from growth in population. The Council has a programme of improvements to sports facilities in the Royal Borough to cater for the demands of the existing population.

33.23 Developments likely to increase pressure on facilities will be required to contribute to address the needs arising from future development. These will be sought from residential developments, and from commercial developments where additional employees will place an additional burden on resources. It is assumed that one fifth of users at leisure and sports centres will be from outside of the Borough, using the local facilities which are convenient to their workplace.

33.24 On-site provision of facilities in major mixed use schemes will be encouraged in appropriate locations or sites. Normally however, obligations will be for off-site financial contributions which will be pooled to provide new facilities and/or used to improve existing facilities in accordance with The Royal Borough's Community Strategy and Leisure Plan.

Formula

33.25 Sports England – www.sportengland.org provide a calculation of required provision within the Royal Borough, in terms of population (see appendix 3).

33.26

http://www.sportengland.org/kitbag_front_page.htm

33.27 This gives the required sport contribution per head of contribution: £363

Calculation per residential unit:

33.28 Individual dwelling size contribution based on average persons per household x new resident charge:

33.29 1 bed (1.4 persons) = £508

33.30 2 bed (2 persons) = £726

33.31 3 bed (2.8 persons) = £1,016

33.32 4 bed (3.5 persons) = £1,271

New workforce population growth: Financial contributions:

1. no. of new employees from development based on average employment density
2. multiply 20% likely use
3. multiply £363 required sport and leisure contribution per new user.
4. = £72.60 per employee.

34: C4 Facilities for Local Community Groups and Young People

Context

34.1 The Royal Borough has a large number and wide range of community groups and voluntary sector organisations providing services for local people. These groups need flexible community spaces and resources to allow the groups and activities to take place. The community halls and other facilities are of benefit to the whole local population, but are particularly important to some people such as the young, the elderly and some ethnic and religious groups. In many parts of the Borough, community facilities are of poor quality and/or in unsuitable premises, and larger, more flexible spaces are needed. There are also various community projects that provide valuable services and facilities to local people which the Council will seek to support, by requiring a financial contribution towards the cost of premises or, where appropriate,

providing land or premises for such uses directly to the voluntary organisation, or to a development trust.

34.2 Residential, and in some cases, commercial developments that result in more people living and working in the Borough will result in increased pressure on facilities such as accommodation to deliver services as well as community centres and meeting halls. Both large and small developments contribute to the cumulative effect of this increased pressure. Where existing facilities are unable to accommodate this increased pressure, contributions will be sought proportionate to the likely increased pressure caused by the respective development.

Policy Framework

34.3 Under SC6 of the UDP, the Council will require new facilities or contributions to improving existing provision for local groups and for organisations providing services where a development creates pressure for new or enhanced provision. Policies CK1 and CK3 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals.

Threshold

34.4 Advice will be sought from a range of organisations including Family and Children's Services, Adult's and Community Services and Extended Services teams, and the Kensington & Chelsea Social Council to establish areas of the Borough where existing facilities are inadequate and/or unable to cater for more people in the area, or this situation is forecast within three years of the planning application.

34.5 Where local facilities are at capacity or substandard, or predicted to be so within three years, all major developments will be required to make a contribution to facilities for local community groups and young people. A major development is defined as development capable of providing 10 residential units or more, or of an area of 0.1 hectares or more irrespective of the number of units or 1,000 sq m or more for any other use (office, retail, industry, community, and leisure).

Application

34.6 Contributions will be used both to support community facilities coming under increased pressure due to the development or pooled over

time and where appropriate, a new facility provided. This facility may be provided on or off site or through expansion of existing facilities. Where a developer can provide a new facility on site, this cost can be put against their calculated contribution for community facilities and any deficit met from the appropriate pool of funding.

34.7 Such funding may be used to fund affordable premises for the voluntary and community sector organisations, or for the transfer of ownership and management of space to a development trust or similar body.

34.8 Any contribution sought will be based on the cost to establish appropriate community facilities. These could include community meeting space that may help to mitigate social and economic impacts and pressures on local communities as a result of individual or cumulative major development.

35: C5 Policing resources and other emergency services

Context

35.1 Development resulting in the net increase in the number of residents, businesses, commercial, social and leisure activity in an area will increase the need for emergency services and police services. In parts of the Borough police services will already be at capacity. New populations will require additional police services.

Policy framework

35.2 The approach to emergency services and policing is supported by Policy MI1 Planning Obligations. Policies CK1 and CK3 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals.

Threshold

35.3 The Council will seek advice from the Metropolitan Police Authority to define areas deficient in police resources and where development will increase demands on police services. This will apply to housing schemes on sites capable of providing 10 residential units or

more, or of 0.1 hectare or more irrespective of the number of units and for development proposals 1000 square metres or more for any other land use.

Application

35.4 All development schemes that have a significant impact on emergency services and policing will be expected to contribute to additional provision of these services in the vicinity of the scheme or adjoining area.

35.5 Any contribution sought will relate to the impact of the development on the policing needs of the area. Contributions could include the provision of additional on-site facilities.

36: C6 Community Facilities – Revenue Contributions

Context

36.1 Investment in the public realm and community facilities requires to be supported by on-going maintenance. The application of planning obligations for this purpose is appropriate in accordance with Circular 5/2005.

Policy Framework

36.2 Core Strategy Policy The Council will, where appropriate, enter into legal agreements with developers, and seek the attainment of planning obligations, having regard to current Government Guidance.

Threshold

36.3 Any development where a contribution to community facilities is secured as a part of a s106 Agreement.

Application

36.4 Applied one off, where a community facility is provided directly or principally via a planning obligation, and there is no available revenue budget. Normally set at an additional 10% of the capital construction costs of the facility as funded by planning obligations, or construction value of the facility directly provided by a developer. However this is dependent on the type of provision and management arrangement.

37: Annex D Public Realm

Introduction

Context

37.1 A range of planning obligations will be sought to enhance The Royal Borough's public realm in the context of the impact of new developments.

37.2 The quality of the built environment affects the way in which people perceive and enjoy places and spaces. The maintenance and enhancement of the quality of the built environment makes an important contribution to sustainability and quality of life, and is one of the key sustainability principles of the Development Plan. The Borough has 36 conservation areas covering over 70 per cent of its area and over 4,000 buildings are listed for their special architectural or historical interest.

37.3 The Community Plan sets the aim as being a Borough with an environment and amenities which enhance the quality of life of the whole community and which is aware of, prepared for and able to meet the challenges presented by climate change.

37.4 One of the Kensington Partnership's main aims is that the Borough should remain an attractive place for those who live, work or visit here. It identifies the planning system as a means of achieving this through the new LDF and its component parts. Planning policies protect and encourage facilities which are easily accessible to meet the needs of those who live, work and study in the Borough – such as hospitals, clinics, schools, colleges, welfare and community centres.

38: D1 Public Realm - Parks and Open Space

38.1 The provision of adequate play space is a strategic priority for the Council. Additional population from new developments will create additional demand for open space and increased use of existing parks and open space. This is particularly true in terms of children and young people's play. Some developments may incorporate facilities within their design to meet the need generated. Where this is not the case

planning obligations will be sought to improve local parks and open space, and children and young people's play facilities.

38.2 With the exception of the City of London (2.1%) Kensington and Chelsea has been shown to have the least public open space as a proportion of land area

38.3 The overall Greater London Average is 11.1%. The ratio of open space to the population in Kensington and Chelsea is by far the lowest in London (1ha serving 3,867 population) followed by The London Borough of Islington (1ha serving 1,990 population). Play England have developed standards for Play provision, and such standards will act as guidance in the future to assess the requirements for additional play provision.

38.4 The Council's Open Space Survey shows the distribution and amount of play space in the Borough and highlights the Borough-wide deficiency. The extent of the Borough's shortfall in play-space provision can be illustrated using both the National Playing Fields Association Standards and London Plan standards. These suggest a standard ratio of children's recreation space to be in the range of 0.6 - 0.8 ha per 1000 population, not met within the Royal Borough., Those areas deficient in open space are also those deficient in playspace and playgrounds, as most of these facilities are situated within the existing open spaces.

Policy Framework

38.5 Developments which add to the demand for open space are required to contribute to appropriate improvements in open space provision in the immediate area. Strategic UDP policies STRAT 46 and 47 had sought continued provision of sports, leisure and recreation and increase the provision and quality of open space of local and metropolitan value. Policy 3A.18 of the London Plan seeks to protect and enhance social infrastructure and community facilities. These include, among others, open space and children's play space. The protection of social infrastructure is carried forward into the Consultation draft replacement London Plan (2009)

38.6 Policies CK1 and CK3 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals, while policy CR5 requires all major development outside of a 400m radius of public open space to make provision for new open space.

38.7 Where on-site provision or provision in the immediate area is impractical or insufficient, developers will be required to contribute to such initiatives elsewhere. Arrangements for the long term maintenance of new and improved open space will be secured.

38.8 The Council will seek planning obligations to secure public access to open space in appropriate development proposals.

38.9 Family-sized dwellings should have access to their own amenity space, which may be shared or private, to allow informal leisure and recreation activities by all the members of a household, particularly children. The proximity and adequacy of existing public parks and playground space will be a factor in determining the amount and form of amenity space provided for new family housing.

38.10 The Community Strategy seeks to improve the quality and accessibility of all public open spaces within the Borough. Therefore, new developments should assist by providing high quality parks and open spaces that all people can use.

Threshold

38.11 For general park and open space provision, all major development outside of a 400m radius of the closest entrance to a public open space will make provision for new open space, suitable for a range of outdoor activities for all ages. Where this is not possible due to justified townscape reasons, a park and open space contribution will be required based on projected new residential population.

38.12 For non-residential development the major commercial development threshold will apply. Major commercial development being defined as 1,000 sq m or more for any non-residential use (office, retail, industry, community, and leisure), where occupiers will still make use of the existing parks and open space.

38.13 For children's and young people's play, all major residential developments resulting in a child yield will be required to make a contribution to play facilities. A major development is defined as development capable of providing 10 residential units or more, or of an area of 0.1 hectares or more irrespective of the number of units

Application

38.14 The Council has published a ten-year Parks Strategy that introduces management plans for individual parks and playgrounds and comes with capital investment to realise these plans. Contributions will be used to sustain and improve the quality of the Borough's parks including improving safety, tackling vandalism and providing safe spaces for children to play are important issues for park users.

38.15 In cases where usable and sufficient open space can be provided on site and/or in the immediate vicinity of the site, this will be pursued and is the preferred approach. However, in most instances this will not be practical and a financial contribution will be sought instead.

38.16 Parks and open space financial contributions will be applied to local area improvements, to achieve Community Strategy aims, Play Strategy and Parks & Open Space strategy aims. Where development takes place in areas deficient in public open space, funding will be directed towards the provision of new open space and the improvement of existing open space. Provision of open space on site, within development schemes, will count towards the overall contribution.

Use of Formula:

38.17 General Parks and Open Spaces. Planned park and open space investment requirement (over time) divided by growth in population arising from new predicted residential units (over time) to provide a general figure per new head of population to be multiplied by the predicted population yield from individual developments.

38.18 This produces a standard charge of **£482** per new head of population, using costs of Park Strategy investment.

Individual dwelling contribution:

- 1 bed (1.4 persons) £675
- 2 bed (2 person): £964
- 3 bed (2.8 persons) £1350
- 4 bed (3.5 persons): £1687

38.19 Commercial developments will contribute **£482** per 5 new employees this assumes that new employees will use the open space provision within the Borough.

38.20 • Children and Young Peoples Play Space, for qualifying schemes more than 400 metres (5 minutes walk) from existing provision or where developments generate more than 10 children, new provision on site will normally be sought. Where a financial contribution is required for off site provision, this will be based on child yield from the development, multiplied by basic open space and play provision per child, multiplied by cost per sq m of provision, as follows:

1. Child Yield calculated
2. No of children generated X 10 sq m of play = **play space requirement**

Average cost per sq m (£95) x play space requirement = **financial contribution**.

38.21 In areas of major regeneration, additional parks and open space contributions may be sought for specific schemes from all major developments instead of a formula based approach.

38.22 Calculation of child yield from new developments will be as for education (see section B).

39: D2 Public Realm - Streetscape

Context

39.1 Planning obligations for public realm streetscape improvements will be sought arising from development proposals that have an impact on the public realm by:

- Changing the spatial relationship between buildings and public spaces, including streets;
- Changing the way that public spaces are used;
- Increasing the number of persons using public spaces.

39.2 Where the above impact negatively on the public realm, improvement measures will be sought through the use of planning obligations. Example measures may include improvements to the pedestrian environment in the vicinity of the

development and on the main pedestrian routes to key local destinations, such as to stations and shops.

39.3 As much attention should be paid to the design of the areas between buildings as to the buildings themselves. Development should provide or enhance an uncluttered, consistent, simple and accessible and co-ordinated public realm, with robust and appropriate materials and landscape design enhancing the setting connections, and spaces between buildings. New roads as parts of development are expected to be adopted.

Policy Framework

39.4 The approach to public realm and streetscape improvements is supported by UDP Policy MI1 which gave examples of opportunities for securing planning obligations.

39.5 Policies CR3 and CR4 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals, including high quality public art and public realm.

39.6 Improvements will therefore be promoted and encouraged where appropriate through planning obligations, and the enhancement of the public realm and public realm improvements in the locality will be secured and co-ordinated to the benefit of all in the area.

Threshold

39.7 All developments will be required to make a contribution to public realm streetscape improvements depending on their direct impact, scale and location.

Application

39.8 All development schemes that have an impact on the public realm by:

- Changing the spatial relationship between buildings and public spaces, including streets;
- Changing the way that public spaces are used;
- Increasing the number of persons using public spaces.

39.9 will be expected to contribute to public realm improvements in the vicinity of the scheme or adjoining area through financial contributions to the Council for it to organise or undertake the works directly.

39.10 Pooled contributions could compliment and/or contribute towards programmes for wider based improvements, for example from the Community Strategy, Capital Programme and Infrastructure Delivery Plan, and may include:

- new or improved footways and/or hard or soft landscaping improvements;
- replacing paving or landscape material on existing public realm including carriageway and footways;
- improvements to mews entrances;
- improvement of pedestrian links to local facilities and public transport
- street lighting;
- tree planting ;
- appropriate new street furniture, railings and signage;
- enhancements to the historic street environment and public realm within conservation areas and to enhance the setting of listed buildings;
- restoration and enhancement works to buildings linked to development within conservation areas or with listed status;
- research into the historic environment of a given area and interpretative signage to convey the areas history;
- removal of street clutter

39.11 Appropriate Streetscape Guidance on improvements will be referred to where it has been developed for a local area, for example within a development brief or other SPD.

40: D3 Public Art

Context

40.1 The provision of public art and artistic features will be sought as an integral element to any development with a significant impact on its physical environment and setting as defined in UDP policy. The Council will seek planning obligations to secure new provision in appropriate development proposals.

40.2 The Council has recently prepared a ten year Arts and Cultural strategy encouraging strong leadership in the broader context of arts, culture and creative industries, and supporting new cultural practitioners across the Borough

Policy Framework

40.3 The Per Cent for Art campaign, launched by the Arts Council in 1989 forms the basis of the Council's adopted Supplementary Planning Guidance on Public Art. www.rbkc.gov.uk/

40.4 Policies CR3 and CR4 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals, including high quality public art and public realm.

40.5 The Community Strategy promotes the Royal Borough as home to a thriving artistic and cultural community, and sets out a number of objectives. These include developing a range of spaces suitable for use by artists and cultural organisations to create, develop, rehearse or sell their work. It also states that the Royal Borough will ensure that public spaces will have high quality contemporary and traditional programmes of public art, activities and temporary interventions that will excite and delight.

Threshold

40.6 All major developments will be required to make a contribution to Public Art. A major development is defined as development capable of providing 10 residential units or more, or of an area of 0.1 hectares or more irrespective of the number of units or 1,000 sq m or more for any other use (office, retail, industry, community, and leisure)

Application

40.7 Major commercial schemes will normally be expected to provide public and artist designed elements up to 1% of the value of the development. A proportion of that art is expected to be free standing from the development or independently commissioned art work, supporting the Arts and Cultural Strategy and local artists. The overall public art provision will be subject to consideration in light of other planning obligations sought, and the design and architectural merits of the development proposed.

40.8 As appropriate, the funding of art can be by means of a sum set aside to be spent by the developer or a financial contribution to the Council.

A transparent process of commissioning public art work, involving professional art organisations and/or stakeholder community engagement will be expected.

41: D4 Community Safety

Context

41.1 The promotion of good design to design out crime is the primary means of addressing community safety in the planning system. However, there will be instances where the nature of development will create the requirement for additional management measures to be put in place to tackle risks of access and security in the area of development.

Policy Framework

41.2 Any public spaces and access ways through or adjoining a site should be overlooked, have an appropriate lighting be set away from cover and provide clear sight lines.

41.3 Policies CK1 and CK3 of the Core Strategy, and Policy C1, seek the delivery of necessary infrastructure to support development proposals.

41.4 The Community Strategy sets the aim that the Royal Borough should be “a borough where people live their lives free from crime and the fear of crime.” Its aims are delivered in a number of ways including improving processes for designing out crime when any changes to the built environment are being considered. It also aims to increase the number of visible enforcement officers patrolling the streets of the Borough to tackle street crime.

41.5 The Strategy also enables police stations to be located in easily accessible locations and support the development of joint use locations for police vehicles, officers, patrol bases and Safer Neighbourhood teams and improving the use of public and private CCTV systems to prevent crime and disorder, provide intelligence and assist enforcement.

Threshold

41.6 All developments where relevant and required to meet safety needs arising from scheme, and/or where in terms of visitor numbers there is

a requirement for Council or other public sector ongoing expenditure to deal with specific circumstances of visitor and public management.

Application

41.7 Measures to improve community safety in the vicinity of developments may include:

- improved street lighting;
- CCTV camera installation, coverage, and monitoring arrangements.

41.8 Direct provision by the developer, the end user, or through financial contributions will be sought where appropriate to secure these facilities or services.

42: D5 Public Realm Revenue Contributions

Context

42.1 Investment in the public realm requires to be supported by on-going maintenance. The application of planning obligations for this purpose is appropriate in accordance with Circular 5/2005 and the CIL Regulations 2010.

Policy Framework

42.2 Policies referred to in this section support including and using maintenance payments where appropriate, where legal agreements with developers are sought, and seek the attainment of planning obligations, having regard to current Government Guidance. Policy C1 of the Core Strategy seeks the delivery of necessary infrastructure to support development proposals.

Threshold

42.3 All development where a maintenance contribution to public realm is required.

Application

42.4 In addition to costs to cover design, supervision and administration of the works, which will be costed into the contribution, a one off maintenance contribution for new open space or improvements to existing open space and public realm is required, set at an additional 10% of the capital construction costs of the improvements funded by planning obligations.

42: Annex E Public Transport

Context

42.1 The provision of adequate and sustainable transport infrastructure and mitigation measures will be required where developments generate new transport demand or have significant transport impacts. Planning obligations may be sought for public transport, traffic and highway works, parking restrictions, travel plans or other management plans.

42.2 Development with an unacceptable transport impact (including in particular traffic generation) and/or contributing to a transport capacity shortfall, or leading to a compromise in the condition of highway safety (as judged against policies in the plan) will be refused. In accordance with the principle that planning obligations can not be used to make an unacceptable development acceptable.

Policy Framework

42.3 The policy framework for this section is provided by national guidance in PPG13 “Transport”, the London Plan and the Core Strategy (see Better Travel Choices). In addition, the Council has prepared a separate Supplementary Planning Document (SPD) on transport (December 2008) dealing with the Council’s standards for parking, servicing and highway improvements in new or converted developments. The Transport SPD provides detailed guidance on how to implement the higher level policies.

42.4 This section of the Planning Obligations SPD should be read in conjunction with the Transport SPD: www.rbkc.gov.uk/

42.5 Detrimental transport related development impacts identified through a Transport Assessment or otherwise can often be mitigated by the provision of infrastructure and other improvements. Where practical mitigation measures can be undertaken, planning obligations can be used to secure developer contribution towards necessary improvements.

42.6 Under UDP Policy TR37, it is Council Policy “to negotiate developer contributions from related developments for improvements to transport services and facilities, including those to public transport services, walking and cycling facilities

and to improvements to the pedestrian environment, particularly around public transport nodes”.

42.7 This approach is continued in Policy CT1 “Improving Alternatives to car use”, and Policy C1 of the Core Strategy seek to ensure that it is easier and more attractive to walk, cycle and use public transport.

E1. Public Transport

Context

42.8 New development can put considerable strain on existing public transport infrastructure and/or on pedestrian and cycle links to public transport facilities. Often improvements to public transport must be made in order for development to be accommodated without causing unacceptable detrimental impacts.

Policy Framework

42.9 UDP Policies TR 35 – TR37 assess the impact of new development on *inter alia* public transport infrastructure and resist development which would result in *inter alia* congestion on public transport, and seek contributions towards improved transport facilities.

42.10 Policy CT1 of the Core Strategy requires that development demonstrates that it will not result in any material increase in traffic congestion or on-street parking pressure, and to ensure that public transport services, and access to them, are improved. Proposals for high trip-generating development in areas where there is considered to be an inadequate level of accessibility to public transport may need to make significant contributions towards ameliorative measures in order to be acceptable.

Threshold

42.11 The scale of development that would require development contributions towards improvements in public transport provision or in access to existing public transport facilities will depend on site-specific circumstances including the public transport accessibility level, and the likely demand for public transport services. Developments within areas of low public transport accessibility are more likely to require public transport or access improvements in order to be considered acceptable, all other things being equal. Development which is not “major development” is

unlikely to have significant impacts on public transport however it may require improved pedestrian and cycle links to public transport facilities.

42.12 Development contributions towards public transport improvements will be sought in areas where incremental development is having a cumulative impact on existing public transport infrastructure or services requiring improvements to be made. In these circumstances contributions will be pooled to secure the necessary improvements.

Application

42.13 Public transport planning obligations are likely to be in the main off site financial contributions, which will be used towards improvements in public transport infrastructure, services and accessibility. A non exhaustive list of public transport projects for which development contributions are likely to be required is set out below:

a) local public transport improvements, including:

- revenue “pump priming” of new/extended local bus routes/services and/or increased service frequencies.
- bus priority measures and improvements to bus stop facilities
- access and other improvements to rail and underground stations
- facilities to assist interchange between modes
- associated street furniture
- associated carriageway and pavement measures
- associated pedestrian and cycle links
- cycle parking

b) Improvements to transport interchanges and capacity at strategic hubs including:

- Overground Stations
- Underground stations

c) Major public transport infrastructure projects, including feasibility and scoping studies for schemes and their design, operation and implementation, including the following possible schemes

- North Pole Road rail station
- Chelsea-Hackney Line stations

- New Crossrail station
- River Transport piers and access

42.14 Developer contributions will be secured where in the longer term, development would not be acceptable without the increased level of accessibility and/or capacity offered by these projects.

42.15 A Transport Assessment will help to quantify the likely level of additional demand on local public transport facilities. Transport for London will usually provide information on capacity and the need for improvements to existing or new services in order to accommodate the demand generated by new development. In all cases, financial contributions will be related to the scale and purpose involved. In areas designated for major redevelopment further detailed guidance will be provided in the form of area based Supplementary Planning Documents.

Crossrail

42.16 To support a strategic transport station for Crossrail at Kensal, developments in the area are required to improve pedestrian routes and crossing points so that they can be accessed safely.. In assessing the level of contributions, consideration will be given to the Mayor of London’s SPD on Contributions towards Crossrail funding, to ensure that any duplication of charging is not sought, where contributions are required to be provided to TfL.

43: E2 Highways & Traffic Works

Context

43.1 Many developments, by generating additional trips or by changing the way a site is accessed, will have significant impacts on the highway network. Mitigation measures will be required in order to make these developments acceptable, including reduced or zero car parking. Examples of works that may be required include traffic calming measures, new road realignments, junction improvements and footway improvements. Planning obligations will be used as a mechanism to secure required works on the highway.

Policy Framework

43.2 Policy CT1 of the Core Strategy requires that development will not result in any material increase in traffic congestion or on-street parking pressure.

Threshold

43.3 This will depend on the nature of the proposals and the extent of the need for highway and traffic mitigation works to be carried out as a result of proposals, or public realm improvements to promote walking as a means to reduce traffic impact of a development.

Application

43.4 A range of traffic and highway measures may be required as the result of individual schemes. The Council's Transport section will normally advise on the requirements for individual applications, and/or such works will be identified as a result of submitted Transport Assessments. A number of schemes may have a cumulative effect on the highway network and/or particular junctions. In these instances, financial contributions may be pooled for area improvements as appropriate. These may include works for cycle infrastructure and cycle links.

44: E3 Parking Restrictions

Context

44.1 The extension of on street parking controls, waiting restrictions, parking permit eligibility restrictions, and permit free housing will be promoted to mitigate the impacts of development on parking conditions and the local highway network.

44.2 Despite having some of the lowest levels of car ownership in the country the Borough experiences very high levels of on-street residents' parking demand such that the occupancy level of spaces is high in most of the Borough and at most times of the day and night. The impacts of high parking demand are well known and include:

- drivers being forced to circulate around an area seeking empty spaces which causes unnecessary congestion, environmental pollution and noise disturbance;

- drivers being tempted to park in dangerous or inconvenient locations, such as close to junctions or on pedestrian crossing points;
- drivers having no choice but to park some distance from their homes causing inconvenience and more serious problems for elderly or disabled residents.

44.3 The transport SPD explains in full detail the provisions required for car-parking restrictions in new development: www.rbkc.gov.uk/

Policy Framework

44.4 Under TR36 it is Council Policy to resist development which would result in any material increase in parking. Policy CT1 of the Core Strategy requires that development will not result in any material increase in traffic congestion or on-street parking pressure.

44.5 The Council's Permit Free Policy is set out in Section 3.1 of the Transport SPD. In order to ensure that development is not contrary to Core Strategy Policy CT1(c) and does not add to on-street parking demand all new additional residential units will be required to be permit free. Planning obligations will be required to ensure that owners or occupiers of new additional residential units are not entitled to apply for parking permits.

Threshold

44.6 The Council will require all applications that include new additional residential units to be accompanied by a draft permit-free Unilateral Undertaking, (an up to date version will be maintained on the Council's website – www.rbkc.gov.uk/planning/).

Application

44.7 The permit-free requirement will be applied to all developments that provide new residential dwellings.

45: E4 Travel Plans and Car Clubs

Travel Plans

Context

45.1 A Travel Plan is a package of practical measures to reduce car travel to and from a proposed site, and to encourage the promotion of

more sustainable forms of transport by increasing the awareness of travel options. Travel Plans should be submitted with development proposals above certain threshold sizes (see below). Travel Plans can be secured by way of a condition on the permission or a S106 planning obligation. Planning obligations are the best suited for securing comprehensive long term travel plans with targets for the reduction in travel related impacts. The Council will require that travel plans are secured through S106 planning obligations wherever possible.

Policy Framework

45.2 Section 6 of the Transport SPD sets out the Council's Policy on Travel Plans. Policy CT1 of the Core Strategy requires that large scale development will require Travel Plans.

Threshold

45.3 Travel Plans secured through planning obligations will be required for the following scales and types of development:

- those of 80 residential units or more;
- commercial developments of more than 2500m² (26,896ft²) GFA;
- retail developments of 1000m² (10,758ft²) or more;
- hotels with 50 beds or more;
- schools of any size;
- other types of development that the Council may determine from time to time.

Application

45.4 Planning obligations securing travel plans must include mechanisms and remedial actions to secure measures and outcomes. Travel Plans secured through planning obligations should contain a robust package of measures that can be implemented and monitored at certain stages of the development. The Transport SPD sets out examples of measures to be included. Travel Plans should be produced in accordance with TfL's guidance on Workplace travel Planning and Residential Travel Planning.

Car Clubs

Context

45.5 A Car Club provides an environmentally sound and financially attractive alternative to private car ownership by offering pay as you go short term

vehicle hire. Car club related planning obligations can be sought in order to achieve reduced levels of on-site parking provision or, in some circumstances, in order to provide an on-street car club bay in the vicinity of the site. Car club related initiatives can also be included in Travel Plans.

Threshold

45.6 Car club related planning obligations will be sought where, due to scheme specific circumstances, they are considered to offer the most appropriate mitigation measure for a given development impact.

Policy Framework

45.7 Car clubs are covered in Section 3.4 of the Transport SPD.

Application

45.8 Planning Obligations securing Car Club spaces will be required to provide:

- a number of spaces to be used by a car club operator(s) where an off-street car park is provided, and/or;
- a level of free or subsidised membership to relate to properties rather than individuals unless otherwise required by the provider.

46: Annex F Natural Resource Management

Annex F Natural Resource Management

46.1 Major developments are expected to deliver high sustainability in the context of two sustainable design and construction means: energy efficiency and renewable energy. Additionally, developments need to take account of flood risk. The Council has prepared SPD on Air Quality, which links with the Air Quality Action Plan (AQAP), and expects mitigation measures where appropriate.

46.2 The policy requirements are set out in Development Plan policies, and guidance on the general interpretation and application of these policies is provided separately. The Community Strategy aims to promote energy efficiency, recycling, waste minimisation and the reduction of pollution; and tackle the causes of climate change that arise from the activities of those living and working in the Borough.

Policy Framework

46.3 In accordance with London Plan 4A.7 and the Mayor's SPG 'Sustainable Design and Construction' the Council will seek the most environmentally efficient supply and use of energy and water in new development and the re-use of buildings by encouraging design proposals which promote energy and water conservation, including the reuse of grey water.

46.4 The Council will require that energy conservation measures for all major development schemes are taken into account and this will be required as part of the development proposal, or required by condition. In exceptional circumstances a planning obligation may be necessary to ensure that energy efficiency measures are undertaken.

46.5 The Council's Environmental Strategy, 'For a More Sustainable Future – 2006-2011' outlines proposals to advance environmental sustainability throughout the Borough.

46.6 The Core Strategy requires all new build development, and all subterranean development including the retrofitting of the principle building, to meet certain standards which will be enhanced over time, such as the requirement for residential development to meet Code for Sustainable Homes Level 4 (initially), and a BREEAM assessment

Excellent. Policies CE1, CE2, and CE5 are relevant, specifically Policy CE1(c) and the SPD on Subterranean Development.

46.7 Certain major development proposals should provide decentralised energy generation capable of forming part of a localised energy network, and where appropriate financial contributions may be sought through a s106 Agreement to fund investment within the Borough that would offset energy costs of construction.

F1 Energy Efficiency

46.8 Applications must include details of the sustainable design and construction proposed. The requirements for sustainable design and construction as well as renewable energy will be secured through planning conditions or s106 agreements to ensure that these objectives are achieved. In particular, the approach to achieving Code for Sustainable Homes Level 4, and exceeding these targets will be examined. Policy CE1 of the Core Strategy requires these assessments.

46.9 These are not subject to standard charge formulae. However they will need to reflect relevant Government and London Plan policies and guidance as appropriate, and any further relevant guidance produced by the Royal Borough.

47: F2 Renewable Energy

F2 Renewable Energy

47.1 The Development Plan requires developers to provide adequate supply of required utility infrastructure, prior to completion of development, or phases within development, through agreement with utility companies. Where necessary these will be secured by conditions and/or planning obligations. Policy CE1 of the Core Strategy requires these assessments.

47.2 The provision of decentralised energy generation capable of forming part of a localised energy network may be secured via planning obligations to ensure that partnerships for delivering decentralised energy networks through Energy Service Companies (ESCo) and/or Multiple Utility Service Companies (MUSCo) are satisfactorily coordinated.

48: F3 Flood Risk

48.1 In accordance with PPS25 and the Development Plan development proposals within Areas at Risk from Flooding as identified in the Strategic Flood Risk Assessment will be required to demonstrate that they comply with guidance set out in PPS 25 Flooding, and the Development Plan. In particular this ensures that the developer carries out the necessary works and that future maintenance commitments are met. They may also apply planning conditions which would require completion of the necessary works before the rest of the development can proceed;

48.2 Any site located in and identified in the Strategic Flood Risk Assessment, or where it is considered that the impact of a proposal would result in increased flood risk downstream. Policy CE2 of the Core Strategy requires the necessary assessments.

48.3 PPS 25 states that for new development, it may be necessary to provide surface water storage and infiltration to limit and reduce both the peak rate of discharge from the site and the total volume discharged from the site. There may be circumstances where it is appropriate for infiltration attenuation storage to be provided outside the development site, if necessary through the use of a s106 agreement. Additionally, where the surface water system is provided solely to serve any particular development, the construction and ongoing maintenance costs should be fully funded by the developer. Section 106 agreements may be appropriate to secure this.

49: F4 Air Quality

F4 Air Quality

49.1 The Council has published a separate SPD on Air Quality, and has an Air Quality Action Plan (AQAP) for the Royal Borough. This takes into account new planning policies including PPS23, The London Plan, saved UDP policies (PU1 and PU2) and the Core Strategy, and aims to help reduce exposure to air pollution across the whole of Royal Borough of Kensington and Chelsea ⁽²⁾

Policy Framework

49.2 Policy PU1 is “To resist development which would have an unacceptable impact on air quality”. Policy PU2 is “To resist development leading to pollution that would have an unacceptable impact on amenity”. Policy CE5 of the Core Strategy requires an assessment for all major development.

49.3 The Air Quality SPD states that air quality is likely to be a significant material consideration where:

- the application is in conflict with the Borough’s AQAP;
- the application would render some elements of the AQAP unworkable; and
- the application will result in unacceptable increases in emissions of key pollutants.

Threshold

49.4 The Air Quality SPD states that the Council may require large developments (i.e. major developments) to offset the air quality impacts of the development through a standard financial contribution to an air quality action fund. This would be used as capital funding for the purchase and installation of monitoring equipment; action planning; and the enforcement of air quality planning conditions.

49.5 Conditions and planning obligations seeking to improve air quality may take a number of forms and may require the consideration of, but are not limited to, the following issues:

- Construction Phase restricting certain types of vehicles; setting emissions standards for vehicles used on site;
- Operational Phase: providing electric charging points for vehicles; restricting on site car parking provision; requiring contributions to the air quality action fund; providing alternative forms of transport, such as car clubs or contributions to public transport improvements; and/or making standard financial contributions to the implementation of low emission strategies and measures.

Air Quality Action Fund: Contributions

49.6 In order to fulfil the aims of the Air Quality Action Plan, a specified fund for Air Quality has been established. Contributions will be sought to

2 <http://www.rbkc.gov.uk/planningandconservation/planningpolicy/supplementaryplanning.aspx>

achieve these aims from all major developments. A standard contribution will be sought of £50 per dwelling for residential development, £22 per bed space for residential education institutions, prisons and other secure residential facilities and £5 per m2 for non- residential and business developments. Contributions will be sought towards the following:

- The Council's cost of monitoring compliance with any planning obligation agreement and related conditions which have direct effect on air quality;
- Contributions towards the Council's air quality monitoring and action planning

50: Annex G Employment and Training

Annex G Employment & Training

Context

50.1 Various Employment and Training Measures may be sought through planning obligations, including:

- Construction Training
- General Employment and Training Contributions
- Securing Employment Premises

Policy Framework

50.2 The UDP contains policy MI1 which states:

MI1 Where appropriate, the Council will negotiate planning obligations in order to ensure satisfactory developments.

50.3 The supporting text of this policy gives examples of where planning obligations could be sought, including *(b) economic - such as securing jobs for local residents, community based initiatives, employment training schemes;*

50.4 This will ensure that local people are in a position to compete for any new employment that might arise as a result of development.

50.5 Policy CF1 and CF5 of the Core Strategy set out the locational requirements for shops and businesses. Policy CF2 requires new large scale retail development to provide affordable shops. Policy C1 of the Core Strategy sets out the approach to securing planning obligations. It includes measures such as economic initiatives for securing jobs for local residents, community based initiatives, employment training schemes, the provision of small business units and affordable shops, workspace nurseries, flexibly sized accommodation and partnership regeneration initiatives.

50.6 The Community Strategy sets the aim for a Borough which enjoys stable levels of economic growth and employment, with the benefits of increasing prosperity enjoyed across the Borough. It seeks to offer a range of business, office and retail premises to suit different budgets and

different needs continuing to protect land for employment use within the Borough. This is important during both an economic downturn or a period of economic growth.

50.7 RBKC PPU Economic Development Team will have the key role in determining the application of employment and training financial contributions which are sought and used to achieve the priority aims of the Council.

G 1 Training for Construction

Context

50.8 The Council is seeking to promote access for local people in construction training and jobs to promote skilled employment opportunities for local residents, and address issues in relation to the long term shortage of skilled labour in the construction industry.

50.9 The main vehicle for doing this is through established Partnerships, or any other agency nominated with the prior agreement by the Royal Borough.

Policy Framework

50.10 The relevant policies are:

- UDP Policy MI1, and Core Strategy C1.
- The Community Strategy aims improve the employment prospects of residents by creating opportunities and tackling those barriers which make it difficult for certain groups to gain or retain employment. It explicitly states that the Royal Borough will continue to negotiate local construction training commitments as part of major new developments in the Borough.

50.11 The London Plan Policy 3B.12 Improving the skills and employment opportunities for Londoners also support these objectives. Policy C1 of the Core Strategy seeks the necessary infrastructure to support development in the Borough.

Thresholds

50.12 All major developments will need to contribute to local training for construction. A major development is defined as development capable of providing 10 residential units or more, or of an area of 0.1 hectares or more irrespective of the number of units or 1,000 sq m or more for any other use (office, retail, industry, community, and leisure)

Application

50.13 Developments that meet the threshold criteria will be expected to comply with planning obligations relating to:

- **Notification of vacancies:** Arrangement for the notification of job vacancies arising from construction to RBKC Economic Development Team or other nominated agencies.
- **Local trainee recruitment:** A specified proportion of the overall number of construction workers employed on a development must be local trainees. The proportion should be agreed in advance. Normally the expected level would be one trainee per 10 construction workers engaged on site over the course of the development. Candidates for work based learning and training opportunities will be nominated by RBKC (or another agency as agreed by the Council).
- **Accredited training:** Training opportunities must follow an accredited framework, to provide trainees with the right level of skills to enter and sustain employment within the construction sector. Generally a minimum of NVQ Level 2 (e.g. CITB Construction Skills Modern Apprenticeship) for trainees will be sought, that will require the developer (either directly or via the supply chain) to employ trainees and support College release arrangements until attainment of their qualification.

Financial Contributions

50.14 For developments of the type and size set out above, the Council will seek a financial contribution to support the recruitment, initial training, employment, and ongoing skills development of local people. The Council has adopted a standard formula in line with other boroughs operating similar schemes to calculate the value of the contribution. The Council will expect a developer to contribute £2,500 for every £1 million worth of construction costs. For example a scheme costing £5 million will result in a £12,500 contribution. This covers the cost of the training, for example course fees and is based on providing training for one person.

50.15 The Council may require a financial contribution and/or seek arrangements with the developer/contractors to provide for the following:

- On site resources – recruitment centre and or employment broker

• Jobs Fairs

- New training facilities and related infrastructure
- Measures to promote environmental sustainability in the supply, production and disposal of materials and products and services related to the development.
- Local Supply Chain Initiatives and identification of potential opportunities to facilitate suitable customised pre-employment training.

50.16 The Council is willing to negotiate a different rate on larger construction schemes defined as £30 million in construction contract value.

50.17 The Royal Borough is committed to maximising the benefits of local investment for local economy. It therefore wishes to encourage developers to consider the use of local companies and suppliers during the construction of major schemes. This will help achieve a multiplier effect for the local economy, to this end the Council will work with developers and their contractors to achieve the procurement of goods and services from companies and organisation based in the Borough up to an agreed percentage of the total value of the contract.

51: G2 General Employment and Training Contributions

Context

51.1 For development schemes that have a significant impact in creating new long term employment opportunities – the Council will seek voluntary agreements to enable access to employment opportunities. This will include notification of vacancies and efforts to secure cooperation of contractors and sub-contractors.

51.2 The Council will also seek financial contributions to help support residents to develop the skills enabling them to access newly created employment opportunities arising from development.

51.3 In addition, where there is loss of employment floorspace, the Council will seek to promote new opportunities for employment either

through direct recruitment arrangements, and/or financial contributions towards employment and training schemes.

Policy Framework

51.4 The relevant policies are:

- UDP Policy MI1 and Core Strategy C1.
- London Plan Policy 3B.12 Improving the skills and employment opportunities for Londoners also supports these objectives.

51.5 The Community Strategy aims to enhance skills and training projects for young people and other clients and strengthening networks of providers and employers to help access funding and identify clear routes into employment. Policy C1 of the Core Strategy seeks the necessary infrastructure to support development in the Borough.

Thresholds

51.6 All major commercial developments will be required to make contributions towards general employment and training initiatives. Additionally, any development that is likely to employ in excess of 50 employees will be required to make a contribution towards training measures. Major commercial developments are defined as 1,000 sq m or more any office, retail, or industrial use.

Application

51.7 Developments that meet the threshold criteria will be expected to make contributions toward employment and training activities. The contribution will be pooled in accordance with the 2010 Community Infrastructure Levy Regulations and Circular 05/2005, in the Economic Development Fund and applied in accordance with Council priorities.

Financial Contributions

51.8 Financial contributions will be sought in respect of new major employment sites to ensure access to the labour market by all Royal Borough residents. Also, in developments where there is loss of employment floorspace, a contribution for retraining workers who might otherwise have been employed on that site will be sought. A range of employment and training projects will be funded from financial contributions obtained, including

workplace co-ordinator schemes to access employment from new development, and/or major employers.

51.9 In order to maximise employment opportunities for local people who need work, the Council will seek to secure planning obligations relating to job-brokerage and skills training. These obligations will be utilised for the recruitment and development of skills and career paths of local people. This reduces travel to work distance, increases local household income, skill levels and career opportunities and helps community cohesion.

51.10 The contribution will be related to the number of jobs created by the development. It covers job-brokerage (i.e. the finding and matching of local skills to candidates and vacancies) and skills training. The programme should be approved in advance by the Council and be additional to such training and recruitment as would normally be undertaken.

51.11 It should include, for example, the additional costs of recruiting candidates through local community organisations, providing extra basic skills or customised training for local candidates who do not initially meet the recruitment criteria.

51.12 The Council, through joint working with partners can achieve economies of scale, for example by providing training to a group through partner organisations. The formula employed takes account of the likely number of jobs created (employment density – using information from the planning application or assumed Floorspace/worker densities, e.g. from English Partnerships guide 2001), and of these the target number of jobs for local residents, based on census data. Of the target number of jobs, a proportion will require training and assistance to access the jobs being created.

Financial contributions to enable local people to access employment in new schemes:

net new floor area/ number employees per sq m

x

28% of RBKC residents expected to be employed as part of total workforce

x

20% of RBKC residents requiring training and support

X

£3,500 average cost for unemployed resident in terms of support and skill training to obtained skilled job.

Compensation for loss of employment floorspace

net loss of employment floorspace / average per worker

X

28% of RBKC residents in Borough workforce

X

£2500 average cost of retraining and support required for redundant worker to access new occupational skills

52: G3 Securing Employment Premises, and use of Local Suppliers

G3 Securing Employment Premises, and use of Local Suppliers

Context

52.1 Securing and safeguarding employment premises in mixed use developments, or schemes where it is proposed to have small business start up or community based workshops, may be secured by planning obligation. Developments which can expand on and make use of existing local supply chains may be required to demonstrate their intention to do so.

Policy Framework

52.2 The relevant policies are:

- UDP Policy MI1 and Policy C1 of the Core Strategy seeks the necessary infrastructure to support development in the Borough. The London Plan Policy 3B.12 Improving the skills and employment opportunities for Londoners also supports these objectives.

52.3 The aims of the Community Strategy seek to offer a range of business, office and retail premises to suit different budgets and different needs continuing to protect land for employment use within the Borough. The Employment Land and Premises Study 2007 provides further background to the policy requirements and actions to securing and safeguarding employment premises.

Threshold

52.4 The major development threshold of 1,000 sq m for commercial, will be applied.

Application

52.5 Planning obligations will be used to cover marketing, lease arrangements, and shared management facilities for small business start up or community workshop space, and where appropriate involve established business space providers and managers. Annex C of this SPD refers to affordable employment space for the voluntary sector, and such provision could be sought within appropriate developments.

Use of Local Suppliers

52.6 The Council will seek opportunities to ensure that local businesses benefit from the construction and successive use of developments. The Council will expect developers to work with it to promote and advertise tender opportunities wherever possible, and to achieve the procurement of construction contracts and goods and services from companies and organisations based in the Borough.

52.7 The Council will expect developers to brief subcontractors on the requirements of the agreement, and ensure cooperation is agreed as a prerequisite to accepting sub-contract tenders, and include a written statement in contracts with sub-contractors encouraging them to work with local businesses.

52.8 The Council will require agreement on regular monitoring and information to be provided in respect of contract tendering activity, and the outcomes with regard to local businesses.

52.9 Opportunities to ensure that local businesses benefit from the construction phase and successive use of developments will also be

secured through appropriate planning obligations. Further information is available from the Councils Economic Development Team.

53: G4 Town Centres, Regeneration & Affordable Shops

G4 Town Centres, Regeneration & Affordable Shops

Context

53.1 The Council will support town centre management activity to promote the overall economic and social vitality and viability and character of Town and Retail Centres and the communities they serve.

Policy Framework

53.2 Policy C1 of the Core Strategy seeks the necessary infrastructure to support development in the Borough, while Policy CF2 requires large scale retail development to provide affordable shops. A pattern of town centre shopping in the Borough, suited to modern retailing practice and consumer needs, and in sympathy with economically and culturally diverse current small pattern of small-unit retailing, will be retained and promoted.

53.3 The Community Strategy seeks to offer a range of business, office and retail premises to suit different budgets and different needs continuing to protect land for employment use within the Borough

Threshold

53.4 All major development within town centres exceeding the threshold of 1,000 sq m for commercial new developments and changes of uses will normally be applied dependent on identified impact.

53.5 This will be applied where development may have an impact on existing businesses or the function of a town centre or district centre, and where this may be addressed by an appropriate planning obligations contribution.

Application

53.6 The Council is seeking to diversify the range of unit sizes and promote affordable retail units in district and local centres. Planning obligations, via

financial contribution will be used to cover a range of promotional, marketing, and co-ordinating activity to improve the vitality, viability, and character offer of Retail Centres. The affordable shops may be managed under the Council's Neighbourhood Shopping policy, and can be provided off site within the same centre where appropriate. Where provision of a unit is not appropriate the Council will seek contributions to diversify town centres.

53.7 Provision of affordable retail space may be sought within developments where this will mitigate against the harm of the development.

54: Appendix 1: Planning Obligations requirement checklist

54.1 The tables in the following sections explain, first, whether or not a contribution is likely to be required, and secondly, how the contribution will be calculated.

54.2 Step 1 identifies the thresholds for securing the relevant planning obligation. Once this has been determined, it is possible to use the following table to assess the likely level of contributions - see Step 2.

55: Step 1: Is a contribution sought from the proposal?

Step 1: Is a Contribution Sought from the proposal?

55.1 The table below is a guide to the thresholds for contributions for particular types of infrastructure

55.2 Y = Standard Charge Formula applies * = Contribution sought on each scheme in excess of threshold set out in SPD Annexes A-G

Planning Obligation Sought/Threshold	Major			Threshold			Principle means of delivery	Formula?
	Residential	Commercial	Mixed	Residential	Commercial	Mixed		
A Affordable housing								
Affordable Housing	Y		Y	800m2		800m2	On site provision for affordable housing. Off site financial contribution for 800m2 to 1200 m2	No ⁽³⁾
B Education								
School Places	Y		Y	1 unit		1 unit	Financial contribution, or provision in kind.	Yes
C Community Facilities								
C1 Health	Y	Y	Y	1 unit	*	1 unit	Financial contribution	Yes
C2 Libraries	Y	Y	Y	*	*	*	Financial contribution	Yes
C3 Sport & Leisure	Y	Y	Y	*	*	*	Financial contribution	Yes
C4 Community Facilities	Y	Y	Y	*	*	*	Financial contribution	No

3 A formula for the financial contribution between the 800-1200 m2 range exists.

Planning Obligation Sought/Threshold	Major			Threshold			Principle means of delivery	Formula?
	Residential	Commercial	Mixed	Residential	Commercial	Mixed		
C5 Policing resources and emergency services	Y	Y	Y	*	*	*	Financial contribution	Yes
C6 Revenue contributions	Based on identified need	Based on identified need	Based on identified need	Based on identified need	Based on identified need	Based on identified need	Financial contribution	Yes
D Public Realm								
D1 Public Realm - Parks and Open Spaces,	Y	Y	Y	Y		Y	Financial contribution	Yes
D2 Public Realm – Streetscape	Dependent on impact	Dependent on impact	Dependent on impact	Dependent on impact	Dependent on impact	Dependent on impact	Provision in kind, or financial contribution	No
D3 Public Art	Y	Y	Y	*	*	*	Direct commissioning or financial contribution	Yes
D4 Community Safety	Y	Y	Y	Dependent on impact	Dependent on impact	Dependent on impact	Provision in kind or financial contribution	No
D5 Public realm revenue payments	Dependent on need	Dependent on need	Dependent on need	Dependent on need	Dependent on need	Dependent on need	Financial contribution	Yes
E Transport								
E1 Public Transport	Y	Y	Y	*	*	*	Financial contribution	No
E2 Highways & Traffic Works	Dependent on impact	Dependent on impact	Dependent on impact	Dependent on impact	Dependent on impact	Dependent on impact	Restriction, provision in kind or financial contribution	No

Planning Obligation Sought/Threshold	Major				Threshold			Principle means of delivery	Formula?
	Residential	Commercial	Mixed		Residential	Commercial	Mixed		
E3 Parking Restrictions	Dependent on impact	Dependent on impact	Dependent on impact		Dependent on impact	Dependent on impact	Dependent on impact	Restriction, provision in kind or financial contribution	No
E4 Travel Plans Car Clubs	Y	Y	Y					Direct provision and financial monitoring charge.	No
F Natural resource management									
F1 Energy Efficiency	Y	Y	Y		*	*	*	On site provision	No
F2 Renewable Energy	Y	Y	Y		*	*	*	On site provision	No
F3 Flood Risk	Dependent on need	Dependent on need	Dependent on need		Dependent on need	Dependent on need	Dependent on need	Provision of mitigation measure works in kind, or financial contribution	No
F4 Air Quality	Y	Y	Y		*	*	*	On site provision in kind or financial contribution	Yes
G Employment & Training Initiatives									
G1 Local Training in Construction	Y	Y	Y			*	*	On site training and financial contribution	Yes
G2 General Employment and Training Contributions		Y				On loss of employment floorspace dependent on impact	*	Financial contribution	Yes
G3 Securing Employment Premises		Y	Y			Y	Y	On site provision or financial contribution	No

Planning Obligation Sought/Threshold	Major			Threshold			Principle means of delivery	Formula?
	Residential	Commercial	Mixed	Residential	Commercial	Mixed		
G4 Town Centres and Affordable Shops		Y	Y		*		On site provision or financial contribution	No

Table 55.1

56: Step 2: Calculations

Appendix 2: How to calculate the contribution

Step 2: Calculations

56.1 The schedules below explain the contributions required, and form the basis of the Contributions Calculator

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
A Affordable housing				
Affordable Housing	London Plan PPS3 Core Strategy Policy CH2	Affordable Housing required on qualifying sites with on-site provision. Exceptionally a financial contribution - payment in lieu – may be sought.	See Section A of SPD	See section A of SPD.
B Education				
School Places	UDP MI1. UDP Policies SC3, 6, 9, H8 Core Strategy Policy C1	Additional development pressure arising from new residential developments increase demand on school places. Primary schools and nursery: around x% of primary school children are educated within the Borough's primary schools.	Child yield calculated in accordance with bedroom size and tenure variation to predict the number of children by age group. Capital cost per place is known from DCFS Multipliers: Nursery = £14831	Demand for school places. Numbers on roll information and trend data. Annual surplus places return data from Family and children Services. Child Yield: data from DMAG (GLA 2005) ⁽⁴⁾ School place cost (DFES) ⁽⁵⁾

⁴ <http://www.london.gov.uk/gla/publications/factsandfigures/dmag-briefing-2005-25.pdf>

⁵ <http://www.teachernet.gov.uk/management/resourcesfinanceandbuilding/schoolbuildings/schooldesign/costinformation/>

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
		<p>Secondary school provision. A lower proportion of secondary school aged children are educated within the RBKC schools, but up to 80% of this age group should be provided for.</p> <p>Child yield calculations. Calculation of child yield from new developments informs the requirements for new school places.</p>	<p>Primary = £14831</p> <p>Secondary = £22348</p> <p>Number children x discount factor x cost of new school place = required education contribution.</p>	
C Community Facilities				
C1 Health	<p>UDP Policy MI1, H8</p> <p>Core Strategy Policy C1</p>	<p>Development pressure on health facilities. New residential developments increase demand on existing primary care health facilities.</p> <p>PCT Service development: Future investment in facilities and services supported by Estate Strategy and Strategic Service Development Plan</p> <p>Healthy Urban Development Unit (HUDU) Model: the HUDU model relates impact of new development to the costs incurred by the PCT in respect of capital funding implications from new developments.</p>	<p>The HUDU Model will compute appropriate figures for financial contributions based on individual planning applications and their impact.</p>	<p>Development pressures on health: SSDP, RBKC Estates Strategy (RBKC PCT) ⁽⁶⁾</p> <p>HUDU Model: London NHS HUDU Model available at www.healthyrurbandevelopment.nhs.uk/ ⁽⁷⁾</p>

⁶ <http://www.kc-pct.nhs.uk>

⁷ http://www.healthyrurbandevelopment.nhs.uk/pages/hudu_model/hudu_model.html

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
C2 Libraries	UDP Policy SC6 Core Strategy Policy C1	<p>"Public Libraries, Archives and New Development - A Standard Charge Approach" published by MLA has provides a standard charge for libraries and archives www.mla.gov.uk</p> <p>Existing provision for residents establishes a need for additional library services (Library Plan).</p> <p>New development. It is justified to expect new development generating additional population to contribute towards the additional need created.</p> <p>Workforce population growth: New workforce population will also create additional demand on library facilities. A workforce contribution will be required in line with current non-RBKC resident use (20%)</p>	<p>The MLA recommends that local planning authorities adopt a minimum standard charge of £90 per person in new £22 per person in new housing for archive provision.</p> <p>Total = £112 per head of population.</p> <p>Individual dwelling contributions</p> <p>Bedroom size (= ave no. persons per household) x New resident charge</p> <p>£112 x persons</p> <p>1 bed (1.4 persons) = £156.8</p> <p>2 bed (2 persons) = £224</p> <p>3 bed (2.8 persons) = 313.6</p> <p>4 bed (3.5 persons) = 392</p> <p>New workforce population growth charge =</p> <p>No employees x 0.2</p>	<p>MLA Public Libraries, Archives and New Development - A Standard Charge Approach ⁽⁸⁾</p> <p>Average persons per household (GLA London household Survey 2005) ⁽⁹⁾</p> <p>Workforce per sq m: English Partnerships report, Arup Economics and planning 2001. ⁽¹⁰⁾</p> <p>RBKC non-resident workforce: 2001 Census data</p>

8 http://www.mla.gov.uk/what/publications/~media/Files/pdf/2008/standard_charge2008.aspx

9 <http://www.london.gov.uk/gla/publications/factsandfigures/dmag-briefing-2005-14.pdf>

10 [www.englishpartnerships.co.uk/docdownload.aspx?doc=Employment%20Densities\(full%20guide\).pdf&pid](http://www.englishpartnerships.co.uk/docdownload.aspx?doc=Employment%20Densities(full%20guide).pdf&pid)

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
			X £112 = £22.40 per employee	
C3 Sport & Leisure	UDP policy LR3, MI1 Core Strategy Policy C1	<p>Sports England Calculation of required provision within the Royal borough, in terms of population:</p> <p>Existing provision</p> <p>Under provision within existing facilities:</p> <p>New development: it is justifiable to expect new development generating additional population to contribute towards its own new population need, as there is currently under provision.</p> <p>Workforce population Growth: new workforce population will also create additional demand on sport and leisure facilities. A workforce contribution is required in line with use of non RBKC residents.</p> <p>equivalents required per 10,000 of new population – Sport England model:</p> <p>swimming pools 112 sqm</p>	<p>Swimming pools: swimming pool 112 sq m per required x 10,000 new population</p> <p>cost per sq m of new swimming pool = £23,454 per sq m</p> <p>contribution per 10,000 = £2,626,848 or £263 per new head of population.</p> <p>Badminton Courts/ Sports halls:</p> <p>Badminton courts/sports hall space 3.2 courts/ 476 sq m per 10,000 new population</p> <p>Cost per sq m of sports hall = £1,700</p> <p>Contribution per 10,000 new population = £809,200, or £81 per head of new population.</p> <p>Gym Stations:</p>	<p>RBKC population Census data</p> <p>Sport & Leisure Provision – Sport England ⁽¹¹⁾</p> <p>RBKC Leisure</p> <p>Costs: Sport England Calculator</p> <p>Average persons per household: GLA</p> <p>Workforce per Sq M: Arup</p>

11 http://www.sportengland.org/kitbag_front_page.htm

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
		badminton courts/sports hall space: 3.2 courts/ 476 sq m. gym stations: 39	<p>Gym stations requirement 38 per 10,000 population</p> <p>Cost per gym station = £5,000</p> <p>Contribution per 10,000 new population = £19,000 or £19 per new head of population.</p> <p>Required sport contribution per head of contribution: £363</p> <p>Calculation per residential unit:</p> <p>Individual dwelling size contribution based on average persons per household x new resident charge:</p> <p>1bed (1.4 persons) = £508</p> <p>2 bed (2 persons) = £726</p> <p>3 bed (2.8 persons) = £1,017</p> <p>4 bed (3.5 persons) = £1,271</p> <p>New workforce population growth: Financial contributions:</p> <p>no. of new employees from development based on average employment density</p>	

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
			multiply 20% likely use multiply £363 required sport and leisure contribution per new user = £72.60 per employee.	
C4 Community Facilities	UDP policy SC6 Core Strategy Policy C1	Local needs assessment: Identification of requirements in response to development proposals based on the impact of the development.	Non standard formula	Not applicable.
C5 Policing resources and emergency services	UDP policy MI1 Core Strategy Policy C1	Local needs assessment: Identification of requirements in response to development proposals based on the impact of the development.	Non standard formula	Not applicable
D Public Realm				
D1 Public Realm - Parks and Open Spaces - general	UDP Policies MI1, LR40, LR 14, LR 15, H7 Core Strategy Policy C1	RBKC Open Space Deficiencies: New Open Space investment into existing parks: Enhanced contributions in deficient areas.	investment in Parks and open Spaces over 10 years divided by increased population from projected development over 10 years (average RBKC population from projected completions). This produces standard charge of £482 Individual dwelling contribution:	RBKC Parks and Open Space Strategy 2008

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
			1 bed (1.4 persons) £675 2 bed (2 person) £964 3 bed (2.8 persons) £1350 4 bed (3.5 persons) £1687	
D1 Open Space: Children's and young persons play	UDP Policy MI1, LR14, LR15, LR40 London Plan SPG Core Strategy Policy C1	<p>New residential developments more than 400M from an existing Children's and young Persons Play space will be required to provide a play facility on site, or make a financial contribution towards new provision.</p> <p>Calculation of child yield from new developments will be as for education (see section B).</p> <p>Developments generating more than 10 children will be expected to provide on site as part of development, or an off-site financial contribution.</p> <p>Developments with estimated child yield occupancy of less than ten children will be required to make a contribution within the vicinity of the development.</p>	Off site provision of C&YP Play: Child Yield calculated No of children generated X 10 sq m of play = play space requirement Average cost per sq m (£95) x play space requirement = financial contribution.	"Providing for Young people's Play and informal recreation" – GLA 2008. ⁽¹²⁾ Cost per sq m assumptions provided by Extended Services.

12 http://www.sportengland.org/kitbag_front_page.htm <http://www.london.gov.uk/mayor/strategies/sds/spg-children-recreation.jsp>

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
		The provision of 10 sq m per child will be sought.		
D2 Public Realm – Streetscape	UDP policy MI1, CD92 Core Strategy Policy C1	Public Realm Improvements: Pooling	Non-standard formula approach. Determined in relation to individual projects.	Not applicable.
D3 Public Art	UDP Policy LR36 Core Strategy Policy C1	use of Art: the use of art to make and shape places and their uses is linked to new development. Major development is expected to provide public art and designed elements as part of new development, with a proportion of this freestanding or independently commissioned. Commissioning process: Funding may be through a sum set aside by developer or by payment to the royal borough.	Major commercial schemes are expected to provide art and artist designed elements of the scheme to a 1% of construction value of the projects. A proportion of that are is expected to be free standing from development or independently commissioned.	Percent for Art: Arts Council 1990 ⁽¹³⁾
D4 Community Safety	UDP Policy MI1, CD39 Core Strategy Policy C1	Identification of community safety measures: identification of on and off-site measures that arise out of the development, due to location or other factors that cannot be addressed through design.	Non-standard formula approach. Determined in relation to individual projects.	Not applicable.

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
		potential measures sought: street lighting CCTV cameras		
E Transport				
E1 Public Transport	UDP Policy TR35, TR36, MI1 Core Strategy Policy C1	Assessment based on impact on public transport network infrastructure and access to it. Assessed by TA where applicable. Contributions may be pooled towards larger projects to take account of cumulative impacts.	Non-standard formula approach. Determined in relation to individual projects.	Not applicable.
E2 Highways & Traffic Works	UDP Policy TR35, TR36, MI1 Core Strategy Policy C1	Highway and transport impact: A range of measures may be required as a result of impact of individual development schemes. Mitigation measures will be sought as applicable taking advice from RBKC Transport Section.	Non-standard formula approach. Determined in relation to individual projects.	Not applicable.
E3 Parking Restrictions	UDP Policy TR35, TR36, MI1 Core Strategy Policy C1	Increased parking demand: The increased parking demand from development will need to be addressed through a range of measures.	Non-standard formula approach. Determined in relation to individual projects.	Not applicable.

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
E4 Travel Plans Car Clubs	UDP Policy TR35, TR36, MI1 Core Strategy Policy C1	Reducing Car Use: Car Clubs and travel plans can be an effective means to reduce overall usage and parking demand. Travel plans will be required from major developments.	Non-standard formula approach. Determined in relation to individual projects Monitoring costs of Travel plans may be sought.	Not applicable.
F Natural resource management				
F1 Energy Efficiency	UDP Policy MI1 London Plan 4A.7 Core Strategy Policy C1	On site energy efficiency measures meeting compliance with standards, for example: Code for sustainable homes ratings BREAAAM Standards	Non-standard formula approach. Determined in relation to individual projects.	Not applicable
F2 Renewable Energy	UDP Policy MI1 London Plan 4A.7 Core Strategy Policy C1	On site provision of renewable energy where practical, via a range of measures including: solar water heating ground source heating; PV cells; Wind turbines; Bio mass heating	Non-standard formula approach. Determined in relation to individual projects.	Not applicable

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
F3 Flood Risk	UDP Policy MI1 PPS25 Core Strategy Policy C1	On or off-site measures to ensure flood mitigation.	Non-standard formula approach. Determined in relation to individual projects	Not applicable
F4 Air Quality	UDP Policy PU1, PU2, MI1 Air Quality SPD Core Strategy Policy C1	Air Quality Action Plan Air Quality SPD The Council's cost of monitoring compliance with any planning obligation agreement and related conditions which have direct effect on air quality; Contributions towards the Council's air quality monitoring and action planning	£50 per dwelling for residential development, £22 per bed space for residential education institutions, prisons and other secure residential facilities and £5 per m2 for non- residential and business developments.	Air Quality Action Plan Air Quality SPD
G Employment & Training Initiatives				
G1 Local Training in Construction	UDP Policy MI1 London Plan Policy 3B.12 Core Strategy Policy C1	Access for Local people into Construction: the Royal Borough seeks to promote access into training in construction industry to address skilled labour shortages and provide employment locally. Trainee placement: To offer a minimum average one work based training opportunity to nominated candidates	One construction nominee trainee placement per 10 construction workers employed on scheme during build. Construction trainee charge of £2,500 per £1M of Capital construction costs;	Building Partnerships financial model – this is 0.3 % of contract values.

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
		<p>seeking recognised Level 2 NVQ qualifications, for every 10 construction workers over the life of the construction contract.</p> <p>Financial trainee contribution: Fro development above the threshold the Council will seek a financial contribution to the recruitment, training and ongoing skill development of construction trainees</p> <p>Construction training Nomination Agency. The Royal borough will use NHHT or other similar designated agencies to place and support trainees.</p>	Larger schemes may be subject to negotiation of additional measures.	
G2 General Employment and Training Contributions	<p>UDP Policy M11</p> <p>London Plan Policy 3B.12</p> <p>Core Strategy Policy C1</p>	<p>Unemployment levels, low incomes and need for additional skills due to problems where local labour cannot access job opportunities as a result of lack of appropriate/transferable skills or qualifications in the local labour market.</p> <p>Employment and training contributions towards Fund.</p> <p>Contributions sought towards economic development fund:</p>	<p>Financial contributions to enable local people to access employment in new schemes:</p> <p>net new floor area/ number employees per sq m</p> <p>x</p> <p>28% of RBKC residents expected to be employed as part of total workforce</p> <p>X</p>	<p>English partnership commercial floorspace statistics (Arup Planning and Economics 2001)</p> <p>28 % of resident workforce employed – is based on number of RBKC jobs occupied by RBKC residents (2001 census)</p> <p>20% of RBKC residents with no qualifications and requiring training and support to enter labour market: RBKC training plan</p>

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
		In new development that increases employment levels and where there is a need to encourage access to these opportunities from the least skilled; in schemes that result in a loss of employment floorspace, where there is a need to compensate for loss of employment opportunity.	<p>20% of RBKC residents with no qualification requiring training and support</p> <p>X</p> <p>£3,500 average cost for unemployed resident in terms of support and skill training to obtained skilled job.</p> <p>Compensation for loss of employment floorspace</p> <p>net loss of employment floorspace / average per worker</p> <p>X</p> <p>28% of RBKC residents in borough workforce</p> <p>X</p> <p>£2500 average cost of retraining and support required for redundant worker to access new occupational skills</p>	Average costs: update to mid-term evaluation of Objective 3 Operational programme for England: www.esf.gov.uk/

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
G3 Securing Employment Premises	UDP Policy MI1 London Plan Policy 3B.12 Core Strategy Policy C1	Small & Medium Enterprise (SME) in the local economy/ demand for premises. In London SMEs account for 47% of all employment. Securing Employment premises. RBKC Regeneration aim to secure employment space to support SMEs and business start ups.	Non-standard formula approach. Determined in relation to individual projects	Not applicable
G4 Town Centres and Regeneration	UDP Policy MI1 London Plan Policy 3B.12 Core Strategy Policy C1		Non-standard formula approach. Determined in relation to individual projects	Not applicable

Planning Obligation or Contribution Type Sought	Policy basis	Justification and approach	Standard charge formula	Formula source
Monitoring and programme costs:	Policy MI1 Circular 05/2005 Core Strategy Policy C1	<p>Meeting the costs to the Council: the cost of monitoring planning contributions will be financed through monitoring fees applied to individual s106 agreements. The fee will depend on the extent of the obligations and the officer time involved in concluding and monitoring of implementation of obligations.</p> <p>Standard fee approach: See opposite. If exceptionally complicated to monitor, a contribution above the standard fee may be sought.</p> <p>Payment of fees: The fee will be payable on completion of the s106 legal agreement.</p>	<p>For a legal agreement with a total financial contribution below £15,000 there will be a fixed charge of £500</p> <p>For legal agreements with financial contributions over £15,000 there will be a fee of 2.5% on the total value of contributions.</p> <p>For an agreement with non-financial obligations there will be a separate fixed fee of £500.</p>	Based on costs in monitoring individual agreements and operating s106 system.

Table 56.1

