



Draft Planning Contributions: Second Consultation
Supplementary Planning Document
November 2018



THE ROYAL BOROUGH OF
KENSINGTON
AND CHELSEA

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1. Introduction

Purpose of the Supplementary Planning Document

- 1.1 This Supplementary Planning Document (SPD) provides guidance on the delivery of Local Plan Policy C1 Infrastructure Delivery and Planning Contributions. Specifically, it sets out the Royal Borough of Kensington and Chelsea's approach and procedures in respect of planning contributions. It will replace the Planning Obligations SPD 2010.
- 1.2 The SPD details the type of planning contributions that may be required, the qualifying development thresholds and the level of financial contribution where appropriate. The SPD supports 'open book' financial viability appraisals and will enable transparency and clarity on seeking financial obligations from development. The SPD will operate alongside the Community Infrastructure Levy (CIL) Charging Schedule which took effect in the borough in April 2015.

Status of the SPD

- 1.3 The SPD has been prepared in accordance with the Planning Act 2004 and the associated Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). Once adopted it will be capable of being a material consideration in deciding planning applications.

Consultation

- 1.4 This draft SPD has been published for an eight-week period of public consultation from 27 November 2018 to 22 January 2019.
- 1.5 Please use the response form available on the Council's website to respond to this consultation. We prefer to receive your consultation responses online using the link below. However, you may also respond by email or post using the details below:

Online (preferred) – <https://planningconsult.rbkc.gov.uk/>

Email – planningpolicy@rbkc.gov.uk

Post – Planning Policy Team, Planning and Borough Development
Royal Borough of Kensington and Chelsea, Kensington Town
Hall, Hornton Street, London W8 7NX

2. What are Planning Contributions?

- 2.1 The Local Plan identifies that the delivery of infrastructure through planning contributions is critical to the delivery of all its strategic objectives. The Community Infrastructure Levy (CIL) and planning obligations are the two types of planning contributions through which the Council can gain the necessary resources to assist the delivery of the infrastructure required to mitigate the impacts of new development.
- 2.2 The Royal Borough introduced a CIL charge, which came in effect on 6 April 2015. The Council's current CIL rates are set out in a CIL Charging Schedule and vary according to the nature and location of a development. In accordance with CIL Regulation 123, the Council has published a list of infrastructure on its website. The Regulation 123 list includes an exception for all categories of infrastructure for the Earls Court and Kensal Canalside Opportunity Areas. Infrastructure for these areas will be secured through planning obligations as set out in the Development Plan and in this SPD.
- 2.3 The Mayor of London has also introduced a CIL charge to contribute towards the funding of Crossrail and this is chargeable on qualifying developments within the borough. The Royal Borough is responsible for collecting the Mayor of London's CIL.

Planning Obligations

- 2.4 Since April 2015, the primary mechanism for funding necessary infrastructure within the borough has been the Community Infrastructure Levy (CIL). However, planning obligations will still be required to mitigate matters that are specific to the site and not covered by CIL.
- 2.5 Planning obligations are secured through legally binding agreements between the Council as the local planning authority and a developer, and can involve financial or non-financial obligations. Their purpose is to make acceptable development which would otherwise be unacceptable in planning terms. They can be used to specify the nature of a development, compensate for loss or damage created by a development or address a development's impact on the local area.
- 2.6 Section 106 (s106) planning obligations must meet the tests set out in CIL Regulation 122¹ that a planning obligation may only be a reason for granting planning permission for the development if the obligation is:
- Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.
- 2.7 CIL Regulation 123 restricts the use of planning obligations for infrastructure that is capable of being funded by CIL to ensure that there

¹ Community Infrastructure Levy Regulations (CIL) 2010

is no duplication between the two types of developer contributions. The Council has published a list of infrastructure types and projects that it intends, will be, or may be, funded wholly or partly by its CIL charge which is known as the Regulation 123 List.

- 2.8 CIL Regulation 123 also restricts the pooling of s106 contributions so that no more than five developments may contribute to the same item of infrastructure. However, the government's Planning Practice Guidance also makes clear that for provision not capable of being funded by CIL, such as affordable housing and other non-infrastructure obligations e.g. training, local planning authorities are not restricted in terms of the number of obligations that may be pooled, however, they must have regard to the wider policies on planning obligations set out in the National Planning Policy Framework (NPPF)².
- 2.9 The government's response³ to the Supporting Housing Delivery Through Developer Contributions consultation (March 2018) confirms that pooling restrictions will be lifted⁴ and restrictions will be removed to allow section 106 planning obligations to be sought for infrastructure included on a Charging Authority's Regulation 123 List.

² National Planning Policy Framework, July 2018, Paragraphs 54 to 56

³ <https://www.gov.uk/government/consultations/supporting-housing-delivery-through-developer-contributions>

⁴ Government's response to Supporting Housing Delivery Through Developer Contributions consultation, Paragraphs 25 and 52.

3. What Planning Obligations will be sought?

3.1 This SPD will necessarily focus on those contributions which are not contained within the Council's Regulation 123 List for CIL and those which may be required from development with a nil CIL rate. Those contributions that will be required from all development meeting indicated thresholds are:

- Affordable housing
- Public Art
- Site specific highways, transport and public realm measures
- Parking restrictions
- Travel plans
- Carbon offsetting and renewable energy mitigation.
- Employment, training business and local supply chain

3.2 Those contributions that will be required from nil CIL rated development are:

- Libraries
- Parks and Open Spaces
- Sports and Leisure
- Air Quality
- Community Safety, Policing Resources & Emergency Services

3.3 A summary of contributions is set out in Appendix A. Further details of when and how these obligations will be secured is set out in the remainder of the document. It should be noted that this is not an exhaustive list of planning obligations which might be required in every case, but details the standard obligations and charges that will be frequently sought. Some developments may require a specific form of mitigation to be acceptable in planning terms and mitigate all site specific impacts; and this will be determined on a case by case basis. There may also be cases where infrastructure provision necessary to make a development acceptable cannot be delivered on site, in which case the Council will expect off-site contributions, whether as alternative provision or a commuted sum.

3.4 Where the formula for calculating the financial contribution is based on development value or costs, the value in the financial viability assessments where these are submitted, will be used. If one is not submitted the applicant should provide the figure for use in the Planning Contributions Calculator. Failing that the Calculator will estimate the figure based on borough averages.

4. Policy Context

- 4.1 The London Plan⁵ outlines the Mayor's approach to s106 planning obligations, and sets out that boroughs should provide clear frameworks for negotiating planning obligations in their development plan documents. The policy also states that development proposals should address strategic as well as local priorities in planning obligations and that the areas of highest strategic importance are affordable housing, the funding of Crossrail, and where appropriate other public transport improvements. The Mayor has produced the Affordable Housing and Viability supplementary planning guidance (2017) and Cross Rail Funding SPG (2016)⁶ to further support the securing of these obligations.
- 4.2 Policy C1 of the borough's Local Plan states that planning obligations will be negotiated on a case-by-case basis in accordance with current legislation, national policy and guidance. The policy outlines the factors that will be taken into account when determining what planning obligations are required to make a development acceptable in planning terms. These include the characteristics of the site, the infrastructure needs of the site and the surrounding area, and the London Plan. Proposals that form part of potentially wider sites will also be assessed in terms of the capacity of the site as a whole. The policy also addresses issues of viability stating that where a development is unable to deliver and the policy allows for consideration of issues of viability, a viability study will be required for independent assessment.
- 4.3 Paragraph 29.2.6 of the of the Local Plan outlines the types of planning contributions that the council may seek subject to the s106 tests⁷.

⁵ London Plan Policy 8.2

⁶ <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/supplementary-planning-guidance>

⁷ Community Infrastructure Levy Regulations (CIL) 2010, Regulation 122

5. Approach to Opportunity Areas

- 5.1 The Royal Borough contains two Opportunity Areas – Kensal Canalside and Earls Court (part) which are site allocations in the Local Plan. By their nature, they are complex to bring forward and require significant investment in infrastructure. The Mayor, through his Affordable Housing and Viability SPG, encourages boroughs to take a more localised approach to planning contributions including affordable housing in these areas. The Local Plan identifies such an approach for the Earl’s Court Opportunity Area⁸. The Council is also working on a separate SPD for the Kensal Canalside Opportunity Area which will also address issues of infrastructure.
- 5.2 The CIL Regulation 123 List includes an exception for infrastructure provision within these two site allocations to be secured through legal agreements for any infrastructure required in accordance with the Development Plan. Therefore, the starting point is the infrastructure set out in the Local Plan site allocations and Opportunity Area Supplementary Planning Documents and this SPD.

⁸ Earl’s Court and West Kensington Opportunity Area Joint Supplementary Planning Document 2012, <https://www.rbkc.gov.uk/planning-and-building-control/planning-policy/supplementary-planning/earls-court-and-west-kensington>

6. Negotiating Planning Obligations

- 6.1 This SPD is a starting point for the negotiation process. It is capable of being used by the Council as a material consideration when assessing planning applications. Applicants should use this document, together with the CIL Charging Schedule and Planning Contributions calculator, to assist in their costings.
- 6.2 Developers should start discussions on planning obligations requirements with the Council as soon as possible, ideally during the pre-application stage where appropriate. The 'Heads of Terms' of any planning agreement will need to be finalised before applications are reported to committee for decision. Where planning obligations are required to make a development acceptable, planning permission will only be granted once the legal agreement between the Owner (which usually includes the Freeholder and any persons with an interest in the Land, for example any leaseholders where applicable), any beneficiary of a legal charge (e.g. a bank) and the Council has been completed. Planning permission may be refused in circumstances where the required legal agreement or unilateral undertaking is not sufficiently completed or executed within the appropriate timescale i.e. 8 or 13 weeks.
- 6.3 A planning obligation can be financial, in which case it will require a sum or sums to be paid to the Council on a specified date or on particular trigger points as appropriate, for example on the commencement or completion of development. A planning obligation can also be non-financial in which case it might restrict the use of land in any specified way; require specified operations or activities to be carried out in, on, under or over the land; or require the land to be used in a specified way.
- 6.4 It should be noted that on referable schemes, the Greater London Authority and Transport for London may also require planning obligations such as highways works on the strategic road network. Transport for London may also need to be included as a party in the legal agreement for works funded on the strategic transport network.

Index Linking

- 6.5 Contributions sought from developers will be index linked in the legal agreement, in order to maintain the value of the contribution. Indexation will be applied from the date of the legal agreement. The Retail Price Index is the measure of inflation that will be used to calculate index payments. A standard formula for calculating indexation will be set out within the legal agreement.
- 6.6 The formula for indexation is as follows:

A X (B/C) = D, where A is the payment specified in the legal agreement, B is the figure shown in Retail Price Index (RPIX) for the period last published prior to the date of payment of contribution, C is the figure

shown in the RPIX for the period immediately prior to the date of the legal agreement and D is the amount payable with indexation.

Legal Fees

- 6.7 The Council's full legal fees in drafting, negotiating, preparing, checking and the anticipated completion and post completion costs incurred for a Section 106 agreement or unilateral undertaking will have to be paid (by the applicant or owner of the land as applicable) before the Agreement or Undertaking is executed and completed. 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 applicant 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.
- 6.8 The legal adviser acting for the applicant or owner of the land (as applicable) will be expected to provide the Council's legal adviser with an undertaking to pay the Council's reasonable legal fees whether or not the matter proceeds to completion at the outset of the matter before any work is commenced by the legal department.
- 6.9 Where applications are referred to the Mayor of London and Transport for London, and legal input is required in drafting and preparing a Section 106 Agreement, their legal fees will also be met by the developers.

Local Land Charge

- 6.10 Planning obligations are registered 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.

Referrals, call-ins and appeals

- 6.11 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.
- 6.12 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.

7. Assessing Viability

- 7.1 Where proposals for development accord with all the relevant policies in an up-to-date development plan, no viability assessment should be required to accompany the application. Where a viability assessment is needed, it should reflect the recommended approach in the NPPG including standardised inputs as set out below, and should be made publicly available.
- 7.2 Planning obligations are a necessary cost of development and it is expected that the likely cost of obligations will have been factored into the development costs from an early stage. The NPPG on Viability⁹ clarifies that it is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. The price paid for land is not a relevant justification for failing to accord with relevant policies in the plan. The Council considers that a viability assessment is unlikely to be necessary for the majority of planning applications as the cost of planning obligations including affordable housing should have been factored in at the earliest stages of land purchase and/ or scheme design and costings¹⁰.
- 7.3 In terms of local planning policies, the Council has fully considered the cumulative impact of its policy requirements on development viability as part of the preparation of its Local Plan and the CIL Charging Schedule as required by the NPPG on viability¹¹. This has demonstrated the general viability of development in Kensington and Chelsea, and given a strong indication that the requirements of planning policies will not threaten the viability of sites in the borough. This evidence supports the expectation from the Council that in general, the scale of planning obligations identified in this SPD is deliverable.

Pre-application Advice

- 7.4 The Council strongly recommends that pre-application advice is sought before making a planning application. This provides an opportunity to enter into discussions regarding planning obligation requirements with Council officers so that the nature of planning obligations that are likely to be required for a particular development are made known to the developer as early as possible in the planning process using the SPD as a basis. 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.
- 7.5 Where planning obligations will be required, the pre-application stage offers the opportunity to identify the draft s106 Heads of Terms and to consider viability appraisals prior to submission.

⁹ NPPG on Viability Paragraph 002

¹⁰ NPPG on Viability Paragraph 006

¹¹ NPPG Paragraph 002

Planning Applications

- 7.6 The Council will prepare the first draft of any section 106 agreement required, but in certain appropriate cases developers may be required by the case officer to submit a draft or executed unilateral planning obligation as part of the planning application. Where a unilateral obligation is not appropriate, developers should use this SPD to submit and identify the Heads of Terms of the legal agreement with their planning application, using the Royal Borough's standard legal agreements. Copies of the Council's preferred form of standard legal agreement is available from the Council's website¹².

Transparency

- 7.7 Viability appraisals should be submitted alongside other planning application documents and should include all relevant information as set out in this SPD. The Council will treat information submitted as part of, and in support of, a viability assessment transparently and publish this alongside other planning application documents. The Local Plan requires that an open book viability appraisal is submitted for all applications where policy requirements will not be met and the relevant policy allows for consideration of viability issues. This approach is supported by recent Information Commissioner's Office and First Tier Tribunal decisions. Transparency of information is supported in the Mayor's Affordable Housing and Viability SPG.
- 7.8 The guiding principle of the Environmental Information Regulations (EIR) is that information should be accessible, although the legislation sets out certain exceptions to this general rule. These exceptions are qualified by a public interest test and decisions by the information tribunal have demonstrated that the public interest in maintaining confidentiality rarely outweighs the public interest in disclosing information.

Guidance on Viability Appraisals

- 7.9 The NPPG sets out the Government's recommended approach to viability assessment for planning. It sets out the standardised inputs to viability assessments. The key elements are gross development value, costs, land value, landowner premium and developer return. The NPPG should be referred to for further guidance on each of these key inputs. It is worth stressing that a key input which is the benchmark land value should be established on the basis of the [existing use value \(EUUV\)](#) of the land, plus a premium for the landowner¹³.
- 7.10 Paragraph 14 of the NPPG on Viability sets out factors which should be considered when establishing benchmark land value. These factors include a consideration of market evidence and the principles established by the judgment in *Parkhurst Road Ltd v Secretary of State for Communities And Local Government & Anor* [2018] EWHC 991 (Admin) are reflected in the guidance. It requires that that such market evidence should be based on developments which are compliant with

¹² <https://www.rbkc.gov.uk/planning-and-building-control/planning-policy/section-106>

¹³ NPPG on Viability Paragraph: 013

development plan policies, including for affordable housing. The NPPG is clear that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

- 7.11 Paragraph 16 of the NPPG advises, for any viability assessment data sources to inform the establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.
- 7.12 The Mayor of London provides further guidance on the most appropriate method for assessing development viability in support of delivering the requirements of the London Plan through the Mayor's Affordable Housing and Viability Supplementary Planning Guidance (SPG)¹⁴ published in August 2017. It is explicit about the Mayor's preference for the Existing Use Value Plus as the comparable Benchmark Land Value when assessing the viability of a proposal. Standards are also proposed on transparency and the use of review mechanisms. The Mayor's SPG also introduces the threshold approach to viability assessments for affordable housing. This establishes that any schemes which meet the Local Plan target and provide 35 per cent of housing as affordable by GIA (without the use of public subsidy) will not be required to submit a viability appraisal. The Local Plan reflects this approach at paragraph 35.3.17 to 35.3.41 and in Policy CH2.
- 7.13 Viability evidence will be assessed by the Council, which will normally take advice from an independent third party of the Council's choice. The Council will require its reasonable costs associated with the use of an external assessor or any other necessary valuation advice to be paid for by the developer following the assessment being carried out.
- 7.14 The overall aim of the appraisal is to establish that when the Local Plan policy allows for consideration of viability, whether the level of contributions is the maximum or whether greater policy compliance could be achieved. When assessing an applicant's viability evidence, the Council or its consultants may request clarification or additional information. In this instance, all correspondence should be copied directly to the Council.
- 7.15 The applicant should also provide a detailed explanation of all the inputs and assumptions used in their viability appraisal. Where use is made of a viability model, the Council should be provided with the full working models and/ or all of the assumptions and calculations included in the modelling so that these can be tested and interrogated. This will also allow officers to vary assumptions to determine the impact on viability.
- 7.16 To ensure consistency with the London-wide approach proposed by the Mayor and to avoid unnecessary duplication, applicants should follow

¹⁴ <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/supplementary-planning-guidance/affordable-housing-and-viability-supplementary-planning-guidance-spg>

the requirements for viability appraisals set out in the Mayor's Affordable Housing and Viability SPG. The information will need to be tailored to the Council's Local Plan policy requirements for example demonstrate the affordable housing requirements by GIA.

Viability Reviews

- 7.17 The Local Plan supports the use of review mechanisms when financial viability assessments demonstrate that current market conditions will support less than the target for affordable housing in Policy CH2. Also known as contingent obligations, these can obligate the applicant to resubmit a financial appraisal at various trigger points. This approach recognises that the costs, values and other factors of a scheme can alter significantly from the point at which planning permission was granted, and ensure that any improvements in the viability of a scheme will contribute towards meeting minimum policy requirements. All review mechanisms will be capped at the level of policy compliance. The Mayor of London also supports the use of such mechanisms through the Affordable Housing and Viability SPG. Reviews in Kensington and Chelsea will be undertaken based on the process and formulas outlined in the Mayor's SPG, which will be set out in legal agreements to provide transparency.

8. Diversity of Housing

- 8.1 Provision of affordable housing in qualifying developments as set out in the Local Plan will form a key part of legal agreements. This section explains how Local Plan policies will be applied and provides additional information on what will be expected when dealing with planning applications for development for which a proportion of affordable housing is required.

Policy and Guidance

London Plan

Mayor of London Housing Supplementary Planning Guidance May 2016

Mayor of London Affordable Housing and Viability Supplementary Planning Guidance August 2017

Local Plan

CH2 Affordable Housing

CH4 Estate Regeneration

Affordable Housing

Threshold

- 8.2 Policy CH2 of the Local Plan seeks to achieve the maximum reasonable amount of affordable housing by requiring sites that provide 650sqm or more gross residential floor space (GIA) to provide 35 per cent of residential floorspace as affordable. Once the 650sqm threshold is met, all gross residential floorspace is liable for an affordable housing contribution. Proposals where there is existing residential floorspace on-site will not net off existing floorspace but require affordable housing using the gross internal area (GIA). The policy is also clear that provision of affordable housing should be on-site unless exceptional circumstances can be demonstrated to justify off-site provision or a payment in lieu.

Requirements

On-site Provision

- 8.3 To meet the overall objective of securing the maximum reasonable amount of affordable housing, the Local Plan (Policy CH2) requires 35 per cent affordable housing on-site on qualifying developments as set out above. This provision should be without the use of public subsidy,

provide affordable housing on-site, meet the specified tenure mix, and meet other planning requirements and obligations to the satisfaction of the Council and the Mayor where relevant. These schemes will not be required to submit viability information and will be treated using the 'fast track' mechanism as set out in the Mayor's Affordable Housing and Viability SPG. Such schemes will, however, be subject to review mechanisms. The level of progress within a stipulated timescale will need to be agreed with the Council and will form part of the legal agreement.

- 8.4 Where a qualifying scheme does not provide 35 per cent of gross residential floorspace (GIA) as affordable floorspace on-site, Policy CH2 requires the applicant to demonstrate that the maximum reasonable amount is being provided through the provision of an open book financial viability assessment (see paragraph 6.12 above) together with evidence of the exceptional site circumstances or other public benefits to justify the reduced affordable housing provision.
- 8.5 Applicants should follow the appraisal requirements set out in Section 6 of this SPD and Part 3 the Mayor's Affordable Housing and Viability SPG. Applicants should present affordable housing figures as a percentage of total residential provision by habitable rooms, by units, and by floorspace.

Off-site Provision

- 8.6 All proposals for off-site provision of affordable housing will need to submit a financial viability appraisal and robust evidence to support exceptional circumstances.
- 8.7 On-site provision is the borough's normal requirement for how affordable housing will be provided. However, both the Local Plan and the London Plan recognise that there may be exceptional circumstances where on-site provision is inappropriate in terms of the policies in the development plan.
- 8.8 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 instance the amount of affordable housing will be negotiated and secured through a legal 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.
- 8.9 Policy CH2e. requires that in such circumstances, applications for the off-site affordable housing should be made concurrently with the main planning application and that the two applications are linked through a legal agreement or unilateral undertaking.

Payments in Lieu

- 8.10 In the exceptional circumstances where neither an on-site or off-site contribution is possible, a payment in lieu may be justified in accordance

with Local Plan Policy CH2. Paragraph 35.3.36 of the Local Plan refers to the guidance in the London Plan¹⁵ and also tailors these circumstances to the borough as follows:

- Secure a significantly higher level of provision; and/or
- Better address priority needs as indicated in the Council's most up-to-date published needs assessment.

8.11 If the principle of a payment in lieu for affordable housing has been accepted, the process for calculating the value of payments in lieu is set out in Policy CH2. It is based on the principle that replacing on-site affordable housing provision with a payment in lieu should be financially neutral for the developer.

8.12 Applicants are required to provide two viability appraisals comparing residual land values on a site-by-site basis – one reflecting the maximum reasonable amount of affordable housing provision on-site and the second with 100% private housing. There should be no difference in the layout and build quality of the two schemes i.e. the difference should only be the change in the tenure of the affordable housing to private housing for purposes of undertaking the viability assessment. The benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner as set out in the NPPG on Viability, paragraph 013 to 016. The two agreed residual land values will then be compared to the existing use value plus premium benchmark. If the residual land value of the scheme with affordable housing equals or exceeds the benchmark land value, then a payment in lieu is calculated using the formula set out below. In situations where a scheme that meets the Council's affordable housing target would be unviable, the affordable housing percentage should be adjusted downwards until the scheme becomes viable.

Payment in Lieu Formula

Where the residual land value of a scheme with affordable housing exceeds the benchmark land value, the value of the payment in lieu will be calculated using the following formula:

Residual Land Value - all private housing

Less

Residual Land Value with maximum reasonable amount of affordable housing

Equals

Value of payment in lieu

¹⁵ Policy 3.12 and paragraph 3.74

- 8.13 Contributions will be pooled and ring fenced to enable a greater, or more appropriate new provision of affordable housing within Kensington and Chelsea in accordance with policy and procedure determined by the Royal Borough. An appropriate use would be to fund the Council's ambitions to build affordable housing in the borough.

Vacant Building Credit

- 8.14 National policy provides an incentive for brownfield development on sites containing vacant buildings. Any proposal claiming vacant building credit will need to submit a viability assessment if the affordable housing requirements are triggered. Generally, known as the vacant building credit, it requires that the developer should be offered a financial credit equivalent to the existing gross floorspace of relevant vacant buildings when the local planning authority calculates any affordable housing contribution which will be sought. Affordable housing contributions may be required for any increase in floorspace. The Local Plan is clear that the Council considers that the vacant building credit should not apply to development in the borough. This is because given the central London location and highly dense character of Kensington and Chelsea, all sites are brownfield and the vacant building credit will not bring forward more development. This approach has been endorsed by the Mayor's Affordable Housing and Viability SPG (August 2017).

Securing Affordable Housing

- 8.15 The preferred method for securing affordable housing is via a legal agreement. This is to ensure that affordable housing continues to be affordable to those in housing need, and managed to standards set by the relevant requirements.
- 8.16 The proposed number and tenures of affordable units, the gross internal floor area and the number of bedrooms in each unit, 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.

9. An Engaging Public Realm

Public Art

- 9.1 The Local Plan highlights how public art can promote civic pride and help create a sense of place and promote local distinctiveness. The provision of public art and artistic features will therefore be sought as an integral element to major development.

Policy and Guidance

London Plan

7.5 Public Realm

Local Plan

CR4 Streetscape

Threshold

- 9.2 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)

Requirements

- 9.3 Policy CR4 requires that all qualifying developments provide new public art that is of high quality and either incorporated into the external design of the new building, or carefully located within the public realm. The public art should be up to 1% of the value of the development.
- 9.4 The public art is expected to support the Arts and Culture Policy¹⁶. 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.
- 9.5 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 and will be overseen by the Council's Public Art Panel.
- 9.6 The Public Art Panel acts as an advisory panel to the Lead Member for the Arts when making decisions about public art. The Public Art Panel encourages the installation and inclusion of high quality public art in

¹⁶ <https://www.rbkc.gov.uk/wamdocs/Arts%20and%20Culture%20Policy.pdf>

developments by developers and will also consider works that are permanent or temporary.

Public Art Formula

Where public art cannot be provided on-site a planning contribution will be payable calculated using the following formula:

A – Development Value

Multiplied by

B – 0.01

Guidance

A – Development Value provided by developer, or estimated by RBKC planning contributions calculator

B- Based on Arts Council “Per Cent for Art” scheme

- 9.6 Contributions will be used on the provision and maintenance of permanent or temporary public art as well as related events in the borough.

10. Better Travel Choices

- 10.1 The Local Plan seeks to ensure that new developments include all the facilities that will enable residents, workers and visitors to make the most sustainable travel choices. Whilst strategic transport and connectivity infrastructure items will be funded through CIL contributions where appropriate, some transport and connectivity measures directly related to the site may also be required to make a development acceptable in planning terms, particularly where they generate new transport demand or have significant transport impacts. Planning obligations may therefore be sought for site specific traffic and highway works, contributions to public transport not capable of being collected through CIL (i.e. revenue funding of bus services), parking restrictions, travel plans or other management plans. Further guidance can also be found in the Council's Transport and Streets Supplementary Planning Document¹⁷.

Policy and Guidance

London Plan

6.2 Providing public transport capacity and safeguarding land for transport.

6.3 Assessing effects of development on transport capacity

6.5 Funding Crossrail and other strategically important transport infrastructure

6.7 Better streets and surface transport

6.11 Smoothing traffic flow and tackling congestions

6.12 Road network capacity

8.2 Planning Obligations

Crossrail Funding SPG (March 2016)

Local Plan

CT1 Improving alternatives to car use

RBKC Transport and Streets Supplementary Planning Document (2016)

¹⁷ <https://www.rbkc.gov.uk/planning-and-building-control/planning-policy/supplementary-planning/transport-and-streets-spd-april>

Highway and Traffic Works

Threshold

- 10.2 All developments dependant 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 the proposals.

Requirements

- 10.3 Many developments, by generating additional trips or by changing the way a site is accessed, will have significant impacts on the surrounding highway network and/ or public realm. Policy CT1 of the Local Plan requires all major developments to submit a transport assessment at the application stage to outline the impact of a major development on the transport network and to recommend mitigation measures required. These assessments will be used to identify the types of obligations that will be secured through s106 obligations to make the development acceptable.
- 10.4 Examples of works that may be required include traffic calming measures, new road alignments, junction improvements and footway improvements. Such contributions may take the form of a financial payment towards the delivery of mitigation works, the safeguarding of land to provide the works in the future, or an obligation to deliver the mitigation as part of the on-site works.
- 10.5 Where the site specific impacts of a development are more appropriately mitigated by a Section 278 (S278) agreement or 'highways agreement' this will be used to secure the measures required. The s106 pooling restrictions do not apply to S278 highways agreements.

Public Transport

Threshold

- 10.6 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.

Requirements

- 10.7 Through Policy CT1(j), the Local Plan requires that new development is connected into the existing public transport networks, and that any negative impacts on the local or wider connectivity of the area mitigated. Planning obligations will be used to secure mitigation of site specific impacts and take advantage of any opportunities to enhance the wider transport networks where related to the site and which cannot be funded through CIL. Examples of obligations that may be required include connections to the local bus and cycle networks, relocation of bus stops,

and revenue contributions for the provision of new or enhanced bus services serving the site. These will be negotiated on case by case basis to mitigate specific development impacts.

Crossrail/ Elizabeth Line (Central Activities Zone only)

Threshold

- 10.8 All major developments within the Central Activities Zone will be required to make a contribution to Crossrail. 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 sqm or more for any other use (office, retail, industry, community, and leisure) requirements.

Requirements

- 10.9 The borough is responsible for collecting Crossrail funding on behalf of the Mayor through both the Mayoral CIL and planning obligations.
- 10.10 The Mayor's CIL in Kensington and Chelsea is currently £50 per sqm and applies to all those developments which are liable as per the CIL regulations.
- 10.11 The Mayor published a Draft Charging Schedule for a second Mayoral CIL (MCIL2) which was subject to Examination in Public in September 2018. This proposes a Mayoral CIL rate of £80 per sqm in the borough. It is intended that the MCIL2 will be collected to fund Crossrail 2, and will be charged from April 2019 once the current Mayoral CIL ends in March 2019. Further details of how MCIL and MCIL2 operate are set out on the Mayor's CIL website¹⁸.

Parking Restrictions

Threshold

- 10.12 Local Plan Policy CT1(c) requires 'that all new additional residential development be permit-free'.

Requirements

- 10.13 Full details regarding the implementation of this policy are set out in the Council's Transport and Streets SPD 2016, which identifies that permit-free provisions will be secured by legal agreement.

¹⁸ <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/mayoral-community-infrastructure-levy>

Travel Plans

Threshold

10.14 Travel Plans are required at the application stage for the following scale and type of development:

- those of 80 residential units or more;
- commercial developments of more than 2,500 sqm (26,896sq ft) GFA;
- retail developments of 1,000 sqm (10,758sq ft) or more;
- hotels with 50 beds or more; and
- schools or childcare facilities of any size.

Requirements

10.15 The measures set out in the Travel Plan will be secured by way of a condition on the permission or a s106 planning obligation. In addition, the Council will require developer funding by planning obligation for the monitoring and review of Travel Plans. Further details on the requirements for Travel Plans are set out in the Council's Transport and Streets SPD. A standard fee of £1,200 (index linked) will be payable to cover officer time for reviewing, approving and monitoring Travel Plans.

11. Respecting Environmental Limits

- 11.1 A strategic aim of the Local Plan is to contribute to the mitigation of and adaptation to climate change; including through the significant reduction of carbon dioxide emissions. Vehicles, including those passing through the borough, the heating and cooling of buildings and the use of biomass are all significant emitters of gases and increase air pollution. Tackling these issues is central to improving our resident's quality of life.

Policy and Guidance

London Plan

5.2 Minimising Carbon Dioxide Emissions

5.7 Renewable Energy

7.14 Improving Air Quality

Mayor's Carbon Offset Funds Guidance (October 2018)

Mayor's Housing Supplementary Planning Guidance (March 2016)

Mayor's Sustainable Design and Construction Supplementary Planning Guidance (April 2014)

Energy Planning - GLA guidance on preparing energy assessments (March 2016)

Local Plan

CE1 Climate Change

CE2 Flooding

CE5 Air Quality

Carbon Offsetting

Threshold

- 11.2 All residential units in a major residential development. A major residential 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.

Requirements

- 11.3 It is recognised that the emission of carbon dioxide can be lowered by reducing the amount of heat and energy we used in our buildings, through energy efficient design, materials and construction.

- 11.4 The London Plan and Local Plan both seek to ensure that new development proposals make the fullest contribution to minimising emissions in accordance with targets for minimum standards which are designed to lead to zero carbon residential buildings. The Mayor's Housing SPG confirms the London Plan policy on 'zero carbon' homes. Zero carbon homes are defined as 'homes that form part of major development applications where the residential element of the application achieves at least a 35 per cent reduction in regulated carbon emissions (beyond Building Regulations Part L 2013) on-site'. The remaining regulated carbon emissions up to 100 per cent are to be offset through a cash in lieu contribution. Policy CE1 as revised in the Local Plan requires an assessment to demonstrate that major residential development meets these carbon reduction requirements set out in the London Plan.
- 11.5 Where an energy assessment demonstrates that the carbon savings required cannot be delivered on-site, the remaining regulated emissions will incur a charge in the form of a cash in lieu payment to the Council's carbon offset fund which will be secured through a legal agreement.
- 11.6 The Council has adopted the Mayor's current carbon offset price. For all residential units in major residential developments the payment required is based on the nationally recognised 'Zero Carbon Hub' price per tonne of carbon dioxide of £60, offset over 30 years as set out in the Mayor's Sustainable Design and Construction Supplementary Planning Guidance. This gives an overall price of £1,800 (£60 x 30 years) per tonne of carbon to be offset. The tonnes of carbon that will need to be offset should be clearly set out in the applicant's energy statements as recommended in the GLA's Energy Planning Guidance.
- 11.7 The new draft London Plan includes a new recommended carbon offset price based on a nationally recognised non-traded price of £95 per tonne which was tested as part of the London Plan viability assessment. The Mayor has prepared Carbon Offset Funds guidance¹⁹ and intends the updated carbon offset price to be the price borough's adopt, unless they have set their own local price. The Mayor will review the carbon offset price regularly and the most recently updated price will apply in this borough.

¹⁹ Carbon Offset Funds: GLA guidance for London's Local Planning Authorities on establishing carbon offset funds (October 2018)
https://www.london.gov.uk/sites/default/files/carbon_offset_funds_guidance_2018.pdf

Carbon Offset Fund Formula

Where an energy assessment demonstrates that the carbon savings required cannot be delivered on-site, a payment in lieu to the Council's carbon offset will be payable on the remaining regulated emissions calculated using the following formula:

A- Tonnes of carbon to be offset

Multiplied by

B - £1,800 (this cost will be updated by the Mayor following regular reviews)

Guidance

A – This is CO₂ emitted from development (tonnes) per year less CO₂ target emissions (tonnes) per year and should be clearly set out in an energy assessment for the development

B- Mayor's most recent Carbon Offset Price

- 11.8 Contributions to the Council's Carbon Offset Fund will be spent on measures that will reduce carbon emissions in the borough such as retro-fitting the existing housing stock with energy efficiency measures or the funding of renewable energy generation on existing public buildings.

Renewable and Decentralised Energy

Threshold

- 11.9 All major developments. 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 sqm or more for any other use (office, retail, industry, community, and leisure).

Requirements

- 11.10 The Local Plan states the Council's intention to take a leading role in identifying new and existing opportunities for decentralised heat and energy networks through heat and energy master planning. To deliver this the Council, through policy CE1 requires that carbon dioxide and other greenhouse gases in all major developments are reduced in

accordance with the following hierarchy:

- i. energy efficient building design, construction and materials, including the use of passive design, natural heating and natural ventilation;*
- ii. provision of on-site renewable and low-carbon energy sources;*
- iii. decentralised heating, cooling and energy supply, through Combined Cooling Heat and Power (CCHP) or similar, while ensuring that heat and energy production does not result in unacceptable levels of local air pollution in particular on site allocations such as Kensal, Wornington Green, and Earl's Court*

11.11 Where necessary the provision of on-site renewable energy and decentralised energy generation will be secured through planning obligations.

12. Fostering Vitality

- 12.1 Development increases opportunities for local employment, and this can support assisting local unemployed residents of the Borough into work supporting the community and local economy. Policy C1 of the Local Plan sets out the Council's approach to securing planning obligations, identifying various local employment and skills measures that may be sought through planning obligations. These could include apprenticeships, work placements, construction and STEM (Science, Technology, Engineering and Maths) careers training, job brokerage, general employment and training contributions, the provision of affordable workspace and support for local procurement initiatives. The Mayor of London is also clear that strategic development proposals should support local employment, skills development and training opportunities.
- 12.2 The Council will require that opportunities for the employment, training and support of local labour are provided throughout the construction phase of a development and for the end use of (non-residential) development. Opportunities will include training, work experience, apprenticeships and direct employment of local residents. Local supply of goods and services to development supports the maintenance of a sustainable local economy which in turn provides further employment opportunity for residents.

Policy and Guidance

London Plan

4.12 Improving Opportunities for all

5.3 Sustainable Design and Construction

Local Plan

C1 Infrastructure and Planning Obligations

Construction Phase – Skills Training and Employment Jobs Target

Threshold

- 12.3 All major developments will be required to provide local employment and make a contribution for construction training for local residents. 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).

Requirements

Employment and training opportunities to be created

- 12.4 The Council will seek to secure access to a range of apprenticeship, training and employment opportunities for residents. These must be created by the developer and/or their suppliers on site. The training and apprenticeship placements target will be calculated as follows:
- Create new apprenticeships for local people – 1 apprentice per 1,500 sqm floor space where works last at least 52 weeks
 - Create full time paid work placements – 1 placement per 20 units residential or 1,000 sqm commercial floor space
 - Create unpaid work experience for 2 weeks– 1 placement per 20 units residential or 1,000 sqm commercial floor space
- 12.5 The plan to create the above opportunities and the ways in which they will be realised locally are to form part the Training, Employment and Business Strategy (TEBS) for the site as below.

Training, Employment and Business Strategy

- 12.6 The legal agreement will require the applicant/developer to prepare a Training, Employment and Business Strategy. This strategy document sets out the approach and considerations taken by the developer and/or main contractor that address the local economic needs of residents and impact and potential benefits to local businesses. Targets around employment, training and skills development will be set within an Employment and Skills Plan (ESP), a TEBS delivery document. The ESP will need to be agreed with the Council's Economic Development Team and will be expected to include, as a minimum:

- **An Employment and Skills Plan:** The developer will need to produce an employment and skills plan, which forms part of the TEBS, outlining the approach they will take to delivering target employment, apprenticeship outcomes and engagement with schools and education providers.
- **A single point of contact** between the Council's Economic Development Team and Developer (or Workplace co-ordinator where appropriate): To manage demand and to provide regular skills forecasting updates. The point of contact will be the developer responsible for developing the site. As construction starts, the point of contact may change to or include an on-site contact.
- **Notification of vacancies:** Arrangement should be put in place for the notification of job vacancies, arising from construction, to the Council (Economic Development Team) and/or any other agency nominated by the Council. The Council would expect all

employment outcomes to be paid at, at the very least, a minimum rate of National Living Wage with an ambition to achieve the London Living Wage. The Council will require the monitoring of the proportion of residents employed during the development through submission of a regular report by the developer to the Council's Economic Development Team.

- **Trainee/Apprenticeship Placements:** As set out in paragraph 12.4 above
- **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, which will require the developer (either directly or via the build contract and supply chain) to employ trainees and support day release arrangements until attainment of their qualification. Wider STEM career opportunities to follow established pathways and lead to sustainable progression. The Council expects all apprenticeships, regardless of kind, to be paid at National Minimum Wage.
- **School Engagement:** Engagement in School careers programmes through supporting careers events or programmes and offering opportunities for learners to engage in relevant skills and awareness programmes.
- During the construction phase of the development to provide opportunities for local businesses to bid/tender for the provision of goods and services to the property.

12.7 On qualifying schemes with an anticipated construction cost over £30 million, the Council will expect a more comprehensive Employment and Skills Plan to be designed by the developer (in conjunction with the Council's Economic Development Team). A template will be provided by the Council's Economic Development Team.

Construction Phase – Skills Training and Employment Jobs Target

The developer will prepare a TEBS and agree this with the Council's Economic Development Team prior to implementation.

The target opportunities to be made available to borough residents are to be calculated using the following:

- 1 apprentice per 1,500sqm of floor space where works last at least 52 weeks
- 1 placement per 20 units residential or 1,000sqm commercial floor space
- 1 placement per 20 units residential or 1,000sqm commercial floor space

- 12.8 In exceptional circumstances where the agreed local employment and training opportunities cannot/have not been created on site, the Council will seek to support activity to source alternative placements elsewhere. This will be the equivalent to £7,000 per placement not created.

**Construction Phase – Skills Training and Employment Jobs
Target: Non-Compliance Contribution**

In exceptional cases where the required target for the number of trainee/apprenticeship placements is not met on-site, a planning contribution will be payable to enable equivalent opportunities. This will be calculated using the following formula:

A – Total Number of apprentices/paid work experience/unpaid work experience placements target

Less

B- The total number of apprentices/paid work experience/unpaid work experience placements provided and filled by the developer

Multiplied by

C - £7,000

Guidance

A – number of apprenticeships/paid work experience/unpaid work experience calculated as set out in paragraph 12.4.

C – the cost of engaging and supporting local residents into employment based on Learning & Work and the National Audit Office data and the cost of finding an alternative position elsewhere.

Construction Phase – Skills and Training Contribution

Financial Contribution

- 12.9 The Council will seek a financial contribution to support activities including the outreach, engagement and recruitment of local people and to provide initial training, pre-employment support and ongoing skills development. These could also include career advice and pathways development into the built environment and related sectors.

Construction Phase – Skills and Training Contribution

A - Number of apprentices/paid work experience/unpaid work experience

Multiplied by

C - Cost of supporting local resident into employment £3,500

Guidance

A – From the most up-to-date Employment Density Guide (currently HCA 2015)

B – Proportion of RBKC residents unemployed and seeking work. This will be reviewed every two years by Economic Development Team.

C – based on the Learning & Work and the National Audit Office data (NB. the cost of training will be index-linked and reviewed annually by the Economic Development Team).

- 12.10 The Council is willing to negotiate a bespoke agreement in keeping with the nature and impact of the site and the link to the employment, skills and business opportunities that the development and end use of the site will generate on larger construction schemes defined as £30 million in construction contract value.

End-User Employment & Training Contributions

Threshold

- 12.11 All major non-residential developments will be required to support local employment and training and make a contribution to enable outreach support to local residents in their operational phase. 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). Additionally, any development that is likely to employ in excess of 50 employees will be required to make a contribution towards training measures.

Requirements

- 12.12 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 from all new major developments.

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. For specific major developments, there will be a requirement for a local recruitment strategy and working towards achieving a certain proportion of local employment.

- 12.13 The contribution required will be related to the number of jobs created by the development. The formula takes account of the likely number of jobs created by the development, and the target number of jobs for local residents in need of training and assistance to access the types of jobs being created.

End-User Employment & Training Contributions Formula

A - Net new floor area (GIA) divided by number of employees per sq m
= Number of new jobs created

Multiplied by

B - Current proportion of unemployed residents in the Borough
(reviewed every 2 years) 8%

Multiplied by

C - Cost of supporting local unemployed resident into employment
£3,500

Guidance

A – From the most up-to-date Employment Density Guide (currently HCA 2015)

B – Proportion of RBKC residents unemployed and seeking work. This will be reviewed every two years by Economic Development Team.

C – based on the Learning & Work and the National Audit Office data (NB. the cost of training will be index-linked and reviewed annually by the Economic Development Team).

Use of Local Suppliers

Threshold

- 12.14 All major developments will be required to promote the use of local suppliers. 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).

Requirements

- 12.15 The promotion of local procurement also reduces the level of travel involved during the construction process, increasing the overall sustainability of the development.
- 12.16 During the construction phase of the development and occupation of the property developers are required to:
- To work with the Council's Economic Development Team and any contractor appointed to deliver the Local Procurement Initiative, to aim to achieve the objectives set out in the Local Procurement Code²⁰; the procurement of construction contracts and goods and services from SMEs based in Kensington and Chelsea towards a target of 10% of the total value of the construction contract, excluding professional fees incurred or committed to prior to the development receiving planning consent
 - To provide opportunities for local businesses to bid/tender for the provision of goods and services to the property.
 - To provide opportunities for local businesses to bid/tender for the provision of facilities management services and other post construction supply of goods and services.
- 12.17 For developments over the size threshold set out in the table below, a financial contribution from the developer/owner will also be required toward the costs of facilitating this process. The contribution will be used for engaging local small and medium size enterprises, business support with accreditation and due diligence, identifying and screening appropriate local enterprises, help with tendering, engagement with developers and their contractors to understand their requirements , periodic Meet the Buyer and Supplier events, business briefing events, maintaining a directory of local suppliers and performance monitoring or any other items covered by the Local Procurement Code. The table below shows the scale of fees for different size bands:

²⁰ <https://www.rbkc.gov.uk/idxWAM/doc/Consultee%20Responses-1577973.pdf?extension=.pdf&id=1577973&location=volume2&contentType=application/pdf&pageCount=1>

Size band (GIA)	4,000 10,000m ²	10,000 – 40,000m ²	>40,000m ²
Total fees	£6,400	£8,300	£12,800

*The charges may be revised through periodic updates of the Local Procurement Code

- 12.18 In the case of large scale projects with multiple construction phases, a fee will be charged for each phase with the above fee scale.

Central London Forward

- 12.19 The Council co-operates with the Central London Forward boroughs on local training initiatives. Central London Forward is a sub-regional strategic organisation representing the eight central London local authorities. The member local authorities of Central London Forward are Camden, City of London, Islington, Kensington and Chelsea, Lambeth, Southwark, Westminster, and Wandsworth.
- 12.20 Local labour targets must be filled by Kensington and Chelsea residents. In exceptional cases and only in consultation with the Council's Economic Development Team, if this cannot be achieved, the Council may require that developers seek to meet these obligations with residents of the Central London Forward, or this council's neighbouring boroughs (London Borough of Hammersmith and Fulham, and Brent). This requirement will be negotiated on a case by case basis and the details will be secured through the TEBS.

13. Planning Contributions from Nil CIL Development

- 13.1 Planning contributions will be required from developments which have a nil CIL rate (industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses) to mitigate specific development impacts. The impacts will be assessed on a case by case basis and an appropriate planning contribution sought. The following sections set out the approach that will be followed in these cases.

Library Facilities

- 13.2 New commercial developments with an increased workforce population will increase the demands on the Council's library services and capacity constraints.
- 13.3 The six Borough library buildings - three of which were purpose-built - range in age from twenty to a hundred and forty years.
- 13.4 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 and Guidance

Local Plan

CK1 Social and Community Uses

CK3 Walkable Neighbourhoods and Neighbourhood Facilities

C1 Infrastructure Delivery and Planning Contributions

Threshold

- 13.5 Major development proposals for industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL, will be required to make a contribution to Library facilities. A major development is defined as the provision of 10 or more new dwelling units (or a site area greater than 0.5 hectares) or for all other uses where the floor space is a 1,000m² or more.

Requirements

- 13.6 For 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.

13.7 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.

13.8 Contributions secured through legal 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.
- The Museums and Libraries Archive Council (MLA) recommends that local planning authorities adopt £90 per person for libraries from developments.

Libraries Contributions Formula

A – Number of employees'

Multiplied by

B - 0.2

Multiplied by

C - £90 per employee

Guidance

A – Number of new employees based on the most up-to-date Employment Density Guide (currently HCA 2015)

B - 0.2 to reflect that a proportion of library users are from outside the borough

C – Cost per employee (from Arts Council, Museum and Libraries Archive)

Sports and Leisure

- 13.9 The Council's objective is to ensure that there is a high quality of provision of sports facilities throughout the Borough.
- 13.10 Three main public leisure centres serve the Borough - Kensington Leisure Centre, Chelsea Sports Centre and the Westway Sports and Fitness Centre. All of these have had recent significant investment to improve provision and accessibility.
- 13.11 It is an aim of the borough's Community Sport and Physical Activity Strategy 2018-2023²¹ to improve the health and well-being of Borough residents by increased physical activity.

Policy and Guidance

London Plan

3.16 Protection and Enhancement of Social Infrastructure

Local Plan

CK1 Social and Community Uses

CK3 Walkable Neighbourhoods

C1 Infrastructure Delivery and Planning Contributions

RBKC Sport and Physical Activity Strategy 2018 -2023

Threshold

- 13.12 RBKC is under provided in various sports facilities for a Borough of its population size. Major development proposals for industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL will be required to make a contribution to sports and leisure facilities. A major development is defined as development of 1,000 sq m or more office, retail, industry, community, and leisure.

Requirement

- 13.13 The borough's Community Sport and Physical Activity Strategy identifies a lack of indoor sports provision particularly in the south of the Borough. This may be addressed by the Council's long term ambition to improve existing facilities and the ambition of the K&C Community Sport and Physical Activity Network to increase access to indoor space at a variety

²¹

https://www.rbkc.gov.uk/sites/default/files/atoms/files/Community_Sport_and_Physical_Activity_Strategy_2018_2023_0.pdf

of facilities including non-traditional venues.

- 13.14 Nil CIL Developments likely to increase pressure on facilities will be required to contribute to address the needs arising from future development. These will be from commercial developments where additional employees will place an additional burden on resources.
- 13.15 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 used to provide new facilities and/or to improve existing facilities in accordance with Sport and Physical Activity Strategy.

Sport and Leisure Contributions Formula

A – Number of new employees

Multiplied by

C - £72 per employee

Guidance

A – Number of new employees based on the most up-to-date Employment Density Guide (currently HCA 2015)

C – a proportion of likely sports and leisure facility users from outside the borough based on Sport England calculation of required provision with the Royal Borough, in terms of population.

Parks and Open Space

- 13.19 The provision of adequate parks, open space and play space is a 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. 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 facilities.
- 13.20 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).
- 13.21 The Fields in Trust (formally the National Playing Fields Association)

Standards²² suggests a standard ratio of Informal Outdoor Space to be in the range of 0.6 - 0.8 ha per 1000 population, this is not met within the Royal Borough.

Policy and Guidance

London Plan

2.18 Green Infrastructure: The multifunction Network of Green and Open Spaces

3.16 Protection and Enhancement of Social Infrastructure

7.18 Protecting Open Space and Addressing Deficiency

Local Plan

CK1 Social and Community Uses

CK3 Walkable Neighbourhoods and Neighbourhood Facilities

CR5 Parks, Gardens, Open Spaces and Waterways

C1 Infrastructure Delivery and Planning Contributions

RBKC Parks Strategy 2016 -2025

Threshold

- 13.22 Major development proposals for industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL, will be required to make a contribution to Parks and Open Spaces. A major development is defined as the provision of 10 or more new dwelling units (or a site area greater than 0.5 hectares) or for all other uses where the floor space is a 1,000m² or more.

Requirement

- 13.23 Policy CR5 requires new high quality outdoor spaces to be provided:

d. require development to make planning contributions towards improving existing or providing new publicly accessible open space which is suitable for a range of outdoor activities and users of all ages;

e. require all major developments to provide onsite external play space, including for under-fives based on expected child occupancy

- 13.24 The Council has published a ten-year Parks Strategy²³ that introduces

²² <http://www.fieldsintrust.org/guidance>

²³ <https://www.rbkc.gov.uk/sites/default/files/atoms/files/Parks%20Strategy%202016-2025.pdf>

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 to support the four priority themes:

- Provide a balance of leisure facilities and quiet open space across the borough, so that its parks and green spaces can be enjoyed by all and no park is overwhelmed by activity.
- Ensure the parks are safe places to visit and enjoy, demonstrate best practice in tackling crime and disorder, and ensure that parks are acknowledged to be safe.
- Manage the long- term resilience of the parks in relation to usage, biodiversity and climate change.
- Maximise funds by harnessing external resource (where this fit the park interests)

13.25 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 be not be practical and a financial contribution will be sought instead.

13.26 Parks and open space financial contributions will be applied to local area improvements, to achieve 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.

Parks and Opens Space Contributions Formula

A – Number of new employees

Multiplied by

C – £96

Guidance

A – number of new employees calculated using HCA Employment Density guidelines (2015)

C – cost per head of employee to be multiplied by a proportion of likely users of the predicted number of new employees from outside the borough

Air Quality

- 13.27 The Council has published a separate SPD²⁴ on Air Quality, and has an Air Quality and Climate Change Action Plan (ACCQAP)²⁵ for the Royal Borough. This aims to help reduce exposure to air pollution across the whole of Royal Borough of Kensington and Chelsea.

Policy and Guidance

London Plan

7.14 Improving air quality

Mayor's Air Quality Strategy

Local Plan

CE5 Air Quality

Air Quality SPD

Air Quality and Climate Change Action Plan

Threshold

- 13.28 Major development proposals for industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL, will be required to make a contribution to Air Quality. A major development is defined as the provision of 10 or more new dwelling units (or a site area greater than 0.5 hectares) or for all other uses where the floor space is a 1,000m² or more.

Requirements

- 13.29 Policy CE5 of the Local Plan requires an air quality assessment for all major development and the developments impacts to be mitigated through physical measures. Where this cannot be achieved onsite a financial contribution will be sought towards:
- The Council's cost of monitoring compliance with any planning obligation agreement and related planning conditions which have direct effect on air quality
 - Contributions towards the Council's air quality monitoring and action planning

²⁴ <https://www.rbkc.gov.uk/planning-and-building-control/planning-policy/supplementary-planning/air-quality-spd>

²⁵ <https://www.rbkc.gov.uk/environment/air-quality/air-quality-and-climate-change-action-plan-2016-2021>

Air Quality Formula

A – Amount of new commercial floorspace in m2

Multiplied by

B – £10 per m2

Guidance

A – Provided by applicant

B – Average cost of monitoring compliance and air quality monitoring

Community Safety, Policing resources and other emergency services

- 13.30 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 community safety, policing and other emergency services. In parts of the Borough police services will already be at capacity. New populations will require additional police services.
- 13.31 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 and Guidance

London Plan

7.13 Safety, Security and Resilience to Emergency

Local Plan

CK1 Social and Community Uses

CK3 Walkable Neighbourhoods and
Neighbourhood Facilities

C1 Infrastructure Delivery and Planning Contributions

CR1 Street Network

CL2 Design Quality

Threshold

- 13.32 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 major commercial developments that are nil CIL uses (industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses) will be required to make a contribution to Policing resources and other Emergency services, if required to mitigate specific impacts of the development. A major development is defined as development of 1,000 sq m or more office, retail, industry, community, and leisure.

Requirement

- 13.33 Direct provision by the developer, the end user, or financial contributions will be sought where appropriate to secure facilities or services to improve community safety, policing and emergency services in the vicinity of the development. These will be established through review of the development impacts and may include:

- Designing out crime measures in the community, including measures to tackle terrorism
- CCTV camera installation, coverage, and monitoring arrangements.
- Additional Community Police Officers relating to the policing needs of the area

Negotiated

Negotiated on a case by case basis dependent on the specific impact of the development proposal identified by the Council's Community Safety Team and Metropolitan Police Authority.

14. Delivery of Planning Obligations

Monitoring

- 14.1 It is important that developers entering into s106 planning obligations know where, when and how their money will be spent. The Planning and 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 relevant external agencies such as Transport for London.
- 14.2 Planning obligations are enforceable by the Council as the local planning authority under the Town and Country Planning Act 1990. Payments are usually required on commencement of development unless otherwise specified in the agreement to be phased according to impact and need. 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.
- 14.3 The Council maintains records of financial and non-financial planning obligations including details of the developments site, relevant dates for the receipt of funds, the purpose of the obligation and the level of funding. Developers or interested parties are welcome to contact the Council to enquire as to the use and status of planning obligations. The value of contributions agreed and received is also reported annually in the Planning and Borough Development Monitoring Report²⁶.
- 14.4 Ensuring planning obligations are met 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. This complex process is overseen by a dedicated planning officer who is responsible for ensuring compliance with the multiple trigger points, ensuring the successful delivery of the planning obligations. As the Council starts managing and monitoring each legal Agreement/Unilateral Undertaking from the moment it is signed, payment will be required at this stage.
- 14.5 Fees will be charged by the Council under section 111 of the Local Government Act 1972 and Section 1 of the Localism Act 2011. The value of the fee will be:

²⁶ <https://www.rbkc.gov.uk/planning-and-building-control/planning-policy/monitoring-report>

Monitoring

- For a legal agreement with a total financial contribution below £15,000 there will be a fixed charge of £600
- For legal agreements with financial contributions of £15,000 or more 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 charge of £600.

Where application of the 2.5% results in a monitoring fee of less than £600, the fixed charge of £600 will apply.

15. Glossary

Affordable housing. Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the definitions for: affordable housing for rent, starter homes, discounted market sales housing and other affordable routes to home ownership.

Benchmark Land Value. Benchmark Land Value is used in viability assessments. It is the value below which the current / existing use will be retained on-site and land will not be released for development.

Carbon dioxide (CO₂). Carbon dioxide is a naturally occurring gas comprising 0.04 per cent of the atmosphere. The burning of fossil fuels releases carbon dioxide fixed by plants many millions of years ago, and this has increased its concentration in the atmosphere by some 12 per cent over the past century. It contributes about 60 per cent of the potential global warming effect of man-made emissions of greenhouse gases.

Central Activities Zone (CAZ). The Central Activities Zone is a Mayoral designation set out within the London Plan. The boundary is set by individual boroughs. It is the area where planning policy promotes finance, specialist retail, tourist and cultural uses and activities.

Community Infrastructure Levy (CIL). The mandatory charge on development which Local Planning Authorities are empowered to make in order to fund local infrastructure requirements. A levy allowing local authorities to raise funds from owners or developers of land undertaking new building projects in their area.

Crossrail 1. The first line in the Crossrail project. Crossrail 1 is an east–west, cross-central London rail link between Paddington and Whitechapel serving Heathrow Airport, Canary Wharf and Stratford. It will serve major development and regeneration corridors, and improve access to large areas of central and suburban London. The services that will use the rail link from December 2018 will be known as the ‘Elizabeth Line’.

Crossrail 2. This is a proposed new railway serving London and the wider South East. It would connect the National Rail networks in Surrey and Hertfordshire, via new tunnels and stations between Wimbledon, Tottenham Hale and New Southgate, linking in with London Underground, London Overground, the Elizabeth Line (Crossrail 1), national and international rail services. The route was safeguarded in 1991 (and subsequently refreshed in 2008) and a station in King’s Road located between 250 King’s Road and 151 Sydney Street near Chelsea Old Town Hall is proposed.

Elizabeth Line. The first line in the Crossrail project (see also Crossrail 2). The Elizabeth Line is an east–west, cross-central London rail link between Paddington and Whitechapel serving Heathrow Airport, Canary Wharf and Stratford. It will serve major development and regeneration corridors, and improve access to large areas of central and suburban London. Crossrail 1 will be known solely as the Elizabeth Line on commencement of operations in 2018.

Habitable room. For planning purposes, a habitable room is usually defined as any room used or intended to be used for sleeping, cooking, living or eating purposes. Enclosed spaces such as bath or toilet facilities, service rooms, corridors, laundries, hallways, utility rooms or similar spaces are excluded from this definition. In some circumstances, a large kitchen or kitchen dining room may be counted as a habitable room (paragraph 1.3.19 Mayor’s Housing SPG, 2016). For the purposes of density calculations solely only kitchens of above 13sqm. count as habitable rooms.

Homes and Communities Agency (HCA). A statutory public body whose role is to fund and regulate Registered Providers in England. From April 2012, the HCA’s London functions have been devolved to the Greater London Authority (GLA).

Local Plan. The plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as a development plan document adopted under the Planning and Compulsory Purchase Act 2004. The Local Plan is available at www.rbkc.gov.uk.

London Plan. This is prepared by the Mayor of London and is part of the Council’s development plan.

Major development. Is defined in accordance with The Town and Country Planning (General Development Procedure) (Amendment) (England) Order 2006 as the provision of 10 or more new dwelling units (or a site area greater than 0.5 hectares) or for all other uses where the floor space is a 1,000m² or more.

Mayoral CIL. The mandatory charge on development which the Mayor of London charges in order to fund Crossrail.

National Planning Policy Framework (NPPF). This sets out the Government’s planning policies for England and how these are expected to be applied. It sets out the Government’s requirements for the planning system only to the extent that it is relevant, proportionate and necessary to do so. It provides a planning framework within which local people and the Council can produce their own distinctive local and neighbourhood plans, to reflect the needs and priorities of their local communities.

Opportunity Areas. A Mayoral designation set out within the London Plan. These are the areas which are London’s principal opportunities for accommodating large scale development to provide substantial numbers

of new employment and housing, each typically more than 5,000 jobs and/or 2,500 homes, with a mixed and intensive use of land and assisted by good public transport accessibility.

Permit-free. A restriction that removes the eligibility of residents within permit-free developments to have on-street residents' parking permits.

Planning Contributions: This could refer to either a Planning Obligation / Section 106 Agreement (s106) or Community Infrastructure Levy (CIL).

Planning Obligation. A legally enforceable obligation entered into under section 106 of the Town and Country Planning Act 1990 to mitigate the impact of a development proposal. (See also Section 106 Agreements).

Public realm. This is the space between and within buildings that are publicly accessible, including streets, squares, forecourts, parks and open spaces.

Registered Provider (RP). The formal collective name given to Housing Associations and similar organisations.

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. Although not strictly renewable, geothermal energy is generally included.

Residual Land Value. Residual land value is determined through deducting development costs from development value to ascertain the remaining value that is available to pay for land. A development is typically deemed to be viable if the residual land value is equal to or higher than the benchmark land value (defined above), as this is the level at which it is considered that the landowner has received a 'competitive return' and will release the land for development.

Legal 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. These may be used to help mitigate the specific impact of a development where it would generate additional needs e.g. on community infrastructure. Planning Obligations are calculated on a case by case basis.

Supplementary Planning Document (SPD). Documents which add further detail to the policies in the development plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.

Transport for London (TfL). One of the GLA group organisations, accountable to the Mayor, with responsibility for delivering an integrated and sustainable transport strategy for London.

Appendix A – Summary of Contributions

fNon-Financial Contribution					
Planning Contribution	Minor Residential Units	Major Residential	Minor Commercial	Major Commercial	Requirement
Highways and Traffic Works	Y	Y	Y	Y	Mitigation measures to be identified through a transport assessment and negotiated on a case by case basis.
Public Transport	Y	Y	Y	Y	Mitigation measures to be identified through a transport assessment and negotiated on a case by case basis.
Parking Restrictions	Y	Y	Y	Y	Permit free to be secured through legal agreements as per Transport and Streets SPD (2016).
Travel Plans		Y 80 residential units or more		Y Commercial developments of more than 2500m2 (26,896ft2) GFA; retail developments of 1000m2 (10,758ft2) or more; hotels with 50 beds or more; and schools or childcare facilities of any size	Measures to be identified through a Travel Plan and negotiated on a case by case basis.
Renewable and Decentralised Energy		Y		Y	The provision of on-site renewable energy and decentralised energy generation will be secured through planning obligations
Construction Phase – Skills Training and Employment Jobs Target		Y		Y	1 apprentice per 1,500sqm of floor space where works last at least 52 weeks 1 placement per 20 units residential or 1,000sqm commercial floor space 1 placement per 20 units residential or 1,000sqm commercial floor space
Use of Local Suppliers		Y		Y	To be set out in legal agreement. 10% of total value of construction contract to be procured from SME's based in RBKC.
Community Safety, Policing and Emergency Services				Y	Direct provision by the developer, the end user, or financial contributions will be sought where appropriate. Negotiated on a case by case basis dependent on the specific impact of the development proposal identified by the Council's Community Safety Team and Metropolitan Police Authority.

Financial Contribution					
Planning Contribution	Minor Residential Units	Major Residential*	Minor Commercial	Major Commercial*	Formula
Affordable Housing	Y Sites that provide 650sqm or more gross residential GIA	Y Sites that provide 650sqm or more gross residential GIA			Determined through financial viability assessments in the exceptional circumstances justified by robust evidence that on-site provision is not possible: Residual Land Value of the scheme with 100% private housing <i>Less</i> Residual Land Value of the scheme with maximum reasonable amount of affordable housing on-site
Public Art		Y		Y	Where public art cannot be provided on-site an equivalent financial contribution: Development Value <i>Multiplied by</i> 0.01
Carbon Offsetting		Y			Where an energy assessment demonstrates that the carbon savings required cannot be delivered on-site, a payment in lieu to the Council's carbon offset will be payable on the remaining regulated emissions charged at £1,800 per tonne to be offset: Tonnes of Carbon to be offset <i>Multiplied by</i> £1,800
Travel Plans		Y 80 residential units or more		Y Commercial developments of more than 2500m2 (26,896ft2) GFA; retail developments of 1000m2 (10,758ft2) or more; hotels with 50 beds or more; and schools or childcare facilities of any size	A fixed Travel Plan monitoring fee of £1,200 is payable where a Travel Plan is required.

Financial Contribution

Planning Contribution	Minor Residential Units	Major Residential*	Minor Commercial	Major Commercial*	Formula
Construction Phase – Skills Training and Employment Jobs Target: non-compliance contribution		Y		Y	<p>In exceptional cases where the required target for the number of trainee/apprenticeship placements is not met on-site, a planning contribution will be payable to enable equivalent opportunities:</p> <p>Total Number of apprentices/paid work experience/unpaid work experience placements target</p> <p><i>Less</i></p> <p>The total number of apprentices/paid work experience/unpaid work experience placements provided and filled by the developer</p> <p><i>Multiplied by</i></p> <p>£7,000</p>
Construction Phase – Skills and Training Contribution				Y	<p>A financial contribution to support activities including the outreach, engagement and recruitment of local people and to provide initial training, pre-employment support and ongoing skills development will be sought:</p> <p>Number of apprentices/paid work experience/unpaid work experience placement target</p> <p><i>Multiplied by</i></p> <p>Cost of supporting local unemployed resident into employment £3,500</p>
End-User Employment & Training Contributions				Y Or any development that is likely to employ 50 employees or more	<p>Net new floor area (GIA) divided by number of employees per sq m = Number of new jobs created</p> <p><i>Multiplied by</i></p> <p>Current proportion of unemployed residents in the Borough (reviewed every 2 years) 8%</p> <p><i>Multiplied by</i></p> <p>£3,500</p>

Financial Contribution					
Planning Contribution	Minor Residential Units	Major Residential*	Minor Commercial	Major Commercial*	Formula
Use of Local Suppliers: Local Procurement Contribution				Y 4,000 sqm and above	Development of: 4,000 to 10,000 sqm GIA = £6,400 10,000 to 40,000 sqm GIA = £8,300 >40,000 sqm = £12,800
Library Facilities				Y Industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL.	Number of employees' <i>Multiplied by</i> 0.2 <i>Multiplied by</i> £90 per employee
Sports and Leisure				Y Industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL.	Number of new employees <i>Multiplied by</i> £72 per employee
Parks and Open Space				Y Industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL.	Number of new employees <i>Multiplied by</i> £96
Air Quality				Y Industrial/warehousing, offices (B1), retail uses, D1 and D2 uses and all other uses which have a nil CIL.	Where development impacts through physical measures cannot be achieved onsite a financial contribution will be sought: Amount of new commercial floorspace in m2 <i>Multiplied by</i> £10 per Sqm
Monitoring	Y	Y	Y	Y	For a legal agreement with a total financial contribution below £15,000 there will be a fixed charge of £600 For legal agreements with financial contributions of £15,000 or more there will be a fee of 2.5% on the total value of contributions.

Financial Contribution

Planning Contribution	Minor Residential Units	Major Residential*	Minor Commercial	Major Commercial*	Formula
					<p>For an agreement with non-financial obligations there will be a separate fixed charge of £600.</p> <p>Where application of the 2.5% results in a monitoring fee of less than £600, the fixed charge of £600 will apply.</p>