

Planning Obligations (Section 106)

Supplementary Planning Document

Using planning obligations to achieve sustainable development

December 2016



Contents

1.0	SUMMARY	4
2.0	INTRODUCTION	6
	PURPOSE OF THE DOCUMENT.....	6
	COMMUNITY INFRASTRUCTURE LEVY AND PLANNING OBLIGATIONS	6
	PLANNING OBLIGATIONS, S106 AGREEMENTS AND UNILATERAL UNDERTAKINGS	7
	OBLIGATIONS REQUIRED IN ISLINGTON.....	7
	STANDARD OBLIGATIONS AND OCCUPANCY RATES	14
3.0	POLICY FRAMEWORK	16
	CENTRAL GOVERNMENT POLICY, LEGISLATION AND GUIDANCE.....	18
	THE LONDON PLAN.....	20
	ISLINGTON CORPORATE PLAN 2015-2019	21
	ISLINGTON LOCAL PLAN.....	22
	CIL CHARGING SCHEDULE	23
	OTHER DOCUMENTS	23
4.0	INFRASTRUCTURE OBLIGATIONS	24
	ON-SITE PROVISION.....	25
5.0	ECONOMY AND EMPLOYMENT OBLIGATIONS	27
	CROSSRAIL (CENTRAL ACTIVITIES ZONE ONLY)	28
	EMPLOYMENT AND TRAINING (CONSTRUCTION PHASE) (STANDARD OBLIGATION)	30
	EMPLOYMENT AND TRAINING (OPERATION OF DEVELOPMENT) (STANDARD OBLIGATION FOR COMMERCIAL / EMPLOYMENT DEVELOPMENTS)	30
	LOCAL PROCUREMENT (STANDARD OBLIGATION)	32
	SMALL, MICRO AND/OR AFFORDABLE WORKSPACE OR AFFORDABLE RETAIL SPACE (STANDARD OBLIGATION FOR ALL MAJOR NON-RESIDENTIAL DEVELOPMENTS WHERE MAJORITY OF FLOORSPACE IS NOT IN PUBLIC EDUCATION, COMMUNITY OR SOCIAL INFRASTRUCTURE USES) ..	33
	OTHER ECONOMY AND EMPLOYMENT OBLIGATIONS	33
6.0	COMMUNITY OBLIGATIONS	34
	AFFORDABLE HOUSING (STANDARD OBLIGATION FOR RESIDENTIAL DEVELOPMENT ONLY).....	36
	ACCESSIBLE PARKING & TRANSPORT (STANDARD OBLIGATION)	38
	MARKETING WHEELCHAIR ACCESSIBLE HOMES (STANDARD OBLIGATION FOR RESIDENTIAL DEVELOPMENTS ONLY)	40
	PREVENTING WASTED HOUSING SUPPLY (STANDARD OBLIGATION FOR RESIDENTIAL DEVELOPMENTS OF 20 UNITS OR MORE).....	41
	STUDENT BURSARIES (STUDENT HOUSING DEVELOPMENTS ONLY)	42
	MIXED USE DEVELOPMENT IN THE CENTRAL ACTIVITIES ZONE	42
	COMMUNITY ACCESS PLANS AND OTHER MANAGEMENT OR OPERATIONAL PLANS	43
	OTHER COMMUNITY OBLIGATIONS	45

7.0	ENVIRONMENT OBLIGATIONS.....	47
	CONSTRUCTION PRACTICE (STANDARD OBLIGATION)	47
	HIGHWAYS AND FOOTWAYS REINSTATEMENT (STANDARD OBLIGATION)	49
	CARBON OFFSETTING (STANDARD OBLIGATION ON ALL MAJOR SCHEMES AND ON MINOR RESIDENTIAL DEVELOPMENTS)	50
	DECENTRALISED ENERGY (STANDARD OBLIGATION)	52
	REMOVAL OF ELIGIBILITY FOR RESIDENTS’ PARKING PERMITS (STANDARD OBLIGATION ON ADDITIONAL RESIDENTIAL UNITS)	55
	GREEN PERFORMANCE PLANS (STANDARD OBLIGATION)	55
	TRAVEL PLANS.....	56
	OTHER ENVIRONMENT OBLIGATIONS	58
8.0	OTHER OBLIGATIONS	59
	VIABILITY REVIEW	59
	COUNCIL COSTS	59
	OTHER	59
9.0	NEGOTIATING PLANNING OBLIGATIONS.....	60
	PRE-APPLICATION STAGE.....	60
	APPLICATION STAGE	60
	CONSULTATION	63
	DEVELOPMENT VIABILITY	63
	PAYMENT OF CONTRIBUTIONS	63
	ENFORCEMENT AND MONITORING	64
	ALLOCATION AND EXPENDITURE	64
10	APPENDIX A: OCCUPANCY AND EMPLOYMENT DENSITIES	66
11	APPENDIX B: DEVELOPMENT EXAMPLE	68
12	APPENDIX C: STANDARD HEADS OF TERMS	70
13	APPENDIX D: FREQUENTLY ASKED QUESTIONS	73
14	APPENDIX E: FURTHER INFORMATION.....	76

1.0 Summary

- 1.1 Islington has the highest population density of any local authority area in the UK, with a population that grew by 30,000 (17%) between 2001 and 2011¹, to 206,100 residents, and is predicted to continue growing. Recent GLA estimates suggest a 2016 figure of 222,396 residents². Islington has the fourth highest employment density in the capital³, and this is also projected to increase significantly in the future. High population and employment densities place pressure on infrastructure and public facilities, and this pressure will increase with each new development.
- 1.2 The Council is keen to ensure the delivery of new development as set out in its spatial plan for the borough, the Core Strategy (2011), however this must be supported by measures to ensure that development is sustainable.
- 1.3 Planning obligations are used as part of the planning application process to address specific planning issues and impacts arising from a development proposal. They are normally agreed between the Council, land owners and developers in a legal agreement called a Section 106 (S106) agreement, and are intended to make acceptable a development that would otherwise be unacceptable in planning terms.
- 1.4 Planning obligations can be used to regulate the nature of development, to address the impacts of development, and to contribute towards needs associated with a proposal. They help to ensure that new development is sustainable and assists in meeting the objectives of the Council's policies and strategies, including Islington's Core Strategy (February 2011) and its Corporate Plan 2015-19⁴.
- 1.5 This Supplementary Planning Document (SPD) provides further detail and explanation of the Council's policies on planning obligations and of the procedure for agreeing planning obligations following the adoption of Islington's Community Infrastructure Levy (CIL). Please note that this document does not establish new policy but provides guidance relating to policies in Islington's statutory Development Plan (the London Plan, Islington's Core Strategy, Development Management Policies, Finsbury Local Plan and Site Allocations). This SPD does not form part of Islington's Statutory Development Plan or Local Plan but it is a material consideration dependent on the circumstances of individual applications.
- 1.6 The Hearing for the Islington CIL Charging Schedule Examination in Public took place on 14 January 2014 and the schedule was adopted on 1 September 2014. CIL is a non-negotiable charge for funding infrastructure to support the development of an area through a tariff system applied to new developments, based on infrastructure needs and development viability. The CIL Charging Schedule includes a 'regulation 123 list', setting out the infrastructure projects or types of projects intended to be funded by CIL. Since its adoption, the Islington CIL has been applied in tandem with the borough's planning obligations requirements which have been scaled back in accordance with relevant legislation and guidance.

¹ 2001 and 2011 Census, Office for National Statistics (ONS)

² <http://data.london.gov.uk/dataset/2014-round-population-projections>

³ London Datastore, Jobs and Job Density, Borough, 2014

⁴ Towards a Fairer Islington: Our Commitment. Corporate Plan 2015-19;

[http://www.islington.gov.uk/publicrecords/library/Democracy/Quality-and-performance/Reporting/2015-2016/\(2015-10-27\)-Islington-Corporate-Plan-Oct-2015-\(resident\).pdf](http://www.islington.gov.uk/publicrecords/library/Democracy/Quality-and-performance/Reporting/2015-2016/(2015-10-27)-Islington-Corporate-Plan-Oct-2015-(resident).pdf)

- 1.7 In addition to the Islington CIL, the Mayor of London also charges a London-wide Mayoral CIL for the funding of Crossrail, which is collected by Islington on his behalf.

CIL note

- 1.8 Islington's Section 106 infrastructure requirements have been scaled back following the adoption of the borough CIL in 2014 to deal with matters that are both directly related to the specific site, and are not addressed by CIL.
- 1.9 There may still be site-specific infrastructure mitigation requirements without which a development should not be granted planning permission, and it may be appropriate to address these within a Section 106 agreement. Section 106 agreements will also continue to be used to address other policy requirements that cannot be dealt with through CIL.
- 1.10 This post-CIL version of the Planning Obligations SPD supersedes procedures detailed in any previous versions of the SPD from the date of its adoption.
- 1.11 The planning obligations necessary for each development will vary depending on the requirements associated with the individual scheme. A set of "standard" S106 planning obligations are generally used as a starting point, to provide certainty and to speed up the planning process. Different obligations are "standard" for different sizes and types of development (see table 2.1), with obligations added to or taken away from the list, as necessitated by the nature or location of the development.
- 1.12 Most obligations described as "standard" apply to the majority of major developments (1,000 sq. m of commercial or mixed use space⁵ or a residential-led development for which the site is capable of delivering an uplift of 10 residential units or more). The contribution amount or in-kind provision required for each obligation is calculated using the formulas shown in this SPD. The formulas are applied to proposed residential unit or employee uplift. If the uplift in employees is not known, the proposed floorspace for each use class is used, in combination with average employment densities (see Appendix A). Standard Heads of Terms can be found in Appendix C.
- 1.13 Members of the public and interested parties have the opportunity to make comments on any particular planning proposal during the consultation period of an application. Comments may relate to particular impacts or other issues arising from a development that could be addressed through planning obligations. Specific planning applications may be searched and commented on through the Council's website:
<https://www.islington.gov.uk/planning/applications/comment/planning-search>
- 1.14 The Council also undertakes consultations on documents which help to inform the use of planning obligations as well as on specific projects funded through S106 agreements.
- 1.15 A Strategic Environmental Assessment (SEA) Screening Statement and a preliminary Residents Impact Assessment (RIA) have been carried out for this guidance document. The SPD is available in PDF and RTF on the Council's website. Should you wish to receive a copy in a different format such as large print, audio or easy read, or in another language, please contact 020 7527 4039 and where possible we will meet requests.

⁵ A mixed use development includes more than one type of use class within the scheme

2.0 Introduction

Purpose of the document

- 2.1 This Supplementary Planning Document (SPD) updates existing guidance on the use of planning obligations, providing further information on the application of relevant policies within Islington's statutory Development Plan, consisting of the London Plan, the Islington Core Strategy and supporting development plan documents.
- 2.2 While obligations will be negotiated individually on a site-by-site basis, the SPD aims to give developers, members of the public and other stakeholders a clear indication of what obligations are likely to be required in order to make development acceptable in planning terms, to ensure the Council's objectives are met. Standard obligations will continue to be used for requirements not dealt with by CIL (see Chapter 2 section on standard obligations and occupancy rates).
- 2.3 These will assist applicants in estimating Section 106 (S106) obligation contributions, and help to reduce the time required to negotiate and agree obligations, speeding up the development management process and providing more certainty for all parties. The SPD also sets out the process for negotiating and entering into a S106 agreement (Chapter 9).
- 2.4 The SPD provides guidance on the implementation of adopted planning policies and will be a material consideration when determining planning applications.

Community Infrastructure Levy and planning obligations

- 2.5 The Community Infrastructure Levy (CIL) is a non-negotiable charge used to fund local infrastructure that will support future development. CIL was introduced by the Planning Act 2008 and came into effect through CIL Regulations 2010 (as amended). The Levy is charged on most new developments involving the creation of one or more new dwellings, or 100 square metres or more of new gross internal floorspace. The levy is charged in pounds per square metre on the gross internal area (GIA) proposed by the development. Two types of CIL are collected in Islington:
 - Borough-level Islington CIL and
 - Mayoral CIL
- 2.6 Details of the operation and collection of the Islington and Mayoral CIL are set out on the Council's website at www.islington.gov.uk/cil.
- 2.7 The Islington CIL Charging Schedule was adopted in September 2014 and finances both strategic and local infrastructure projects in the borough. The Islington CIL is used to fund the provision, improvement or replacement of community infrastructure that supports the development of the borough, such as sports and community facilities, schools, parks, playspace, health facilities and the transport network, as well as the costs of operating and maintaining infrastructure. The Islington CIL Charging Schedule sets out the variable CIL rates for different types and locations of development in the borough. The Charging Schedule and supporting documents are also available at the link above.
- 2.8 In most cases, the Islington CIL has replaced the use of planning obligations in S106 agreements to secure contributions towards infrastructure from development. S106 agreements are used to secure affordable housing, to mitigate site-specific issues, and to address other policy requirements that cannot be dealt with through CIL. The Council has published a 'Regulation 123' Infrastructure List, which sets out the items and types of

infrastructure that may be fully or partially funded by CIL. Infrastructure included in the list cannot be funded through a S106 agreement.

- 2.9 In addition, the CIL Regulations restrict the use of pooled S106 contributions towards items that could be funded via the levy. Further information on the relationship between CIL and planning obligations can be found in Chapter 8 of the CIL Draft Charging Schedule available at www.islington.gov.uk/cil.
- 2.10 The Mayor of London's CIL is used towards funding Crossrail. Islington Council collects the Mayoral CIL for developments in Islington on the Mayor's behalf. The Mayor's charging schedule was adopted in April 2012, with Islington listed as a "Zone 1 borough", assigning a £50 charge per square metre of development. Details of the Mayoral CIL can be found at www.london.gov.uk/what-we-do/planning/implementing-london-plan/mayoral-community-infrastructure-levy.

CIL note

- 2.11 Following the introduction of the borough CIL, Islington's Section 106 infrastructure requirements have been scaled back to deal with matters that are directly related to the specific site, and that will not be addressed by CIL. Section 106 agreements will continue to be used to ensure conformity with other policy requirements which cannot be dealt with through CIL.

Planning obligations, S106 agreements and unilateral undertakings

- 2.12 Planning obligations are specific requirements to be fulfilled by developers to ensure that impacts arising from a new development are addressed. For example, where a road is damaged or a community facility is lost as a result of a new development, S106 planning obligations can be used to offset these negative effects through requiring provision of or funds towards repairs or re-provision of facilities. Planning obligations are also used to ensure that a development accords with adopted planning policies and is socially, economically and environmentally sustainable, for example by ensuring that local residents are provided with training and employment opportunities.
- 2.13 Planning obligations may be contained in a S106 agreement (where the Council is also party to the document) or in a unilateral undertaking (where the Council is not). Planning obligations of either type are individual, scheme-specific legal documents used to address issues arising from development proposals to ensure that they are acceptable in planning terms. An agreement or undertaking can contain a number of planning covenants or obligations.

Obligations required in Islington

- 2.14 Planning obligations are always drawn up and negotiated based on the characteristics of the individual site and development proposed. Obligations can include either direct provision of a service or facility, contributions towards a provision made by the Council, or both. Obligations reflect the priorities and objectives set out in the London Plan and in Islington's Core Strategy, Development Plan Documents and Supplementary Planning Documents although other matters may be considered if they are relevant to the proposal.
- 2.15 Applicants for development proposals will usually be expected to enter into a S106 agreement with the Council on all schemes including one or more of the following:
- Residential dwellings;

- Hotels, hostels & student housing of 1,000 sq. metres gross external floorspace or more;
- Commercial / employment developments (defined by the DM Policies Glossary as any activities or uses that generate employment) of 1,000 square metres gross external floorspace or more;
- Mixed use developments of 1,000 square metres gross external floorspace or more (this can include residential developments of less than 10 units, combined with an office, retail or other mixed use element); and
- Other developments where necessary to ensure they are acceptable in planning terms.

2.16 This comprises all types of development meeting these thresholds, so long as it requires planning permission, including:

- new development (on vacant land or involving demolition);
- increases in usable floorspace on an existing permitted development (as part of refurbishment, demolition and rebuild or extension);
- intensification of use;
- bringing back into use of a long term vacant or significantly underused building; and
- changes of use with and without a change in floorspace.

2.17 Contributions charged will be calculated based on proposed uplifts in residential units and / or employees (see section on Standard Obligations and Occupancy Rates below / Appendix A on how this is calculated).

2.18 Requirements can be sought in relation to the following, if related specifically to the development in question:

Infrastructure – see Chapter 4

- Obligations to address infrastructure needs directly related to the specific site, which are not addressed by CIL (infrastructure charges, with the exception of Crossrail, will normally be covered by borough-level CIL)

Economy & employment – see Chapter 5

- Crossrail (Central Activities Zone only)⁶
- Employment and Training - Construction Phase
- Employment and Training - Operation of Development (on commercial / employment developments)
- Local Procurement
- Small, micro and/or affordable workspace or affordable retail space (for all major non-residential developments where the majority of floorspace is not in public education, community or social infrastructure uses)
- Other economy and employment obligations (e.g. initiatives to improve local employment, skills or training opportunities)

⁶ See section on Crossrail in Chapter 5 for more details of the funding split between S106 / CIL

Community – see Chapter 6

- Affordable housing
- Accessible Parking and Transport
- Marketing Wheelchair Accessible Homes (major residential developments only)
- Preventing Wasted Housing Supply (residential developments of 20 dwellings or more)
- Student Bursaries (student housing developments only)
- Mixed use development in the Central Activities Zone (for office developments only)
- Community Access Plans and other management or operational plans
- Other community obligations (e.g. community safety, Health Impact Assessments or public art)

Environment – see Chapter 7

- Construction practice
- Highways and footways reinstatement
- Carbon Offsetting
- Decentralised Energy
- Removal of eligibility for residents' parking permits (on additional residential units)
- Green Performance Plans
- Travel Plans (developments meeting thresholds in table 7.1)
- Other environment obligations (e.g. conservation of buildings or places of historic or architectural interest)

Council costs & other obligations – see Chapter 8

- Viability review (on all major residential / mixed use applications which do not meet the strategic affordable housing target and on all major applications where policy requirements are not met in full at the time permission is granted)
- Officer and legal costs
- Any other obligations necessary to address issues arising in relation to the development

2.19 Most planning obligations pay for a one-off cost such as the provision or improvement of a facility. In certain circumstances, a contribution may also be sought towards the ongoing costs of running a facility or providing a service. Both types of funding may be necessary to ensure that the specific impacts created by a development are addressed. As each case is assessed individually, there may be particular reasons for different developments why some obligations may be applicable and others not.

2.20 A new S106 agreement will usually be required for all new applications, including where there is an existing permission on the site. If a previous planning permission has been implemented, it is appropriate to have regard to S106 contributions that have already been paid when considering a new or revised application on the site.

2.21 If there is a valid permission on the site that has not been implemented, it may also be appropriate to have regard to the original or other previous S106 agreement. Any changes in the nature of units or floor-space being 'superseded' by the new application will need to be taken into consideration, for example if a greater number of occupants will be accommodated in the space as part of the new application.

Table 2.1: Planning Obligations required in Islington

Please note that any **mixed-use development** including residential and/or commercial elements will be liable for the sum of any obligations indicated for each element it contains.

<p>Planning obligations which generally apply, subject to assessment of the specific site</p> <p>Please note that this list is not exhaustive and other obligations may be required, having regard to site circumstances, relevant policies and evidence</p>	<p>Minor residential - Applies to all sites which can accommodate <10 residential units</p>	<p>Minor commercial - Applies to all sites containing <1000 sq. m of commercial floorspace</p>	<p>Major residential - Applies to all sites which can accommodate >10 or more residential units</p>	<p>Major commercial - Applies to all sites containing >1000 sq. m of commercial floorspace</p>	<p>CAZ - Applies only to developments in the Central Activities Zone (CAZ)</p>	<p>Applies only in special cases (e.g. on large sites > 200 units / 10,000 sq m floorspace, on student housing schemes or on other schemes with specific impacts as need arises)</p>
Infrastructure						
<p>General Infrastructure (Open Space, Leisure, Health, Education etc as per Islington CIL 'Regulation 123 list)</p>	<p>Addressed through Islington CIL</p>					<p>Potentially some provision on site, particularly on large sites / as need arises</p>
<p>Other infrastructure obligations (e.g. TfL provisions, utilities or emergency services)</p>						
Economy & employment						
<p>Crossrail</p>					<p>CAZ office, retail & hotels⁷</p>	
<p>Employment and Training (Construction Phase)</p>						
<p>Employment and Training (Operation of Development)</p>						
<p>Local Procurement</p>						

⁷ only where greater than the Mayor's CIL (see section on Crossrail in Chapter 5 of this SPD for further detail)

Small, micro and/or affordable workspace or affordable retail space				Major non-residential ⁸		
Other economy and employment obligations (e.g. to improve employment, skills, training opportunities etc)						

⁸ only where majority of floorspace is not in public education, community or social infrastructure uses

Community						
Affordable housing						
Accessible parking and transport						
Marketing Wheelchair Accessible Homes						
Preventing Wasted Housing Supply			On schemes of 20 units or more			
Student bursaries						On student housing only
Mixed use development in the CAZ					CAZ office schemes only	
Community Access Plans and other management or operational plans						E.g. on large sites
Other community obligations (e.g. community safety, Health Impact Assessment or public art)						
Environment						
Construction practice						
Highways and footways reinstatement						
Carbon offsetting						
Decentralised Energy	On minors only if feasible & if within 100m of existing / planned network					
Removal of eligibility for residents' parking permits						
Green Performance Plans						
Travel Plans			See table 7.1 for specific thresholds			
Other environment obligations (e.g. conservation of buildings or places of historic or architectural interest)						

Other obligations						
Viability review mechanism			Where affordable housing target not met / policy requirements not met in full at time permission is granted			
Officer and legal costs						
Any other obligations necessary to address further issues arising in relation to the development.						

Standard obligations and occupancy rates

2.22 As noted above, some obligations are “standard obligations”. These obligations are used as a starting point for drawing up a S106 agreement for those developments that meet the relevant thresholds as shown below and in table 2.1. Obligations are then added to or subtracted from the list, depending on the nature and location of the scheme in accordance with statutory requirements.

2.23 The following standard obligations apply to major developments (commercial / mixed use schemes of 1,000 sq m floorspace or more or sites capable of providing 10 or more residential units):

Economy and employment:

- Employment and training - construction phase
- Employment and training - operation of development (on commercial / employment developments)
- Local procurement
- Small, micro and/or affordable workspace or affordable retail space (on major non-residential developments for which the majority of floorspace is not in public education, community or social infrastructure uses)

Community:

- Affordable housing (residential development only)
- Accessible parking and transport
- Marketing wheelchair accessible homes (residential development only)
- Preventing wasted housing supply (residential development of 20 dwellings or more)

Environment:

- Construction practice
- Highways and footways reinstatement
- Carbon offsetting
- Decentralised energy
- Removal of eligibility for residents’ parking permits (additional residential development only)
- Green performance plan

2.24 The contribution amount due for each obligation is calculated using the formulas shown in this SPD. These formulas, shown in blue boxes, are based on:

- An assessment of the scale and nature of the impacts of a new development; and
- Needs and planning requirements applicable to development throughout the borough or in a particular part of the borough.

2.25 The formulas are applied to the proposed uplift in the number of residential units or employees. There are two ways of ascertaining the current occupancy of a commercial building, in order to establish the level of uplift in occupancy:

- If current occupancy levels are specified by the applicant on the planning application form or planning statement, we will use the self-declared occupancy as a starting point and calculate uplifts based on this, also taking into account average employment densities as detailed in Appendix A (unless the applicant provides proof that current occupancy is only temporarily different to the usual occupancy levels of the site, for

example when a site has been decanted due to an intention to end leases in preparation for demolition or refurbishment, and that the site could return to full use shortly without the granting of planning permission); or

- If current occupation levels are not specified / not certain in exact terms at the time of calculating Heads of Terms, an estimate of current occupancy levels is calculated by applying average employment densities, as detailed in Appendix A, and applied to the floorspace figures for each use class currently permitted on site.

- 2.26 Occupancy levels are applied to the floorspace figures for each use class proposed for the development. Uplift is established by subtracting existing from proposed occupation figures.
- 2.27 A worked development example is included in Appendix B, to show how increases in residential unit numbers and commercial occupancy interact with the obligation formulas to calculate planning obligations required.
- 2.28 Standard Heads of Terms are provided in Appendix C to give an indication of the terms that will usually form the basis of a typical S106 agreement. Each development proposal will be subject to assessment by officers and only planning obligations will be sought which meet the relevant tests as set out in the CIL Regulations 2010 (as amended) and the NPPF (see Chapter 3 of this SPD).
- 2.29 The level of planning obligations required may also increase or decrease based on the nature, location and impacts of the development and the characteristics and facilities of the local area. Charges may be updated to reflect inflation in costs.
- 2.30 The requirements in the Planning Obligations SPD have been informed by the development plan (including responses to consultation processes as well as research and technical evidence prepared to underpin policies), responses to SPD consultation processes (e.g. on previous versions of the Planning Obligations SPD and on any other SPDs which include requirements for planning obligations), discussions with internal consultees, research into the provision of infrastructure and facilities to meet future demand and research to underpin the Community Infrastructure Levy Charging Schedule.
- 2.31 The Council has also undertaken extensive viability work which assessed the impact of CIL and other policy requirements on the viability of development (see http://www.islington.gov.uk/services/planning/planningpol/community_infrastructure_levy/Pages/CIL-Charging-Schedule---Submission-Document-List.aspx). Viability testing indicated that CIL contributions and most other planning obligations account for only a small proportion of development costs and in most cases are very unlikely to make a development unviable. This is particularly the case for S106 obligations which have been scaled back since the introduction of CIL.

3.0 Policy framework

- 3.1 This SPD provides guidance on the use of planning obligations in Islington based on the principles established in a range of planning policy and guidance on a national, London-wide and local level. In line with the NPPF, this SPD aims to make schemes acceptable in planning terms that would otherwise have been unacceptable and to help applicants make successful applications by providing explanation and elaboration on existing policy, strategies and standards. As an SPD, this document does not set new policies and is not part of the local development plan for Islington, but it is capable of being a material consideration.
- 3.2 Each obligation is justified by a set of policies, setting out the reasons for which this obligation can be charged. In the following chapters (Chapters 4 - 8), the relevant policies from the key strategic planning documents, (i.e. the NPPF, the London Plan, the Islington Core Strategy, and the Islington DM policies) are set out under each obligation heading, in the following format:

POLICY SIGNPOST	NPPF Paragraph xxx	LONDON PLAN Policy x.x	CORE STRATEGY CS xx	DEVELOPMENT MANAGEMENT POLICIES DMx.x
----------------------------	------------------------------	----------------------------------	-------------------------------	---

- 3.3 This is to provide a policy sign-post to the particular obligation's policy justification.
- 3.4 As supplementary planning guidance, this document, rather than establishing new policy, merely provides a summary, reference point and elaboration for all relevant existing policies as already contained in the Islington Development Plan and in national planning policy.
- 3.5 For the five key policy documents referenced in this SPD, except where specified otherwise:
- National Planning Policy Framework references (e.g. **NPPF 111**) always relate to NPPF paragraph numbers
 - London Plan references (e.g. **London Plan 1.1**) always relate to London Plan policy numbers
 - Core Strategy references (e.g. **CS 11**) always relate to Core Strategy policy numbers
 - Development Management references (e.g. **DM1.1**) always relate to Development Management policy numbers.
 - Finsbury Local Plan references (e.g. BC 10) always relate to Finsbury Local Plan policy numbers.
- 3.6 Relevant documents include but are not limited to:

National policy, legislation & guidance

- Town and Country Planning Act 1990 and amendments
- Planning and Compensation Act 1991
- Planning and Energy Act 2008
- Housing and Planning Act 2016
- National Planning Policy Framework (March 2012), which replaces previous Government Planning Policy Guidance/ Statements and Circulars

- National Planning Practice Guidance
- Town and Country Planning (Local Planning) (England) Regulations 2012
- The Localism Act 2011
- Community Infrastructure Regulations (April 2010) and Amendments
- Equalities Act 2010

Local policy

Adopted Development Plan

- London Plan (March 2015)
- Islington Core Strategy (February 2011)
- Development Management Policies (June 2013)
- Finsbury Local Plan (June 2013)
- Site Allocations (June 2013)

Other Development Plan Documents (forming part of the Development Plan once adopted)

- North London Waste Plan⁹

Supplementary planning documents¹⁰

- Affordable Housing Small Sites SPD (October 2012)
- Student Accommodation Contributions for Bursaries SPD (June 2013)
- Environmental Design SPD (October 2012)
- Streetbook SPD (October 2012)
- Inclusive Design in Islington SPD (February 2014)
- Preventing Wasted Housing Supply SPD (July 2015)
- Development Viability SPD (January 2016)
- Basement Development SPD (January 2016)
- Location and Concentration of Uses SPD (April 2016)

Related local plans and strategies

- Corporate Plan 2015-2019
- Transport Strategy and Implementation Plan 2011-2031 (March 2012)
- Fairness Commission Report (June 2011)
- Supporting People Strategy 2010-2015¹¹

⁹ A draft version of the North London Waste Plan prepared under Regulation 18 was consulted on in Summer/Autumn 2015. Adoption is expected in 2018.

¹⁰ https://www.islington.gov.uk/planning/planningpol/pol_supplement

¹¹ See also http://www.islington.gov.uk/advice/housingadvice/supporting_people/Pages/default.aspx and http://www.nihe.gov.uk/index/advice/supporting_people.htm

- 3.7 Other documents that set out the policy background and evidence supporting this document may also be referred to throughout the document as relevant.
- 3.8 Please note that any references to these policies, plans, strategies, standards, SPDs, legislation, regulations, guidance and so forth will also apply to any replacements, additions or alterations to these documents, during the lifetime of this SPD.

Central government policy, legislation and guidance

- 3.9 The legal basis for planning obligations is set out in Section 106 of the **Town and Country Planning Act 1990**. The Section defines the covenants and commitments which may be contained in planning obligations as those:
- restricting the development or use of the land in any specified way;
 - requiring specified operations or activities to be carried out in, on, under or over the land;
 - requiring the land to be used in any specified way; or
 - requiring a sum or sums to be paid to the authority on a specified date or dates or periodically.
- 3.10 This is supplemented by Regulation 122 of the **Community Infrastructure Levy (CIL) Regulations 2010** (as amended) which states that a planning obligation may only constitute a reason for granting planning permission if it is:
- necessary to make the development in question acceptable in planning terms;
 - directly related to the development; and
 - fairly and reasonably related in scale and kind to the development.
- 3.11 The CIL Regulations place the following limitations on the use of planning obligations:
- Planning obligations may only constitute a reason for granting planning permission if they meet three tests (see above);
 - Upon local adoption of the levy, where a Charging Authority sets out that it intends to fund an item of infrastructure via the levy, that authority cannot seek a planning obligation contribution towards the same item of infrastructure; and
 - Pooled S106 contributions may only be sought from a maximum of up to five separate planning obligations for projects or types of projects that could otherwise be funded from CIL.
- 3.12 Please note that this limit of five does not apply to Crossrail or to items that are not capable of being funded through CIL, such as Affordable Housing.
- 3.13 The **National Planning Policy Framework (NPPF)** published in 2012 also reflects the three tests referred to above as follows:

203. Local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition.

204. Planning obligations should only be sought where they meet all of the following tests:

- 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.

205. Where obligations are being sought or revised, local planning authorities should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned development being stalled.

- 3.14 This is supported by the national **Planning Practice Guidance** (PPG) section on Planning Obligations which states in Paragraph 001 that “Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet the tests that they are necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind”. PPG encourages local authorities to publish standard forms and templates and further information to assist with the process of agreeing planning obligations (PPG para 027) as provided in this SPD. It further urges early engagement between applicants and councils.
- 3.15 Following a Court of Appeal decision, restrictions on contributions from small developments (10 units and 1,000 sq m or less) have been reinserted into PPG. The Council will take into account these provisions on a case by case basis when determining applications in accordance with the development plan and other material planning considerations.
- 3.16 In terms of varying planning obligations, this can be done by agreement with the Council or by a formal application to the Council under Section 106A of the Town and Country Planning Act 1990. In most cases, a S106 agreement has to be at least five years old before Section 106A procedures allow a developer to seek to review it.
- 3.17 As stated in the PPG section on ‘Amending the conditions attached to a permission including seeking minor material amendments (application under Section 73 TCPA 1990)’, Section 73 of the Town and Country Planning Act 1990 allows for varying planning conditions “to seek a minor material amendment, where there is a relevant condition that can be varied”. This “is likely to include any amendment where its scale and/or nature results in a development which is not substantially different from the one which has been approved”. Where amendments to a permitted scheme are proposed which change the use or character of a development or increase the floorspace assessed as part of the original application, additional obligations or CIL charges may be required. Where amendments do not fall within the confines of what is permitted under Section 73, the proposal may be dealt with as a new application and new planning obligations will be calculated accordingly.
- 3.18 New regulations in the **Housing and Planning Act 2016** will allow the Secretary of State to impose restrictions or conditions on the enforceability of planning obligations relating to affordable housing contained in a S106 agreement. The Act will also introduce new procedures for settling disputes relating to the negotiation of planning obligations and a number of other changes. However, details are yet to be set out in secondary legislation, which has not been published at the time of writing this SPD. Introduction of this legislation must follow due parliamentary process, which the Council will monitor. The Council will consider the impacts of further regulatory changes as they come into effect.
- 3.19 The NPPF attaches great importance to addressing impacts of development, providing facilities needed to make development sustainable and to addressing potential barriers to investment. NPPF paragraph 156 states that local planning authorities should set out the strategic priorities for the area in their Local Plan and put in place strategic policies to deliver a range of provisions including infrastructure for transport and health, community and cultural infrastructure, local facilities, climate change mitigation and adaptation, conservation measures etc. Some of these provisions to support new development are secured through planning obligations and some through CIL.

- 3.20 While acknowledging the importance of providing sufficient and appropriate facilities to support development and of addressing the impacts of development, the NPPF also places great importance on maintaining development viability. NPPF Paragraph 173 states that to ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable. Procedures for assessing viability in line with the NPPF are set out in the Council's Development Viability SPD.
- 3.21 NPPF Paragraph 174 requires planning authorities to test the sum of the Local Plan's requirements to ensure that they facilitate development throughout the economic cycle. This is supported by PPG paragraph 002 which states that local authorities should ensure that the combined total impact of CIL and planning obligations does not threaten the viability of the sites and scale of development identified in the development plan. Islington's local plan policies were tested in a study which considered the cumulative viability of the Council's requirements. The study used a Residual Land Value appraisal to assess the viability of a full, representative range of sites across the borough.
- 3.22 The **Public Sector Equality Duty** (part of the Equalities Act 2010) came into force across Great Britain on 5 April 2011. It means that public bodies have to consider all individuals when carrying out their day-to-day work. For planning obligations purposes, this means that the Council has to consider all individuals, including those with protected characteristics such as a disability, when it writes and interprets policy such as through this SPD, and when it delivers services or facilities paid for through S106 funds.
- 3.23 The duty also requires that the Council:
- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
 - Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - Foster good relations between people who share a protected characteristic and people who do not share it.

The London Plan

- 3.24 The London Plan, formulated by the Mayor of London, is the Spatial Development Strategy for London and forms part of Islington's Development Plan. The latest version, consolidated with alterations since 2011, was published March 2015. Minor alterations to the London Plan 2015 were published in March 2016. The London Plan sets out an integrated economic, environmental, transport and social framework for the development of London over the next 20–25 years. It is supported by supplementary planning guidance (SPG) on a range of subjects¹², including on
- Crossrail
 - Housing
 - The Central Activities Zone
 - Social Infrastructure

¹² <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/supplementary-planning-guidance>

- Achieving an Inclusive Environment
- Control of Dust and Emissions
- Town Centres
- Character and Context and
- Sustainable Design and Construction.

3.25 London Plan Policy 8.2 assigns strategic lead funding priority for planning obligations jointly to affordable housing and transport. Particular emphasis is placed on the delivery of Crossrail, which will be funded through the Mayoral CIL (Policy 6.5) as well as through planning obligations. Other priorities for funding through planning obligations are climate change mitigation and adaptation, learning and skills, healthcare, child care facilities and small shops.

3.26 Boroughs should set out a clear framework for negotiations of planning obligations. It will be a material consideration whether a development makes appropriate contributions and/or provisions towards meeting requirements made necessary by, and related to, the proposed development. Negotiations should seek a contribution towards the full cost of all such provision that is fairly and reasonably related in scale and kind to the proposed development and its impact on a wider area (Policy 8.2).

3.27 Other London Plan policies are referred to throughout this SPD where relevant. The London Plan is available via <http://www.london.gov.uk/priorities/planning/london-plan>.

Islington Corporate Plan 2015-2019

3.28 The Islington Corporate Plan sets out the Council's proposals for creating a fairer Islington for everyone who lives and works in the borough. This includes actions from the Islington Fairness Commission. The plan's vision is "to make Islington fairer and create a place where everyone, whatever their background, has the same opportunity to reach their potential and enjoy a good quality of life". It contains six priorities towards achieving this vision:

- Building more Council housing and supporting private renters
- Helping residents who are out of work to find the right job
- Helping residents cope with the rising cost of living
- Providing residents with good services on a tight budget
- Making Islington a place where our residents have a good quality of life

3.29 S106 agreements will be used to help achieve the priorities of the Corporate Plan, particularly through on-site delivery of affordable housing, financial contributions to off-site delivery of affordable housing, provision of suitable facilities, resources and opportunities for residents of new developments and through the mitigation of negative development impacts on other residents' quality of life affected by a new development. Planning obligations can also help unemployed borough residents through the creation of employment and training opportunities.

Islington Local Plan

3.30 Islington's Local Plan¹³ currently comprises the Core Strategy and the Development Management (DM) Policies, Site Allocations and Finsbury Local Plan DPDs. The Core Strategy sets out strategic planning policies and spatial strategies for the shaping of borough development to 2025 and beyond. Islington's Development Management (DM) Policies, Site Allocations and Finsbury Local Plan, are aimed at achieving development that helps deliver the vision and objectives set out in the Core Strategy, to bring forward sustainable development.

3.31 Key measures and requirements specifically mentioned in the Core Strategy, DM and Finsbury Local Plan Policies to be delivered through planning obligations are as follows (although some of these are now primarily funded through CIL except in special circumstances or on very large sites where appropriate onsite provisions are required):

- Sustainable development (DM9.2)
- Affordable housing (CS 12)
- Infrastructure (CS 18 & DM9.1)
- Social and strategic infrastructure and cultural facilities (DM4.12)
- Crossrail (DM8.3)
- Transport / Public Transport (DM8.2 & DM 8.3)
- Walking & Cycling (DM8.4)
- Car Clubs (DM8.4)
- Accessible Parking (DM8.5)
- Open space and green infrastructure (CS 15 & DM6.2).
- Play space (CS 16)
- Employment spaces (CS 13)
- Size and affordability of workspace (DM5.4)
- Sustainable Design (CS 10, DM7.1 & DM7.2)
- Student Accommodation (CS 12)
- Health / Health impact assessments (CS 19 & DM6.1)
- Priority projects of the Finsbury Local Plan (BC 10)

3.32 Detailed guidance on how these policies will be applied is contained in the Council's Supplemental Planning Documents (http://www.islington.gov.uk/services/planning/planningpol/pol_supplement/Pages/default.aspx).

3.33 In addition to specific references within the Local Plan, there are also further local plan policies and objectives which can be delivered through planning obligations, which are mentioned where relevant in this SPD.

13

http://www.islington.gov.uk/services/planning/planningpol/local_dev_frame/Pages/default.aspx?extra=11

- 3.34 The Core Strategy emphasises the need for flexibility when applying planning obligations, to maintain viability, should market conditions seriously threaten local housing delivery rates across the borough. This is in line with requirements in the NPPF and PPG. Claims of an inability to meet planning obligations due to viability reasons must however be supported by a financial viability appraisal in line with the Council's Development Viability SPD, as well as payment for an independent appraisal review, conducted by a Council appointed expert and approved by the Council (see Chapter 9 of this SPD and the Islington Development Viability SPD for further details).
- 3.35 The Council is currently in the process of undertaking a local plan review. The Local Development Scheme (April 2016) available on the Council's website¹⁴, sets out which planning documents the Council proposes to produce in the near future, and when these documents are expected to be consulted upon and adopted.

CIL Charging Schedule

- 3.36 The Islington Community Infrastructure Levy (CIL) Charging Schedule came into effect on 1 September 2014. The Charging Schedule sets out the CIL rates for different types and locations of development in the borough. Islington has variable CIL rates depending on the land use type and area of the borough. The Charging Schedule was approved at an Examination on the Council's CIL proposals and it is supported by evidence relating to infrastructure needs and the viability of development. The Islington CIL Charging Schedule and information on the operation of CIL is available on the Islington website: www.islington.gov.uk/cil. Further information on CIL is set out in Chapter 2 of this SPD.

Other documents

- 3.37 In determining planning applications, linkages may also be made with other policy, strategy, legislation and guidance documents, including the supplementary planning documents, plans and strategies listed in paragraph 3.6, as appropriate.

¹⁴ [http://www.islington.gov.uk/publicrecords/library/Planning-and-building-control/Publicity/Public-consultation/2016-2017/\(2016-04-29\)-Local-Development-Scheme-\(April-2016\).pdf](http://www.islington.gov.uk/publicrecords/library/Planning-and-building-control/Publicity/Public-consultation/2016-2017/(2016-04-29)-Local-Development-Scheme-(April-2016).pdf)

4.0 Infrastructure obligations

4.1 DM9.1 states that to ensure development is sustainable, planning permission will only be granted for development that clearly demonstrates there will be sufficient infrastructure of all types to support it. Due to Islington's high population and employment density, this is particularly crucial.

CIL note

4.2 Financial contributions towards these types of provision will normally be dealt with through Islington's Community Infrastructure Levy (CIL).

4.3 However, in some cases, a development may create a specific infrastructure need which will not be addressed through CIL. In these cases, planning obligations may still be used to require a contribution, if it:

- is necessary to make the development acceptable in planning terms;
- complies with the CIL Regulations; and
- can be justified with reference to underpinning evidence in the Development Plan and infrastructure planning.

4.4 Since 1 September 2014, most infrastructure needs related to new development in Islington have been addressed through CIL. This means that improvements to existing Council-owned public open space, amenity space and play space will generally be funded through CIL.

4.5 Infrastructure contributions that can be sought through planning obligations deal with infrastructure needs directly related to the specific site, which are not addressed by CIL. This may include:

- Re-providing facilities lost or compromised (e.g. existing community centre being demolished as part of a development).
- Re-instatement or repair of damage caused by a development (Please note that any damages relating to highways and footways are covered by the highways and footways reinstatement obligation, and transport mitigation related to the construction process may be addressed through the construction practice obligation. please see Chapter 7 of the SPD).
- Undertaking works required by policy, such as street cycle parking, on-site provision of open space/amenity space/play space or provision of accessible parking and transport (the latter is addressed through the accessible parking and transport obligation in Chapter 6 of this SPD).
- Undertaking other works directly relevant to a specific site (e.g. access to a public footpath, canal towpath etc.).

4.6 It is not appropriate to address these types of works through CIL as they are only required on some specific developments or in special circumstances, which the Council would not be able to reliably predict or appropriately address through CIL.

4.7 In addition to planning obligations and CIL contributions required by the Council towards infrastructure, **Transport for London** (TfL) and other transport bodies may also require planning obligations towards mitigating the transport impacts of the development. These could relate to transport infrastructure and/or services. Examples of site specific transport

mitigation that may be required to make a development acceptable in planning terms include but are not limited to:

- New or improved bus stops, interchanges, stations and stands and any necessary associated infrastructure, driver or passenger facilities;
- New, extended or revised bus routes;
- Improvements, repairs (when damage is the result of the development) or reinstatements related to the Transport for London Road Network, including any commuted maintenance payments;
- Station enhancements such as ticketing areas and equipment, entrances, stairs, platforms, lifts, gatelines, passenger and/or staff facilities, security measures etc.;
- New or enlarged cycle hire docking stations or additional emptying or filling of docking stations;
- New or enlarged taxi ranks and/or drop off or pick up bays including any necessary driver and/or passenger facilities;
- Public realm enhancements; and
- Improvements to walking and/or cycling infrastructure generally including new routes and facilities, cycle parking, way finding (such as Legible London signage).

4.8 Where TfL (rather than the Council) is the relevant highway authority, the developer will be required to enter into an agreement with TfL providing for reinstatement of highways and footways. Any further works to the public highway or related works necessary to enable a development to take place will need to be agreed by the Council (or Transport for London or by neighbouring authorities where appropriate) and the costs of such works will also be payable by the applicant.

On-site provision

4.9 As part of suitable larger developments (usually in excess of 200 residential units or 10,000 square metres of gross external floorspace), the Council may require certain infrastructure items, such as community facilities or public open space, to be provided by developers on site. This is usually addressed through the main application proposals and planning conditions (conditions placed upon the grant of planning permission) or through CIL.

4.10 Planning obligations may however be required to outline arrangements for the specific access to a site or facility, or for its use, management or delivery. For example, an obligation could state that “the xx facility and associated open space shall be opened to the public prior to occupation of the 100th unit”, or that “£xxx shall be spent on the xx facility”.

CIL note

- 4.11 Where land or facilities are being provided on a development site for the provision of infrastructure, the CIL Regulations 2010 (as amended) allow for the Council to accept this as an 'in-kind payment' of CIL. In such cases, the relevant land must be transferred to the Council as payment of the charge. The land must be valued to determine the appropriate level of CIL which it accounts for. The Council will assess any proposals for in-kind payments of CIL on their merits and in accordance with CIL Regulations.
- 4.12 The CIL Regulations 2010 (as amended) also allow for the Council to accept one or more infrastructure payments in satisfaction of the whole or part of the CIL charge on a development. In order to allow infrastructure payments in Islington, the Council has published a document on its website giving notice that it is willing to accept infrastructure payments, and setting out the types of infrastructure it will consider accepting as infrastructure payments. In order to accept an infrastructure payment, the infrastructure type must be included on the Council's Regulation 123 Infrastructure List as a type of infrastructure that may be funded wholly or partly by CIL. The Council must also be satisfied that the infrastructure to be provided is not necessary to make the development acceptable in planning terms.

5.0 Economy and employment obligations

- 5.1 The planning system can play an important role in building a strong, responsive and competitive economy (NPPF 7) for all.
- 5.2 Development can help to maximize the opportunity for community diversity, inclusion and cohesion, sustaining the continuing regeneration of inner London and redress its persistent concentrations of deprivation (London Plan Policy 4.1). One of the ways in which this can happen is through increasing opportunities for local employment and local businesses, to make communities sustainable and to decrease social polarisation. The Mayor of London supports working to realise the potential of inner London in ways that sustain and enhance its recent economic and demographic growth while also addressing its unique concentrations of deprivation (London Plan Policy 2.9).
- 5.3 For this purpose, it is essential to promote the availability of a sufficient number and variety of jobs and workspaces, as well as ensuring that local residents have the skills and experience necessary to take advantage of the job and business opportunities open to them.
- 5.4 Obligations aimed at improving the local economy and securing access to employment for local residents can include:
- Crossrail (Central Activities Zone only)
 - Employment and Training - Construction Phase (standard obligation)
 - Employment and Training - Operation of development (standard obligation for commercial / employment developments)
 - Local Procurement - (standard obligation)
 - Micro, small or affordable workspace or retail space (standard obligation for all major non-residential developments where majority of floorspace is not in public education, community or social infrastructure uses).
 - Other economy and employment obligations (e.g. initiatives to improve local employment, skills, training etc.)
- 5.5 Compared with other areas, Islington has:
- above average levels of unemployment¹⁵
 - a firm structure dominated by micro and small enterprises¹⁶
 - low (below optimal) vacancy rates¹⁷
 - a high proportion of residents claiming Job Seekers' Allowance and income support, and
 - a high proportion of long term unemployed residents¹⁸

¹⁵ 48th highest in the country and 7th highest in London by local authority in 2015

Source: Office of National Statistics (April 2016) Regional labour market statistics: M01 Model based estimates of unemployment for local and unitary authorities and parliamentary constituencies in Great Britain

¹⁶ Islington Employment Land Study (March 2016)

http://www.islington.gov.uk/services/planning/planningpol/local_dev_frame/pol_evidence/Pages/default.aspx

¹⁷ Islington Employment Land Study (March 2016)

- 5.6 One of the results of this is that nearly half of Islington’s children live in poverty, and almost all of those children are in workless families. At the same time Islington has the fourth highest employment density in the capital. High polarisation of wealth in the borough means that the lowest paid workers in Islington earn, on average, only a quarter of the better paid earners.
- 5.7 The 2016 Islington Employment Land Study places particular importance on nurturing small and medium sized enterprises (SMEs) in the borough. SMEs play a driving role in the Islington economy with micro businesses in the 0-4 persons category predominating. The dominant sectors are Information & Communications and Professional, Scientific & Technical firms. The study underlines the importance of start-up and micro businesses in the key growth sectors to Islington’s economic and employment prospects. This is particularly important in light of the fact that the borough has recently sustained substantial losses to employment spaces (mostly offices) due to new permitted development rights, many of which would have been the types of spaces suitable for meeting the diverse need of Islington’s SMEs or were already accommodating active businesses of this category, generating valuable jobs and output for the borough.

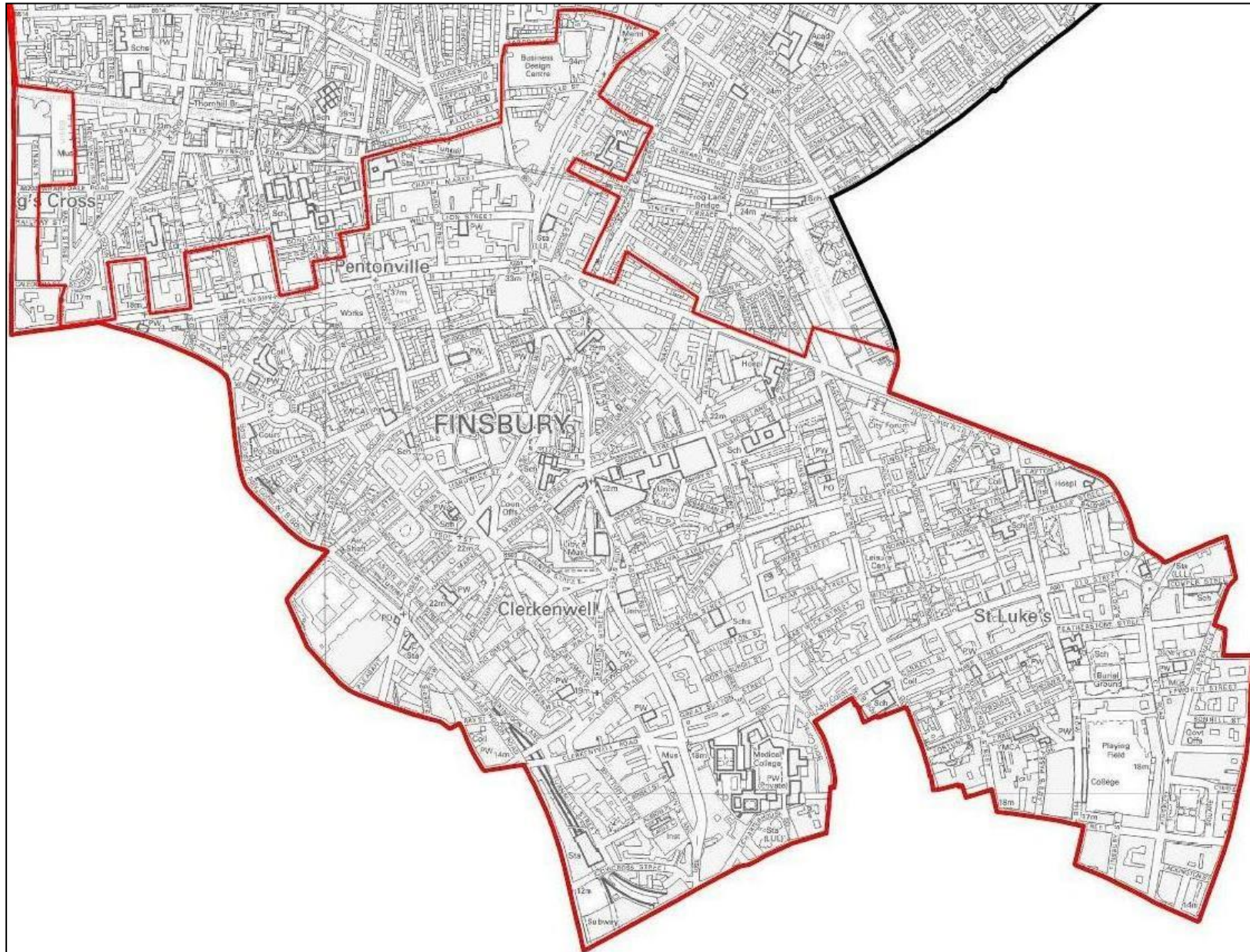
Crossrail (Central Activities Zone only)

POLICY SIGNPOST	NPPF	LONDON PLAN Policy 2.10, 2.11, 6.4, 6.5 & 8.2	CORE STRATEGY CS 7	DEVELOPMENT MANAGEMENT POLICIES DM8.3
----------------------------	-------------	--	------------------------------	---

- 5.8 Crossrail funding is an exception to the division of responsibilities between CIL and S106. Islington collects funding on behalf of the Mayor, through Mayoral CIL or Section 106 (S106).
- 5.9 The S106 charge for those parts of Islington which are in the Central Activities zone (the area bounded by the red line on figure 5-1) is:
- For office developments: £140 per sq m
 - For hotel developments: £61 per sq m
 - For retail developments: £90 per sq m
- 5.10 The Mayor of London’s CIL in Islington is charged at £50 per sq m and applies to most developments which create a new residential unit or propose more than 100 sq m of new floorspace.
- 5.11 To ensure that schemes are not double charged, the Mayor of London has specified that any money payable under the Mayor’s CIL will be credited against any money that would otherwise be secured for Crossrail through planning obligations under London Plan Policy 8.2. This means that when an application triggers both the Mayoral CIL and S106 Crossrail contribution, the Mayoral CIL will be payable in full and offset against the S106 Crossrail charge.
- 5.12 Any remaining S106 charge will be payable as a ‘top up’ in addition to the CIL charge. If the CIL charge is greater than the S106 Crossrail charge there will be no S106 Crossrail contribution due from the development. For further details see paragraphs 4.15-4.20 of the Mayor’s Supplementary Planning Guidance on Crossrail Funding (March 2016). This document is available at https://www.london.gov.uk/sites/default/files/crossrail_funding_spg_updated_march_2016v2.pdf

¹⁸ Islington Employment Commission Paper ‘The picture of unemployment in Islington’ (January 2014)

Figure 5-1: Central Activities Zone boundary



Employment and training (construction phase) (standard obligation) & Employment and training (operation of development) (standard obligation for commercial / employment developments)

POLICY SIGNPOST	NPPF	LONDON PLAN Policy 2.9, 4.1, 4.12 & 7.1	CORE STRATEGY CS 10 & CS 13	DEVELOPMENT MANAGEMENT POLICIES DM9.2
------------------------	-------------	---	---------------------------------------	---

- 5.13 Strategic development proposals should support local employment, skills development and training opportunities, by providing jobs and training opportunities/support as follows:
- On-site construction training opportunities from developments of 10 residential units or above, hotels, student accommodation or hostels with 20 or more rooms, or with an uplift in business/employment floorspace of 500m² or greater Gross External Area (GEA) (Core Strategy CS 13); and
 - Jobs and training opportunities including apprenticeships from developments with an uplift in business/employment floorspace of 500m² or greater GEA; (London Plan Policy 4.12 & 2.9).
- 5.14 In line with this, Islington’s Core Strategy objective 8 is to tackle worklessness through training and employment initiatives. Using local labour also reduces the need to travel which will help to ensure that development is more environmentally sustainable, in line with Policy CS 10.
- 5.15 It is a strategic policy within the Islington Core Strategy to improve job opportunities for local residents, especially those who are disadvantaged in the labour market. Policy CS 13 states that new major developments will be required to provide jobs and training support and opportunities where there is a proven need. As such, the Council requires that opportunities for employment, training and other measures to overcome barriers to employment are provided through the construction phase of a development, as well as through the end use of a scheme, as set out in the Code of Employment and Training¹⁹.
- 5.16 Despite significant employment growth over the last 15-20 years, levels of worklessness in Islington have remained very high. This has been exacerbated by a shift towards a highly skilled, knowledge based economy, resulting in significant skills gaps between many Islington residents and the types of jobs being created, which are inaccessible without complementary employment and training opportunities. This obligation is aimed at ensuring that some of the benefits of London’s large construction and other employment markets go to resident workers, to help decrease deprivation and local unemployment and to create employment opportunities for the most vulnerable residents of the borough. The obligation thus helps the proposed development to deliver sustainable development (DM9.2).
- 5.17 Further information on the Council’s requirements relating to the construction phase and end use of the development are set out below, as well as in the Code of Employment and Training.
- 5.18 The Code seeks that construction work placements for local residents, each lasting a minimum of 26 weeks, should be facilitated during the construction phase of the development. The Council’s designated employment service works with employers,

¹⁹ <http://www.islington.gov.uk/s106>

responding both to their requirements and to the needs of unemployed residents in accessing construction sector jobs. The team does this by identifying appropriate positions within the various works packages that support entry level, improver, journeyman, apprenticeships and trainee type roles and by providing access to appropriately capable employees to assist developers and contractors in meeting local employment obligations. Developers will pay those undertaking placements at least the London Living Wage²⁰.

5.19 The number of placements that are sought is based on the estimated number of construction jobs likely to be created by a development, based on information provided for completed developments in the borough and the extent of local training and support needs based on unemployment figures.

5.20 The number of placements sought is as follows:

Formula - Construction placements

1 construction training placement per:

20 residential units;

20 student/ hotel/ hostel bedrooms;

1000 sq m (GEA) commercial and employment floorspace (additional and/or replacement)

5.21 Should it not be possible to provide these placements, the Council will seek an equivalent contribution for construction training, support and local procurement to enhance the prospects of the use of local employment in the development. This is based on the following formula:

Formula - Employment and training contribution – Construction

Number of construction placements (based on formula above) x cost of providing construction training and support per placement (£5,000) = contribution due

5.22 This is based on the average costs of providing construction training and support per person in Islington.

5.23 An employment and training contribution will also be sought to improve the prospects of local people accessing new jobs created in the proposed development. This is based on the proportion of Islington residents who require training and support (in 2015, according to the Office for National Statistics, 6.7% of Islington residents were unemployed²¹) as reflected in the following formula:

²⁰ <https://www.islington.gov.uk/about-the-council/vision-and-priorities/london-living-wage>

²¹ Office for National Statistics (April 2016) Regional labour market statistics:

M01 Model based estimates of unemployment for local and unitary authorities and parliamentary constituencies in Great Britain.

Formula - Employment and training contribution – Operation of development

Uplift in occupancy of the development (number of employees) x proportion of Islington residents requiring training and support (6.7%) x cost of training/ support per person (£2,500) = contribution due.

- 5.24 Projected occupancy is based on average employment densities (see Appendix A). The cost is based on the average cost of providing training and support relating to the end use of a development per person in Islington.
- 5.25 The Code of Local Employment and Training further sets out the details of the ways in which the occupier of a development with employment uses may be expected to work with the Council. This may relate to issues such as the creation of employment opportunities for local people and assisting Islington’s Education Business Partnership in their liaison with schools, colleges and training providers to support curriculum development and the provision of work experience and placements.

Local procurement (standard obligation)

POLICY SIGNPOST	NPPF	LONDON PLAN Policy 4.12, 5.3	CORE STRATEGY CS 10 & CS 13	DEVELOPMENT MANAGEMENT POLICIES
------------------------	-------------	--	---------------------------------------	--

- 5.26 London Plan Policy 5.3 states that major development proposals should meet the minimum standards outlined in the Mayor’s Supplementary Planning Guidance on Sustainable Design and Construction including securing sustainable procurement of materials, using local supplies where feasible.
- 5.27 Developers are asked to commit to the principles within the Council’s Code of Local Procurement to ensure that the procurement of goods and services through the construction phase allows for opportunities for local businesses to tender for these. This approach is important in addressing deprivation in the borough and increasing local employment by creating opportunities for local businesses, in line with Core Strategy objective 7 and Policy CS 13. Research has shown that local businesses are more likely to employ local labour and, where local sub-contractors are appointed, they spend more in the local economy. The promotion of local procurement also reduces the level of travel involved during the construction process, increasing the overall sustainability of the development (in line with CS 10).
- 5.28 Appointing suitable local sub-contractors provides developers with advantages such as: a reduction in transport and logistical costs, a reduced risk of delays, greater flexibility and reliability of supply of materials to site, better access to senior management and opportunities for face to face meetings.
- 5.29 Islington Council works closely with local companies to find them opportunities through local procurement programmes.

Small, micro and/or affordable workspace or affordable retail space (standard obligation for all major non-residential developments where majority of floorspace is not in public education, community or social infrastructure uses)

POLICY SIGNPOST	NPPF	LONDON PLAN Policy 4.1	CORE STRATEGY CS 13	DEVELOPMENT MANAGEMENT POLICIES DM4.1 & DM5.4
--------------------	------	---------------------------	------------------------	--

- 5.30 A proportion of small, micro and/or affordable workspace or affordable retail space is required from major non-residential developments for which the majority of floorspace is not in public education, community or social infrastructure uses (see CS 13 as well as DM4.1 and DM5.4 for more details).
- 5.31 Affordable workspace should be leased at a peppercorn rate to a council approved Workspace Provider. The council will seek to maximise the period for which this peppercorn rate is applied in line with policy DM5.4, to be determined on a site by site basis.
- 5.32 Policy DM5.4 also outlines the exceptional circumstances in which the council may accept financial contributions in lieu of direct on-site provision. Where it can be justified that a direct provision on site is inappropriate or renders the development unviable, a financial contribution may be levied to support equivalent provision off-site. Another case in which such a contribution may be appropriate would be a significant loss of employment space, especially if this was small, micro and/or affordable workspace, for which replacement within the new development was not possible or appropriate.

Other economy and employment obligations

- 5.33 Apart from the above mentioned obligations, other obligations relating to the economy and employment may be required if the circumstances of a specific development make them necessary. This could, for example, include contributions towards initiatives which aim to improve **local employment opportunities**, provide **skills development** and **training opportunities**, and **remove barriers to employment and progression**.

6.0 Community obligations

6.1 Community obligations can include requirements relating to:

- Affordable housing (standard obligation on residential developments only)
- Accessible Parking and Transport (standard obligation)
- Marketing wheelchair accessible homes (standard obligation on residential developments only)
- Preventing wasted housing supply (standard obligation for residential developments of 20 units or more)
- Student bursaries (student housing developments only)
- Mixed use development in the Central Activities Zone (CAZ)
- Community Access Plans and other management plans
- Other community obligations (e.g. community safety, policing facilities, Health Impact Assessments, public art etc.)

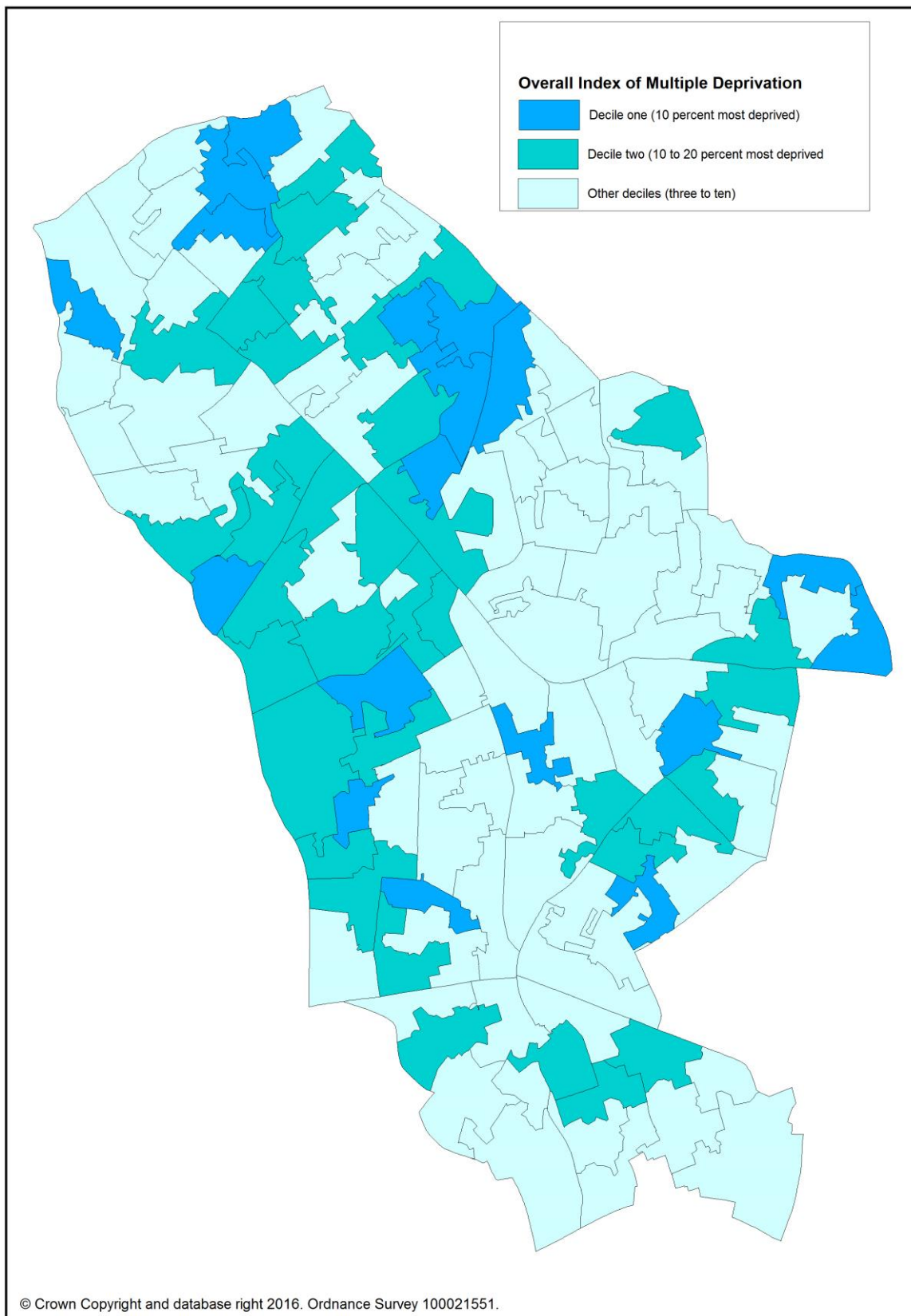
6.2 According to the Indices of Deprivation (IMD 2015), Islington is the 13th most deprived Local Authority in England and fifth most deprived in London. 41% of Islington's population lives in one of the most deprived 10% of Lower Layer Super Output Areas (LSOAs) nationally. The borough has the third highest proportion of children and older people living in income deprivation in the country.

6.3 The indices are constructed from a set of domain indicators, related to income, employment, education, skills and training, access to housing and services, health and disability, crime and living environment.

6.4 Figure 6-1 below shows the pattern of deprivation within the borough, with darker areas representing the more deprived areas. The highest concentration of the most deprived areas are to the north and west of the borough, with further substantial clusters to the south east and pockets of deep deprivation scattered elsewhere.

6.5 At the same time, the borough is also home to some of the wealthiest and most influential people in Britain. The Council is aware of an increasing polarisation and therefore the six key priorities of the Corporate Plan all relate to combatting deprivation and building a fairer community, regarding housing, employment, living costs, Council services and a good quality of life for all Islington residents.

Figure 6-1: Deprivation map of Islington - Index of Multiple Deprivation (IMD) 2015 ²²



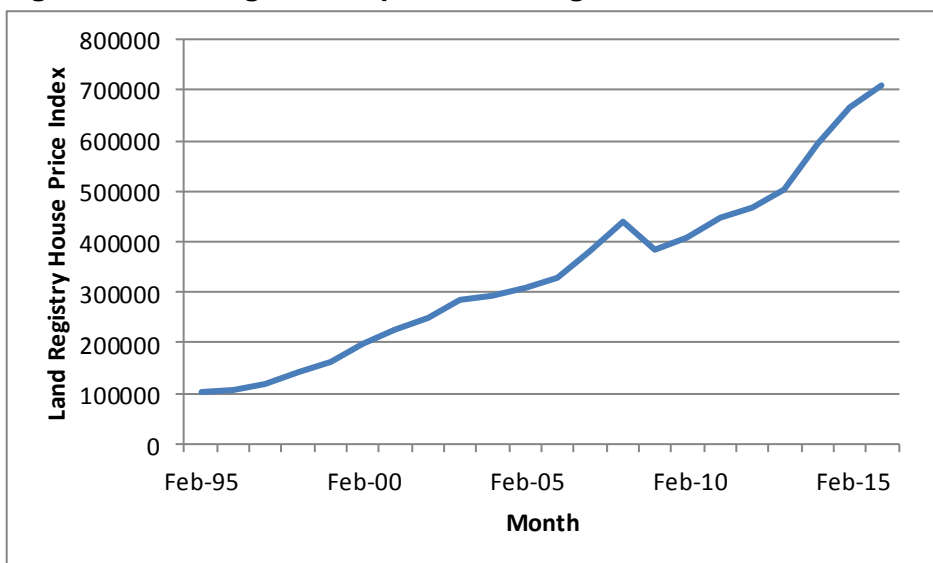
²² For more information see: <http://data.london.gov.uk/dataset/indices-of-deprivation-2015>

Affordable housing (standard obligation for residential development only)

POLICY SIGNPOST	NPPF Paragraph 47, 50 and 173	LONDON PLAN Policy 3.12 & 3.13	CORE STRATEGY CS 12	DEVELOPMENT MANAGEMENT POLICIES
------------------------	---	--	-------------------------------	--

- 6.6 Islington, as a small borough and the most densely populated area in the UK, has a severe shortage of accommodation and land to meet continued high housing demand. Islington is a high value, high demand area.
- 6.7 Average house prices in the borough have risen very significantly and are now, at £711,077, well above the peak of 2007 (£441,000). Average residential sales values rose by just under 42% over the last three years (Feb 13-Feb 16).

Figure 6-2: Average house prices in Islington 1995-2016



Source: Land Registry April 2016

- 6.8 In addition, private rents have increased quickly. In the 12 months to quarter 3 of 2015 average monthly private sector rents in Islington were £1,943, up by 9.5% on the preceding 12 months (Source: VOA).
- 6.9 Housing costs are also very high relative to residents' incomes, with close to a third of households having incomes of less than £20,000 per year. Access to affordable housing therefore remains one of the borough's biggest challenges. The 2011 North London Strategic Housing Market Assessment (SHMA)²³ identified an affordable housing need of between 54% and 65% of the borough's overall housing delivery target, with the higher figure of 65% being more reflective of the actual level of local need, as it is based on an adjusted London Council Housing Needs Index which removed elements of the index not directly related to housing need, whereas the lower figure is based on an unadjusted index.
- 6.10 The Council's key priority is to secure a supply of affordable housing that households on the housing waiting list can afford without increasing long-term benefit dependency. This

²³ [https://www.islington.gov.uk/publicrecords/library/Planning-and-building-control/Information/Advice-and-information/2012-2013/\(2012-05-11\)-Islington-SHMA.pdf](https://www.islington.gov.uk/publicrecords/library/Planning-and-building-control/Information/Advice-and-information/2012-2013/(2012-05-11)-Islington-SHMA.pdf)

requires striking a balance between ensuring affordability for those in housing need and securing as much new supply as reasonably possible. Given the level of need in the borough, Core Strategy Policy CS12 therefore sets out that the Council will seek the maximum reasonable amount of affordable housing, especially social rented housing, from private and mixed use schemes. For a scheme to be policy compliant, the starting point for negotiations is:

- 50% of units on-site as affordable, with a tenure split of
 - 70% social rent and
 - 30% intermediate.

6.11 Following the introduction of the Affordable Rent tenure and engagement with the Mayor, the Council has considered how this product could contribute to meeting housing need, and the approach is set out in Appendix 1 of the Islington Development Viability SPD (2016).

6.12 Affordable housing will be provided through planning obligations in accordance with policy CS 12 by:

- requiring that 50% of additional housing to be built in the borough over the plan period should be affordable;
- requiring all sites capable of delivering 10 or more units gross to provide affordable homes on-site. Schemes below this threshold will be required to provide a financial contribution towards affordable housing provision elsewhere in the borough;
- seeking the maximum reasonable amount of affordable housing, especially social rented housing, from private residential and mixed-use schemes over the thresholds set above, taking account of the overall borough wide strategic target (it is expected that many sites will deliver at least 50% of units as affordable, subject to a financial viability assessment, the availability of public subsidy and individual circumstances on the site); and
- delivering an affordable housing tenure split of 70% social housing and 30% intermediate housing.

6.13 The impact of the Core Strategy requirements for the provision of affordable housing, together with the cumulative impact of the Council's other adopted and emerging requirements, have been tested in evidence considered as part of the public examination of the Council's policies (in line with NPPF paragraph 173).

6.14 On-site affordable housing provision is required in line with CS 12 and NPPF paragraph 50:

Formula – Affordable housing on-site provision

All sites capable of delivering 10 or more residential units are required to provide affordable homes on site:

- maximum reasonable, taking account of the 50% borough-wide strategic target, the availability of public subsidy and individual circumstances on site
- with a tenure mix of 70% social rented housing and 30% intermediate housing

6.15 Smaller sites provide a financial contribution towards affordable housing provision elsewhere in the borough (CS 12 and Islington's Affordable Housing Small Sites SPD):

Formula – Affordable housing small sites contribution

Sites capable of delivering fewer than 10 units are required to provide a financial contribution on net additional units, of:

- £50,000 per unit in the north and middle parts of the borough, and
- £60,000 for sites south of Pentonville Road/City Road.

6.16 These amounts were tested in a viability study which informed the Affordable Housing Small Sites SPD and also in viability evidence considered as a part of the Islington CIL Examination. The level of contribution is also subject to viability assessment on individual developments. Applicants can submit a viability appraisal in line with the Islington Development Viability SPD if they believe the payment would render the development unviable. Exemptions include self-build for occupation, for which planning conditions and a legal agreement will be used to defer payment until any eventual sale.

Accessible parking & transport (standard obligation)

POLICY SIGNPOST	NPPF Paragraph 35 & 39	LONDON PLAN Policy 3.8, 6.13 & 7.2	CORE STRATEGY CS 10, CS 12 & CS 14	DEVELOPMENT MANAGEMENT POLICIES DM8.5
----------------------------	----------------------------------	--	--	---

6.17 Inclusive environments derive from an understanding of the needs of our increasingly diverse communities and the need to adapt to their different and evolving demands. Truly inclusive environments are functional, easily adaptable, and consider the design and management of the environment to be inextricably linked.

6.18 All developments should be located and designed where practical to consider the needs of all people, including those with disabilities (NPPF 35). When setting local parking standards for developments, local authorities should take into account the accessibility of the development and the availability of and opportunities for using public transport (NPPF 39).

6.19 In view of the Council's car-free policy and the fact that some public transport options remain inaccessible to people with mobility impairments, provision should be made to support a range of sustainable accessible alternatives such as accessible cycle racks, storage and charging facilities for mobility scooters and door to door services such as dial a ride and taxi card. Where cycle parking is provided, this should also be designed to take into account the needs of mobility impaired cyclists as well as adapted or less conventional bicycle types (see London Plan parking addendum 6A.13 regarding space for tricycles etc).

6.20 London Plan Policy 7.2 'An Inclusive Environment' requires that the physical environment can meet the highest standards of accessibility and inclusion and that the principles of inclusive design are adopted at the earliest stages of the development process. This means considering inclusive design aspects at the stage of drawing up masterplans, area planning frameworks and development briefs. In accordance with this, the Council requires that adequate parking provision is made for disabled people, in connection with new development.

6.21 Standards for the provision of parking for Lifetime Homes and wheelchair accessible housing are set out in a separate SPD on Inclusive Design In Islington, adopted February 2014 (https://www.islington.gov.uk/planning/planningpol/pol_supplement/inclusivedesign).

- 6.22 Islington requires adequate provisions to be made for accessible parking and transport arrangements to ensure that its car free policy (CS 10) does not disadvantage older or disabled people, children and families, be they residents, workers, students or visitors. 18% of Islington residents are disabled or have a long-term limiting illness (between 16-20% according to Disability Action in Islington).
- 6.23 The Council therefore seeks the provision of one accessible parking bay, wherever possible on street, for every wheelchair accessible home or hotel/hostel room provided (this should be 10% of total units, in accordance with CS 12, CS 14 and the Accessible Housing SPD).
- 6.24 For non-residential developments, one accessible parking bay is required per 33 employees, as on average, 3% of working age adults are disabled drivers with a mobility impairment:
- 15% of working age adults have a disability (Family Resources Survey 2010/11);
 - 34% of disabled people have a mobility impairment (Prevalence of mobility impairment by Government Office Region) and;
 - 20% of disabled adults are drivers (Papworth Trust – Disability in the UK 2010).

Formula – Accessible parking provision

Residential development

Number of wheelchair accessible units (10% of all habitable rooms) = number of accessible parking bays required

Hotel and student development

Number of wheelchair units (calculated as 10% of the total bedrooms) = number of accessible parking bays required

Commercial

Uplift in number of employees / 33 = number of accessible parking bays required

- 6.25 For other uses including shopping, recreation, leisure, education, healthcare and worship space, the Council will seek accessible parking and / or a contribution towards the provision of alternative accessible transport options to reflect the percentage of disabled users of the development, in addition to the required provision for employees. The Council is committed to delivering facilities and services that will meet potential demand based on national, regional and local statistic regarding the prevalence of disability, mobility impairment and cognitive difficulties²⁴. Further detailed guidance on parking provision for sports facilities can be found in the Sport England publication 'Accessible Sports Facilities 2010'.
- 6.26 Where this provision is not made as part of the development, a contribution toward the cost of provision will be secured to enable the Council to install the accessible parking spaces. The charge for providing an on-street accessible parking bay is £2,000 per bay²⁵.

²⁴ See disability information from Census 2011 for further details, e.g. <http://visual.ons.gov.uk/disability-census/>

²⁵ The total cost for a single bay can actually be as much as £7,500 based on the average cost for the Council to amend traffic orders, advertise, consult on and implement an accessible on-street parking bay in Islington. We aim to reduce this overall cost by undertaking some or all of these processes (e.g. advertising, issuing traffic orders etc) simultaneously for a number of bays, if possible.

Formula - Accessible parking contribution

Net number of disabled parking bays required (see above) x cost of disabled parking bay provision (£2,000 per bay) = contribution due

- 6.28 Where it is not possible or acceptable that designated spaces are provided on street (e.g. as a result of opposition to amending the traffic management order), the Council will use the contribution toward the delivery of other accessible transport initiatives to increase the accessibility of the area for people with mobility and sensory impairments.
- 6.29 Developments may also be required, through planning conditions or obligations, to provide adequate provision for mobility scooter storage and charging, safe drop off, and on occasion concessionary membership of local car clubs. It is also crucial that car-free developments, through their Design and Access Statements and Transport Assessments consider the full range of personal and public transport alternatives and their accessibility.

Marketing wheelchair accessible homes (standard obligation for residential developments only)

POLICY SIGNPOST	NPPF Paragraphs 50 & 159	LONDON PLAN Policy 3.8	CORE STRATEGY	DEVELOPMENT MANAGEMENT POLICIES
------------------------	------------------------------------	----------------------------------	----------------------	--

- 6.30 The NPPF requires development plans to:
- Enable a mix of housing based on current and future demographic trends, taking into account the needs of different groups in the community, including older people and people with disabilities (paragraph 50).
 - Address the requirement for all types of housing, including that for families with children and older and disabled people, based on an understanding of the housing needs in their area (paragraph 159).
- 6.31 Since 2004 Islington Council has required, in line with the London Plan, that 100% of new housing is built to 'Lifetime Homes' standard, with 10% being fully wheelchair accessible. The National Housing Standard specifies that 90% of new housing will be built to Category 2 ("Building Regulation requirement M4 (2) 'accessible and adaptable dwellings and 10% to Category 3 (M4 (3) 'wheelchair user dwellings)'). However, research by the GLA has revealed that once planning permission has been granted, little awareness of the accessibility of the homes survives among those marketing them or is passed on to purchasers and the object of the policy is lost.
- 6.32 To improve awareness of these accessible units, developments providing wheelchair accessible private or shared ownership units will be required to market them as such for a minimum period of 6 months.
- 6.33 Developers should include prominent information on the design standards met by all units and the specific qualities and capacity of the wheelchair accessible units in their marketing brochures and show rooms, on their websites and any billboards used to advertise the development. Accessible units must be marketed according to these descriptions (i.e. wheelchair accessible units must be identified and advertised as such). After 6 months, developers may can drop this label from their marketing material and revert to describing the unit as they choose. There is no requirement to restrict or target marketing to a specific audience.

Preventing Wasted Housing Supply (standard obligation for residential developments of 20 units or more)

POLICY SIGNPOST	NPPF Paragraph 47	LONDON PLAN	CORE STRATEGY CS12	DEVELOPMENT MANAGEMENT POLICIES
------------------------	-----------------------------	--------------------	-------------------------------------	--

- 6.34 The Preventing Wasted Housing Supply SPD provides guidance on how the council will ensure that new residential development in Islington will contribute to meeting housing need. This will ensure that such development will meet the objectives of Core Strategy policy CS12, parts B and C, and NPPF paragraph 47.
- 6.35 The Preventing Wasted Housing Supply SPD was introduced in response to the evidence and proxy indicators which suggest that a meaningful number of new residential dwellings in the borough were purchased but not occupied, either by their owner or tenants, and thus do not contribute to meeting housing need. As Islington is the most densely populated local authority area in the country, land for all forms of development is scarce. Therefore it is necessary to ensure that supply which does come forward is not wasted.
- 6.36 The SPD applies to developments that provide 20 or more additional residential dwellings. It requires developers to enter into a S106 agreement, binding on subsequent owners of each dwelling. The obligations are set out in paragraph 6.10 of the Preventing Wasted Housing Supply SPD:
- 6.10.1: Dwellings shall be fully furnished and equipped for use as a home.
 - 6.10.2: Dwellings shall not be left unoccupied or unused as a dwelling house for any continuous period of 3 consecutive months or more.
 - 6.10.3: In any period of 3 consecutive months the dwelling shall be occupied for at least 14 days.
 - 6.10.4: The owner shall provide reasonable evidence of the above on request from the council.
 - 6.10.5: The freehold owner and/or head leasehold owner shall include the obligations at 6.10.1- 6.10.4 in any lease / sublease of an individual dwelling.
 - 6.10.6: The freehold owner and/or head leasehold owner shall include details of the obligations in 6.10.1 – 6.10.4 in any sales or marketing material.
 - 6.10.7: The freehold owner and/ or head leasehold owner shall provide the council on request with such information as it shall reasonably require in respect of the obligations at 6.10.1 – 6.10.6.
- 6.37 Paragraph 6.11 of the SPD sets out evidence that the council will consider suitable to demonstrate compliance if required.
- 6.38 If the Council requests evidence of compliance and does not receive it, if expedient the council will seek to obtain an injunction to enforce compliance.
- 6.39 The SPD was adopted in July 2015 and can be viewed at:
http://www.islington.gov.uk/services/planning/planningpol/pol_supplement/Pages/prevent-wasted-housing.aspx?extra=23

Student bursaries (student housing developments only)

POLICY SIGNPOST	NPPF	LONDON PLAN	CORE STRATEGY CS 12	DEVELOPMENT MANAGEMENT POLICIES DM3.9
------------------------	------	-------------	------------------------	--

- 6.40 One of the ways in which the Council tackles deprivation, worklessness and social exclusion, in the context of the borough's high levels of inequality, is by widening the access to education. To this end, bursaries are provided to Islington students leaving care or facing other hardship who are attending institutions of higher and further education.
- 6.41 Developers of purpose-built student accommodation are required by Core Strategy Policy CS 12 (see also DM3.9 and the SPD on Student Accommodation Contributions for Bursaries) to provide a financial contribution towards these bursaries through an annual payment.

Formula – Student bursaries

All purpose-built student accommodation developments are required to provide a financial contribution towards student bursaries, equal to:

2.4% of the total annual rental income from a development of student accommodation for thirty years.

- 6.42 The aim is to mitigate the impact of the high cost of rent in such student developments, which presents a real barrier to Islington's most deprived young people accessing education and realising their potential. Funds will be distributed to eligible students according to the terms of the S106 agreement and Core Strategy policy CS 12 part J.

Mixed use development in the Central Activities Zone

POLICY SIGNPOST	NPPF Paragraph 38 & 58	LONDON PLAN Policy 4.3	CORE STRATEGY CS 8 & CS 12	DEVELOPMENT MANAGEMENT POLICIES DM2.1 & DM5.1
------------------------	---------------------------	---------------------------	-------------------------------	--

- 6.43 One of the aims set out in the NPPF is to ensure that developments optimise the potential of the site to accommodate development, create and sustain an appropriate mix of uses and support local facilities and transport networks (NPPF 58). It is important to ensure that a range of needs can be met through a new development. For larger scale residential developments in particular, planning policies should promote a mix of uses in order to provide opportunities to undertake day-to-day activities including work on site. Journey lengths should be minimised where possible (NPPF 37). Where practical, particularly within large-scale developments, key facilities such as primary schools and local shops should be located within walking distance of most properties (NPPF 38).
- 6.44 Islington has a distinct character with small and large clusters of mixed uses throughout the borough, which the Council wants to protect (CS 8) while also meeting the high demand for housing, and especially affordable housing (CS 12).
- 6.45 Mixed use development contributes to the vitality, safety and sustainability of an area, as a mix of uses can:
- Intensify use of a site, encouraging a lower land take;

- Encourage occupation of the site at all times throughout the day, creating continued natural surveillance; and
- Reduce distances between homes, employments spaces and services, promoting walking and cycling.

6.46 London Plan Policy 4.3 states that within the Central Activities Zone (CAZ), increases in office floorspace should provide for a mix of uses including housing, unless such a mix would demonstrably conflict with other policies in the plan (see figure 5-1 for CAZ boundary). In such cases, developments should provide a contribution towards offsite housing delivery (see London Plan Policy 4.3 and accompanying text for more details).

6.47 Islington’s DM Policies therefore require that development proposals sustain and reinforce a variety and mix of uses (DM2.1). Where housing comprises less than 20% of the total net increase in office floorspace of a major development in the CAZ, the Council will seek an equivalent contribution for the provision of housing off-site (DM5.1).

6.48 This requirement is founded on consideration of previous sites and will be calculated:

- Based on the number of residential units that could reasonably be accommodated on site; and
- Having regard to the average size of housing units in Islington.

6.49 The following formula sets out the approach for assessing the level of required affordable housing contribution:

Formula - Provision of a mix of uses in CAZ office proposals and off-site contribution

Increase in **office floorspace** (sq m) x 20% - uplift in **residential floorspace** / average **residential** unit size (75 sq m gross internal area) = number of additional housing units that could be achieved.

Contribution due = number of additional housing units that could be achieved (see above) x £50,000 (for sites in the north and middle parts of the borough) or x £60,000 (for sites south of Pentonville Road/City Road) in line with the Council’s Small Sites Affordable Housing Policy (see Chapter 6)

6.50 The average unit size of residential developments in Islington, based on an average of minimum residential space standards as set out in local policy is 75 sq. m GIA (gross internal area, taking account of internal walls, lift lobbies etc).

Community Access Plans and other management or operational plans

POLICY SIGNPOST	NPPF	LONDON PLAN Policy 4.5, 5.12, 5.18, 6.3	CORE STRATEGY	DEVELOPMENT MANAGEMENT POLICIES DM6.4, DM8.2, DM8.6 & DM9.2
-----------------	------	--	---------------	--

6.51 The purpose of a management or operational plan is to set out arrangements for:

- How, after a development is built and occupied, a provision made as part of a development will be managed, accessed or used; and

- How arrangements agreed as part of a planning permission will be upheld and continued.
- 6.52 This is to ensure that the original purpose of a provision or arrangement made during the planning process of a development is preserved. Management plans covering different provisions and arrangements can either be prepared and provided separately, or in one overarching management plan for ease of reference.
- 6.53 Management and operation plans are most commonly required through planning obligations either in relation to:
- Community access and/or management of open space, community facilities, play space or other publically accessible provisions made as part of a development; or
 - Construction, delivery and/or servicing of a development.
- 6.54 Community access and management plans are required where a publically accessible facility is included as part of a development. This will have to be:
- Formulated in consultation with local residents; and
 - Submitted to and approved in writing by the Council, prior to the occupation of the development.
- 6.55 The access and management plan should set out the following arrangements (including details and justifications where necessary, such as on pricing / access):
- Arrangements for ongoing consultation with residents and other local stakeholders (should normally include at least one public meeting per annum following the occupation of the new development);
 - Date by which the facility has to / is allowed to be completed, opened or made available to the public (usually upon occupation of the development);
 - Proposed arrangements for liaison between the facility, the development, residents and/or the Council;
 - Times at which the facility will be open to the public if there is a gate or door which can prevent public access;
 - Arrangements for times when the facility is closed;
 - Other community access arrangements (e.g. location of entrances etc.);
 - Pricing policy (e.g. rents at which a community meeting room which can be hired is made available);
 - How and by whom a facility will be managed (including making arrangements for cleaning, hiring etc.);
 - Where (on what websites, publications etc. eg. Council and Voluntary Action Islington website) and how a facility will be advertised (e.g. length of advertisement period);
 - How it is anticipated that a facility will be occupied (e.g. target local community groups) and what types of activities will be likely to take place (including implications for noise, transport etc.);
 - How a facility will complement existing services or activity in the locality;
 - How a facility will be staffed (on-site / off-site, by whom, at what times etc.);
 - Arrangements for how any changes in the above arrangements will be managed; and

- Arrangements for the regular review of the plan at certain intervals (usually 6 months, 3 years, 5 years and 7 years after inception).
- 6.56 There should be some flexibility provided within the plan to allow for changes to be made to it in response to the plan reviews and consultation arrangements mentioned above, to ensure that it continues to be delivered against agreed provisions.
- 6.57 Management plans relating to construction logistics, delivery or servicing may be required for developments where there may be an impact on roads, to demonstrate how any potential impacts will be mitigated. These plans should be secured in line with TfL guidance on freight²⁶ and be co-ordinated with travel plans. Details discussed could include:
- Delivery hours;
 - Delivery frequency;
 - Service bay location;
 - Service bay operation (including swept path analysis); and
 - Type / size of servicing vehicles.
- 6.58 For major developments, delivery and servicing plans should contain details for refuse and recycling, indicating locations for collection vehicles to wait and locations of refuse and recycling bin stores. Applications for larger residential developments must demonstrate that delivery and servicing would not impact negatively on refuse collection arrangements.
- 6.59 Other types of management and operation plans not related to community access or management of a publicly accessible facility can cover:
- Restrictions on the use of land;
 - Waste;
 - Flood management;
 - Accessibility and inclusion; or
 - Student housing.
- 6.60 Student Accommodation Plans are required to demonstrate that a student accommodation development will not give rise to any significant adverse amenity impacts on the surrounding neighbourhood and to ensure that the development is subject to an appropriate site management and maintenance plan.

Other community obligations

- 6.61 Beside the more common above mentioned types of community obligations, other areas for which contributions or provisions may be required, depending on the nature of the individual proposal, could relate to community safety, health impact assessments or public art.
- 6.62 Planning obligations relating to **community safety** can be sought to implement measures which can help to minimise potential crime and the fear of crime. This could be achieved with the help of direct, physical measures, such as improved street lighting or streetscape works which design out crime. Alternatively, community safety could be improved with the help of more indirect measures to improve community cohesion and integration, such as planning

²⁶ <https://tfl.gov.uk/corporate/publications-and-reports/freight>

decisions around landscape and streetscape. Improved community cohesion helps to reduce some crimes such as hate crimes, graffiti and criminal damage.

- 6.63 Islington has one of the highest crime rates in the country, although this has been reducing in recent years²⁷. The rate of crime in Islington is affected by a number of factors including high population density, a large transient population and high number of visitors, a thriving night time economy, high levels of deprivation and social polarisation, and concentration of transport hubs. As the population and densities in the borough increase with new developments, there is potential for the number of crimes to increase with, for example, more competition over the use of space and new residents and visitors coming into the borough without knowledge of the local area being more at risk of becoming victims of crime.
- 6.64 The impacts on the health and wellbeing of communities of major development proposals must be assessed through a **Health Impact Assessment** (see London Plan Policy 3.2, CS 19). DM 6.1 states that this will be required for large developments of over 200 units, or 10,000m² and developments where potential health issues are identified. The purpose of such an assessment is to promote health, reduce health inequalities and mitigate any identified impacts of the development on the wider determinants of health. These assessments can be required through planning obligations. Camden and Islington's Public Health Annual Report 2013/14 "Widening the focus: tackling health inequalities in Camden and Islington" provides useful information on health inequalities, their relationship to housing, employment etc and what can be done to improve these²⁸.
- 6.65 Islington Council may seek the provision of **public art** as a part of new development where this can be appropriately provided, in accordance with London Plan Policy 7.5, stating that opportunities for the integration of high quality public art into the public realm should be considered when making planning decisions.
- 6.66 Art provided as part of a development should:
- Be accessible to the public;
 - Be integrated within public open space where this is being provided (using features such as decorative lighting, water features or paving);
 - Be discussed with the Council's Arts Officer at an early stage, before subsequent submission to the Council for approval; and
 - Where possible, involve artists, local residents and other groups at an early stage in the design process.
- 6.67 Provision of art on construction hoardings is also strongly encouraged. It provides visual interest, softens the impact of a development site on the local area, deters fly-posting and presents a further opportunity to engage with the community, young people and involve local artists.

²⁷ <http://www.islington.gov.uk/services/policing-safety/crime/Pages/default.aspx>

²⁸ [http://www.islington.gov.uk/publicrecords/library/Public-health/Quality-and-performance/Reporting/2014-2015/\(2014-05-29\)-Widening-the-Focus-tackling-health-inequalities-in-Camden-and-Islington.pdf](http://www.islington.gov.uk/publicrecords/library/Public-health/Quality-and-performance/Reporting/2014-2015/(2014-05-29)-Widening-the-Focus-tackling-health-inequalities-in-Camden-and-Islington.pdf)

7.0 Environment obligations

- 7.1 Increases in population mean higher levels of consumption of energy, transport, water and a variety of other resources and services. As Islington becomes an increasingly densely populated area, it is crucial that new development should be designed and built so that positive effects on people's quality of life and the local environment are maximised and negative environmental impacts are minimised or avoided through careful design and management.
- 7.2 Climate change and air pollution creates additional challenges over time, some effects of which are still uncertain. Development has to not only try to prevent negative environmental effects but also be adaptable over time to a range of possible effects of climate change, which can include flooding, overheating, water and waste issues and effects on local biodiversity. As emissions of CO₂ and local air pollutants are usually from the same sources, policies to manage these sources must consider both sets of emissions. Climate change will make air quality problems worse, as hotter drier summers will lead to pollution episodes. By integrating air quality and climate change policies the short-term benefits to local pollution will be felt in addition to long-term benefits to the climate.
- 7.3 The environmental role of planning for sustainable development, as set out in the NPPF (Paragraph 7) is to contribute to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.
- 7.4 Obligations and charges can be sought in relation to the following:
- Construction practice (standard obligation)
 - Highways and footways reinstatement (standard obligation)
 - Carbon offsetting (standard obligation on all major schemes and on minor residential)
 - Decentralised energy (standard obligation)
 - Removal of eligibility for residents' parking permits (standard obligation on additional residential units)
 - Green Performance Plans (standard obligation)
 - Travel Plans
 - Other environment obligations (e.g. conservation of buildings or places of historic or architectural interest)

Construction practice (standard obligation)

POLICY SIGNPOST	NPPF	LONDON PLAN Policy 5.3& 5.18	CORE STRATEGY CS 10	DEVELOPMENT MANAGEMENT POLICIES DM7.4
----------------------------	-------------	--	-------------------------------	---

- 7.5 The Islington Core Strategy requires every development to take all possible measures to minimise negative impacts of construction on the environment (Policy CS 10). To this end all developments are required to comply with Islington's Code of Practice for Construction Sites (DM7.4). This is available at: [http://www.islington.gov.uk/publicrecords/library/Environmental-protection/Information/Leaflets/2006-2007/\(2006-09-21\)-Code-of-Practice-for-Construction-Sites.pdf](http://www.islington.gov.uk/publicrecords/library/Environmental-protection/Information/Leaflets/2006-2007/(2006-09-21)-Code-of-Practice-for-Construction-Sites.pdf)

- 7.6 This document specifies construction practice standards and measures which should be put in place to address the potential effects of construction, including contamination of land and water, air pollution, noise and vibration, dust, traffic congestion and waste disposal. The code is applicable to both demolition and construction and its compliance may be conditioned. It also includes requirements regarding liaison with the community.
- 7.7 Development proposals should demonstrate that sustainable design standards are integral to the proposal, including its construction and operation (see London Plan Policy 5.3 and the Mayor’s Sustainable Design and Construction Supplementary Planning Guidance²⁹).
- 7.8 Further related guidance can be found in the GLA and London Councils ‘The control of dust and emissions from construction and demolition’³⁰. The London Plan promotes sustainable design and construction to reduce emissions from the demolition and construction of buildings following best practice guidance contained in this document (see London Plan Policy 7.14) and encourages the sustainable management, reuse, recycling and removal of construction, excavation and demolition waste (Policy 5.18).
- 7.9 Other construction related requirements may be addressed through planning conditions. This could include the submission of a site-specific response document to the Code of Construction Practice (for example providing a construction management plan, applying the requirements of the code, taking into account the relevant environmental issues of the site etc).
- 7.10 The Council incurs costs in the monitoring of construction practice and in liaising with developers and the community, which should be met by the developer. The level of monitoring required will depend on a number of factors such as:
- The size of development;
 - The length of project;
 - Whether demolition is involved;
 - The form of construction practices used and associated level of noise generated;
 - Times of operation³¹ and
 - Proximity to other properties.
- 7.11 Indicative costs are set out below, based on experience of monitoring construction impacts:

Formula - Construction Practice Monitoring Costs

£100 per residential unit and per 100 sq m commercial floorspace (additional and/or replacement).

£50 per student housing, hotel and hostel bedroom³².

²⁹ <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/supplementary-planning-guidance/sustainable-design-and%20>

³⁰ <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/supplementary-planning-guidance/control-dust-and>

³¹ The Council has standard noisy working hours that all sites have to adhere to as their maximum time period of operation, but some sites may be active for only certain times of the day.

³² Costs based on the resources required for monitoring construction impacts in previous developments in Islington.

- 7.12 All developers and contractors carrying out construction works in the borough must:
- Comply with the Council's up to date Code of Construction Practice.
 - Adhere to the construction management plan, as approved by Council Highways and Planning departments.
 - Ensure that all construction on site has been agreed with the Council's Streetworks Department.
- 7.13 In the case of non-compliance with the code, where for example unreasonable levels of dirt are brought onto the public highway by construction vehicles, the developer will be subject to non-compliance measures (including a charge) to address the issues that have arisen.
- 7.14 Additional obligations may also be sought where there are likely to be significant construction impacts or where a specific need is identified, for instance in relation to the following (costs to be met by the applicant):
- The costs of any necessary modification, removal or replacement traffic calming, to avoid damage/ reduce noise and vibration;
 - Building condition surveys and structural surveys of properties to be carried out where these may be affected by construction activity or vibrations from construction traffic;
 - Work practices including haulage routes to be amended as necessary and the costs of any damage; and
 - Mitigation measures for the loss of or interference to radio/ television signals.

Highways and footways reinstatement (standard obligation)

POLICY SIGNPOST	NPPF	LONDON PLAN	CORE STRATEGY CS 18	DEVELOPMENT MANAGEMENT POLICIES DM9.2
------------------------	-------------	--------------------	--------------------------------	--

- 7.15 The condition of highways and footways around a development make a significant contribution to the appearance and feel of the development. These are however often damaged as a result of the construction process. By funding the replacement of agreed areas of the highway and/or footway around the development, reinstatement works can be completed in conjunction with the development to ensure that the required standards and appearance of the site are maintained.
- 7.16 The Council will therefore secure an agreement with the developer to ensure that all highways and footways shall be reinstated to the satisfaction of the Council after the completion of the development. This will be secured via the submission and approval of Schedules of Condition and a financial contribution to pay for the full cost of the Council's reinstatement works (in line with DM9.2 and CS 18). A Highways Agreement may be used to carry out highways reinstatement works.
- 7.17 The financial contribution to be paid by the developer will cover the cost of:
- Reinstatement works;
 - Related utility works;
 - Any damage to or relocation of street furniture; and
 - The removal of redundant crossovers.

7.18 Condition surveys will need to be submitted to and agreed by the Council before and after construction of the development. These will be used to assess the damage that has occurred as a result of the development and will allow LBI Highways to determine the extent and costs of reinstatement works required. The developer will be required to pay a deposit to cover the cost of the estimated reinstatement works. If this exceeds the cost of the works as finally determined, the balance will be refunded to the developer. Conversely, where the deposit is insufficient to meet costs then the developer will be required to pay the amount of the shortfall to the Council.

7.19 Condition surveys should assess the following:

- Line and level of footways and carriageways;
- Condition of surfacing;
- Condition of access covers;
- Condition of cycle lanes, tracks and paths;
- Condition of street furniture (including lighting);
- Condition of gullies, connections, channels and kerbs;
- All gullies in footways and carriageways to be checked for blockages and to remain free flowing;
- Redundant crossovers;
- Barriers to access; and
- Other relevant issues particular to the site.

7.20 Where Transport for London (rather than the Council) is the relevant highway authority then the developer will be required, prior to commencement of development, to enter into an agreement with TfL providing for reinstatement of highways and footways.

7.21 Any further works to the public highway or related works necessary to enable a development to take place (e.g. alterations of access to a site) that are not already covered through the Transport and Public Realm contribution will need to be agreed by the Council (or Transport for London/ neighbouring authorities where appropriate) and the costs of such works will also be payable by the applicant.

7.22 Works to the Public Highway with regard to a development will be undertaken by the relevant Highway Authority (the Council, Transport for London or the neighbouring authority where appropriate) as set out in Section 278 of the Highways Act (1980). However, under exceptional circumstances and where agreed by the Highway Authority, an applicant may enter into an agreement with the Highway Authority to undertake works on the Public Highway.

7.23 Where a new road is being built by the developer it may be necessary to enter into an agreement with the Highway Authority as detailed in Section 38 of the Highways Act 1980, including providing a commuted sum, to enable this to become adopted Highway.

Carbon offsetting (standard obligation on all major schemes and on minor residential developments)

POLICY SIGNPOST	NPPF Paragraph 17, 95 & 97	LONDON PLAN Policy 5.1	CORE STRATEGY CS 10	DEVELOPMENT MANAGEMENT POLICIES DM7.1 & DM7.2
------------------------	--------------------------------------	----------------------------------	-------------------------------	---

- 7.24 One of the NPPFs core planning principles is to support the transition to a low carbon future in a changing climate, taking full account of flood risk, to encourage the reuse of existing resources, including conversion of existing buildings, and to encourage the use of renewable resources (for example by the development of renewable energy) (NPPF paragraph 17).
- 7.25 To support the move to a low carbon future, the NPPF states that local planning authorities should:
- Plan for new development in locations and ways which reduce greenhouse gas emissions;
 - Actively support energy efficiency improvements to existing buildings; and
 - When setting any local requirement for a building's sustainability, do so in a way consistent with the Government's zero carbon buildings policy and adopt nationally described standards (NPPF 95)
- 7.26 The Mayor of London seeks to achieve an overall reduction in London's carbon dioxide emissions of 60 per cent (below 1990 levels) by 2025 and expects boroughs to help meet this target. Development proposals should make the fullest contribution to minimising emissions in accordance with targets for minimum improvements (see London Plan Policy 5.1), which are designed to lead to zero carbon residential buildings from 2016 and zero carbon non-domestic buildings from 2019.
- 7.27 Policy CS 10 states that the Council will seek to minimise Islington's contribution to climate change and ensure that the borough develops in a way which respects environmental limits and improves quality of life. It will do this by:
- requiring all development to demonstrate that it has minimised on-site carbon dioxide (CO₂) emissions; and
 - requiring all minor residential and all major development to offset all remaining CO₂ emissions associated with the building through a financial contribution towards measures which reduce CO₂ emissions from the existing building stock.
- 7.28 The Environmental Design SPD and Development Management policies provide guidance on design and construction methods to help achieve this aim. All developments in Islington are required to achieve best practice energy efficiency standards, in terms of design and specification (DM7.2).
- 7.29 All remaining emissions not dealt with by on-site measures will be offset in line with policies CS 10 and DM7.2. Developers are required to meet full offsetting costs, unless it can be demonstrated that this is not feasible, in which case the maximum feasible payment for offsetting will be required. Further details are provided in the Environmental Design SPD. The Council will apply the Environmental Design SPD in favour of DM7.2 to the extent that carbon offsetting will not be required for non-residential minor development.
- 7.30 A contribution towards offsetting any projected residual carbon emissions of the development will be calculated as follows:

Formula – Carbon offsetting

After minimising CO₂ emissions onsite (regulated emissions for minor new build residential developments, regulated and unregulated emissions for major development³³), all remaining emissions will incur a charge, which is calculated as follows:

For all major developments (10 residential units / 1000sqm of commercial floorspace and above) it is based on an established price per tonne of CO₂ for Islington (currently set at £920); the amount of CO₂ to be offset and the resulting financial contribution shall be specified in the submitted Energy Statement.

For minor new-build residential developments (1 to 9 units) the cost of the offset contribution is a flat fee based on the development type:

- Houses - £1500 per house
- Flats - £1000 per flat

- 7.31 The submitted Energy Statement is required to use building modelling software to calculate the baseline total CO₂ emissions for a Building Regulations Part L 2006 or 2010 compliant scheme. The Energy Statement will then demonstrate how the CO₂ emissions for the scheme have been further reduced through energy efficient fabric and services and the inclusion of any renewable technologies. Once this reduction is subtracted the resulting measure will be the remaining total CO₂ emissions, which need to be offset.
- 7.32 The contribution towards offsetting projected residual carbon emissions is spent on measures which reduce carbon emissions from the existing building stock, such as energy efficiency improvements to social and private housing in the borough. The spending of carbon offset payments and the monitoring of carbon savings delivered will be managed by the Council.

Decentralised energy (standard obligation)

POLICY SIGNPOST	NPPF Paragraph 97	LONDON PLAN Policy 5.2 & 5.6	CORE STRATEGY CS 10	DEVELOPMENT MANAGEMENT POLICIES DM7.3
----------------------------	-----------------------------	--	-------------------------------	---

- 7.33 One of the ways in which carbon emission reductions can be achieved is to identify and realise opportunities for developments to draw their energy supply from decentralised, renewable or low carbon energy supply systems and for potential heat customers and suppliers to be co-located (NPPF 97).
- 7.34 Major development proposals should include a detailed Energy Statement to demonstrate how the targets for carbon dioxide emissions reduction are to be met. This should include information on proposals to further reduce carbon dioxide emissions through the use of decentralised energy where feasible, such as district heating and cooling and combined heat and power (London Plan 5.2).

³³ Regulated emissions are those controlled by Part L of Building Regulations. Unregulated emissions are those not controlled by Part L of the Building Regulations, for example, plug loads.

7.35 Policy 5.6 of the London Plan requires major developments to select energy systems in accordance with the following hierarchy:

- i. Connection to existing heating or cooling networks;
- ii. Site wide CHP network;
- iii. Communal heating and cooling.

7.36 Islington Council will promote zero carbon development by working with partners to promote and develop decentralised energy networks (DENs), with a particular focus on areas of the borough with the greatest potential for such networks (see figure 7-1).

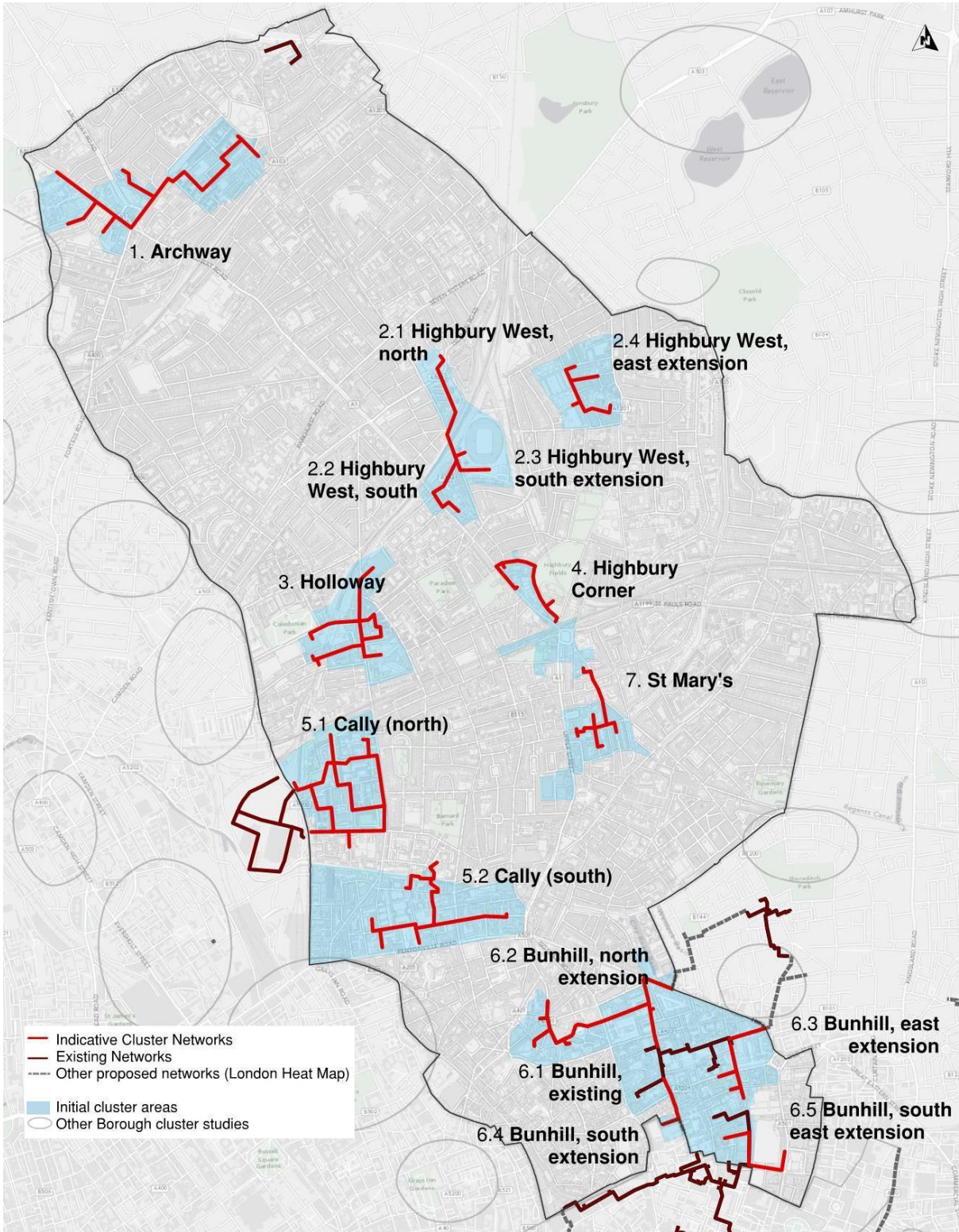
7.37 All development will be required to contribute to the development of these DENs, including by connecting to networks where these exist in their vicinity (CS 10) unless it is demonstrated that this is either not feasible or not viable. In the case of minor development, whether or not a development will be required to assess the viability of a connection is decided by the location of the development.

7.38 The requirements for connection to DENs are as follows (DM7.3):

- Major Developments are required to be designed to be able to connect to a DEN and, unless a feasibility assessment demonstrates that this is not reasonably possible,
 - if located within 500 metres of an existing DEN, will be required to connect and meet associated charges;
 - if located within 500 metres of a planned future DEN (likely to be operational within 3 years of planning permission), will be required to provide a means to connect and meet associated charges;
 - if connection is possible, are required to detail a preferred energy strategy and an alternative energy strategy within their Energy Statements; and
 - if connection is not possible, should develop and/or connect to a Shared Heating Network (developers will be obliged to look at the neighbouring buildings to assess the applicability of expanding a site-wide communal energy network beyond the site to the local neighbourhood);
- Minor developments located within 100 metres of an existing DEN, unless it can be demonstrated that this is not reasonably possible, will be required to be designed to be able to connect to a DEN.

7.39 Figure 7-1 shows existing and proposed locations for Decentralised Energy Networks in the borough. Further detail on the existing and future networks can be found at www.islington.gov.uk/environment/energy-services/decentralised-energy

Figure 7-1: Decentralised Energy Network map



Source: Islington Borough Energy Mapping, Buro Happold (2014)

Removal of eligibility for residents' parking permits (standard obligation on additional residential units)

POLICY SIGNPOST	NPPF Paragraphs 29-30, 39	LONDON PLAN Policy 6.13	CORE STRATEGY CS 10	DEVELOPMENT MANAGEMENT POLICIES DM8.5
------------------------	-------------------------------------	-----------------------------------	-------------------------------	---

- 7.40 Islington has high levels of public transport accessibility and low levels of car ownership by national standards. However, as it is such a densely populated area, the rate of resident-owned vehicles per hectare is the third highest in London and the UK (see Islington's Development Management Topic Paper on the subject of transport³⁴). As a result, congestion and pollution levels are high.
- 7.41 Islington wants to encourage sustainable transport choices through new development, to minimise Islington's contribution to climate change and ensure that the borough develops in a way that respects environmental limits and improves quality of life. Therefore, as stated in DM8.5, all additional homes are required to be car free in line with Core Strategy Policy CS 10. Unless exceptional circumstances can be demonstrated, no parking permits will be issued to occupiers of these new homes and no provision for vehicle parking or waiting will be allowed for new homes, except for essential drop-off and wheelchair-accessible parking.
- 7.42 Owners must notify prospective purchasers and tenants of the car-free status of a property prior to entering into a contract to sell or rent the property.
- 7.43 The car-free status of new residential units can be formalised either as part of a legal agreement or via planning conditions.

Green Performance Plans (standard obligation)

POLICY SIGNPOST	NPPF Paragraphs 94 & 95	LONDON PLAN Policy 5.3	CORE STRATEGY CS 10	DEVELOPMENT MANAGEMENT POLICIES DM7.1
------------------------	-----------------------------------	----------------------------------	-------------------------------	---

- 7.44 The NPPF requires the move towards a low carbon future, and adoption of proactive strategies to mitigate and adapt to climate change (paragraphs 94 & 95).
- 7.45 Surveys of completed buildings reveal a substantial gap between design expectations and delivered performance, especially with regard to energy performance. To support and promote sustainability through buildings' ongoing operation (CS 10), Islington Council requires all major developments to provide a Green Performance Plan (GPP) (DM7.1).
- 7.46 Based on the Travel Plan model, the GPP is a plan for monitoring the performance of a building in use against key sustainability indicators. The requirements for what to cover in the plan are contained within Appendix 3 of the Environmental Design SPD. This includes:
- Measurable performance targets and indicators for the occupied building;
 - Arrangements for management and monitoring of the plan over the first two years of occupation;

³⁴ [http://www.islington.gov.uk/publicrecords/library/Planning-and-building-control/Information/Guidance/2012-2013/\(2012-08-17\)-Topic-Paper-Transport.pdf](http://www.islington.gov.uk/publicrecords/library/Planning-and-building-control/Information/Guidance/2012-2013/(2012-08-17)-Topic-Paper-Transport.pdf)

- Arrangements for addressing performance in the event that the agreed objectives are not met at the end of the two year monitoring period.

7.47 The measurable performance targets and indicators should be based on the commitments made in the Sustainable Design and Construction Statement (including the Energy Statement) submitted as part of the planning application. It is anticipated that monitoring of residential schemes is likely to be more difficult than for non-residential schemes. For this reason, core indicators are set out separately for residential and non-residential schemes. These can be found in Table 8.1 of the Environmental Design SPD.

7.48 The managing and monitoring arrangements will be a key part of the GPP. The developer is required to clearly set out how the ongoing management, monitoring and reporting of the plan will be coordinated. In cases where the end occupier is not known, arrangements for the handover of the GPP to occupiers/managers of the site or another relevant body will also need to be detailed. A monitoring and reporting schedule and outline of approach to monitoring should be set out in the plan, with a minimum monitoring period of two years.

7.49 In the event that the agreed objectives are not met at the end of the nominated monitoring period, the final report will need to analyse and explain the reasons for why targets were missed. The arrangements for addressing performance where objectives are not met will need to be agreed with the Council and included in the S106 agreement.

7.50 A draft GPP is required to be submitted with the planning application. Where the end occupier is known, the plan should be developed jointly. A full GPP with updated targets (adjusted to reflect new information on occupancy etc.) and with full details of monitoring arrangements shall be submitted within 6 months of occupation. A final report on implementation of the GPP shall be submitted at the end of the nominated monitoring period (minimum two years), to the satisfaction of Council officers.

7.51 For further detail regarding the information requirements at each stage of GPP submission, see Appendix 3 of the Environmental Design SPD.

Travel Plans

POLICY SIGNPOST	NPPF Paragraph 32, 35-36	LONDON PLAN Policy 6.3	CORE STRATEGY CS 10	DEVELOPMENT MANAGEMENT POLICIES DM8.2
----------------------------	------------------------------------	----------------------------------	-------------------------------	---

7.52 To ensure that opportunities for the use of sustainable transport modes are protected and exploited, the NPPF states that all developments that generate significant amounts of movement should be:

- Supported by a Transport Statement or Transport Assessment (NPPF paragraph 32); and
- Required to provide a Travel Plan (NPPF paragraph 36).

7.53 To support and encourage sustainable transport choices (CS 10) Islington Council (through DM8.2) requires development proposals, in accordance with the thresholds outlined below, to include either a:

- Transport Assessment and Travel Plan; or
- Transport Statement and Local Level Travel Plan.

Table 7.1: Thresholds for Transport Assessments and Travel Plans

Land use	Threshold for full Travel Plan
A1 Retail	Equal to or more than 1,000sqm
A3/A4/A5	Equal to or more than 750sqm
B1/B2/B8	Equal to or more than 2,500sqm
C1 Hotels	Equal to or more than 50 beds
C3 Residential	Equal to or more than 50 residents
D1 Hospitals/medical centres	Equal to or more than 50 staff
D1 Schools	All developments to have a school Travel Plan
D1 Higher and further education	Equal to or more than 2,500sqm
D1 Museum/gallery	Equal to or more than 100,000 visitors annually
D1 Places of worship	Equal to or more than 200 members/regular attendees
D2 Assembly and Leisure	Equal to or more than 1,000sqm

Source: DM Policies

7.54 All major developments that fall below the thresholds in the table above will be required to produce a Transport Statement and a Local Level Travel Plan. In some circumstances a Travel Plan will also be necessary for proposals that do not meet the thresholds where the nature of the development warrants this, where a transport impact is expected from the development, or where a cumulative impact is expected from different uses within a development or from a number of developments in the vicinity.

7.55 A Travel Plan should set out how the end users of the development will accord with sustainable transport objectives, identifying a package of measures that promote sustainable transport, with an emphasis on reducing travel by motor vehicles and encouraging walking and cycling (see Appendix 5 of DM Policies, London Plan Policy 6.3 and TfL's Transport Assessment Best Practice Guidance for major planning applications³⁵ for more detail). The submitted information is required to be sufficiently detailed and accurate to enable the Council to fully assess the development proposal.

7.56 Where Travel Plan measures are not considered adequate, the Council may require additional contributions where necessary to help to offset the impacts of the development.

7.57 A Draft Framework Travel Plan for the whole development should be submitted at application stage if:

- The end-occupier of the development is unknown at the time of submission; or if
- A development is phased.

7.58 A Draft Full Travel Plan must then be submitted to the Council for approval:

- Prior to occupation of the site.

7.59 A Full Travel Plan must then be submitted to the Council for approval:

- Within six months after first occupation of the site, including a full travel survey; or
- Within six months of occupation of each phase of the development (for phased developments).

7.60 In all cases, a Travel Plan update should be submitted to the Council (including a travel survey) three years after occupation of the development (or relevant phase) for the Council's approval.

³⁵ <https://tfl.gov.uk/info-for/urban-planning-and-construction/transport-assessment-guidance>

Other environment obligations

- 7.61 Other than the more commonly applied environment obligations shown above, depending on the nature of the individual scheme and site, contributions or provisions may also be required in relation to the conservation of buildings or places of historic or architectural interest.
- 7.62 An inherent part of Islington's distinct character is its wealth of many important heritage assets which date from various periods. Islington's heritage assets make a substantial positive contribution to the borough's local character and distinctiveness and are an irreplaceable resource which justifies their conservation and enhancement in a manner appropriate to their significance.
- 7.63 These heritage assets include listed buildings, conservation areas, registered parks and gardens, scheduled monuments and archaeological priority areas. The layout and patterns of streets, vistas, streetscapes and open spaces are also of importance. It is vital that the borough retains its distinct character and the assets which form part of it, regardless of whether they are designated or not (Core Strategy CS 9, London Plan 7.8, NPPF 126).
- 7.64 Planning obligations may be used to ensure that new developments:
- Make appropriate provisions for the protection, conservation, repair, restoration, maintenance or relocation of heritage assets and if necessary, their setting;
 - Where possible, make these assets available to the public on-site and provide appropriate visitor infrastructure; and
 - Where the archaeological asset or memorial cannot be preserved or managed on-site, make provision for the investigation, understanding, recording, dissemination and archiving of that asset.
- 7.65 Please note that measures relating to climate change adaptation and biodiversity are dealt with mostly through the main planning application, through planning conditions or, if an obligation is necessary, through public realm or open space works (see Chapter 4).

8.0 Other obligations

Viability Review

- 8.1 In order to ensure that the maximum reasonable level of affordable housing is provided in line with London Plan Policy 3.12 and Core Strategy Policy CS12 and that other plan requirements are met, the Council will require viability review mechanisms through Section 106 agreements:
- On all major residential / mixed use applications which do not meet the strategic affordable housing target; and
 - For all major applications where policy requirements are not met in full at the time permission is granted.
- 8.2 For more details on this obligation see the Islington Development Viability SPD (2016) Chapter 7.

Council costs

- 8.3 Negotiating, agreeing, implementing, monitoring, enforcing and allocating planning obligations are additional costs to the Council. The officer and legal costs of negotiating, monitoring and implementing obligations will be recouped through planning obligations.

Other

- 8.4 Applications are considered on a case by case basis and where an additional need arises relating to a development proposal, other obligations will be required where they are necessary to make a development acceptable in planning terms.

9.0 Negotiating planning obligations

9.1 The negotiation of S106 agreements is primarily the responsibility of the Development Management case officer, supported by an officer from the Planning Obligations team. There may also be need for potential involvement from other bodies in the process, such as Transport for London (see SPD Chapter 4), who may be signatories to the S106 agreement and/or be responsible for infrastructure or services included in such an agreement. Figure 9-1 contains an outline of the negotiation process.

Pre-application stage

- 9.2 It is essential that the probable need for a S106 agreement is considered at pre-application stage.
- 9.3 At this stage, full consideration should be given to the impacts of the proposed development and its acceptability in accordance with relevant planning policy and standards. This includes assessing the need to enter into a S106 agreement with the Council, and considering which planning obligations may be necessary to make a development acceptable, to bring it into line with the objectives of sustainable development and to ensure compliance with relevant Council policies and strategies.
- 9.4 Details of the development proposed should be submitted to relevant officers at pre-application stage. Officers will make an assessment of the impacts of the development and will provide guidance regarding the planning obligations that are likely to be required.
- 9.5 The Council aims to agree draft Heads of Terms (which will form the basis of the agreement) at pre-application stage. This should ensure that there is sufficient time for drafting and completing the agreement prior to determination of the application where applicable.
- 9.6 During S106 negotiations, if an agreement cannot be reached, the applicant may be invited to provide alternative proposals and a related justification.
- 9.7 In line with the national indicator for planning activity performance (NI 157), planning applications should be processed “in a timely manner”:
- Minor applications - within 8 weeks
 - Major applications - within 13 weeks
 - Other applications - within 8 weeks
- 9.8 It is essential that the process for agreeing a S106 does not prevent the achievement of performance targets and time limits, and planning and legal officers should all be working towards the appropriate limit for the issuing of the legal agreement and the planning decision. Early and close cooperation between the development management case officer, the planning obligations officers and the legal team is therefore essential.

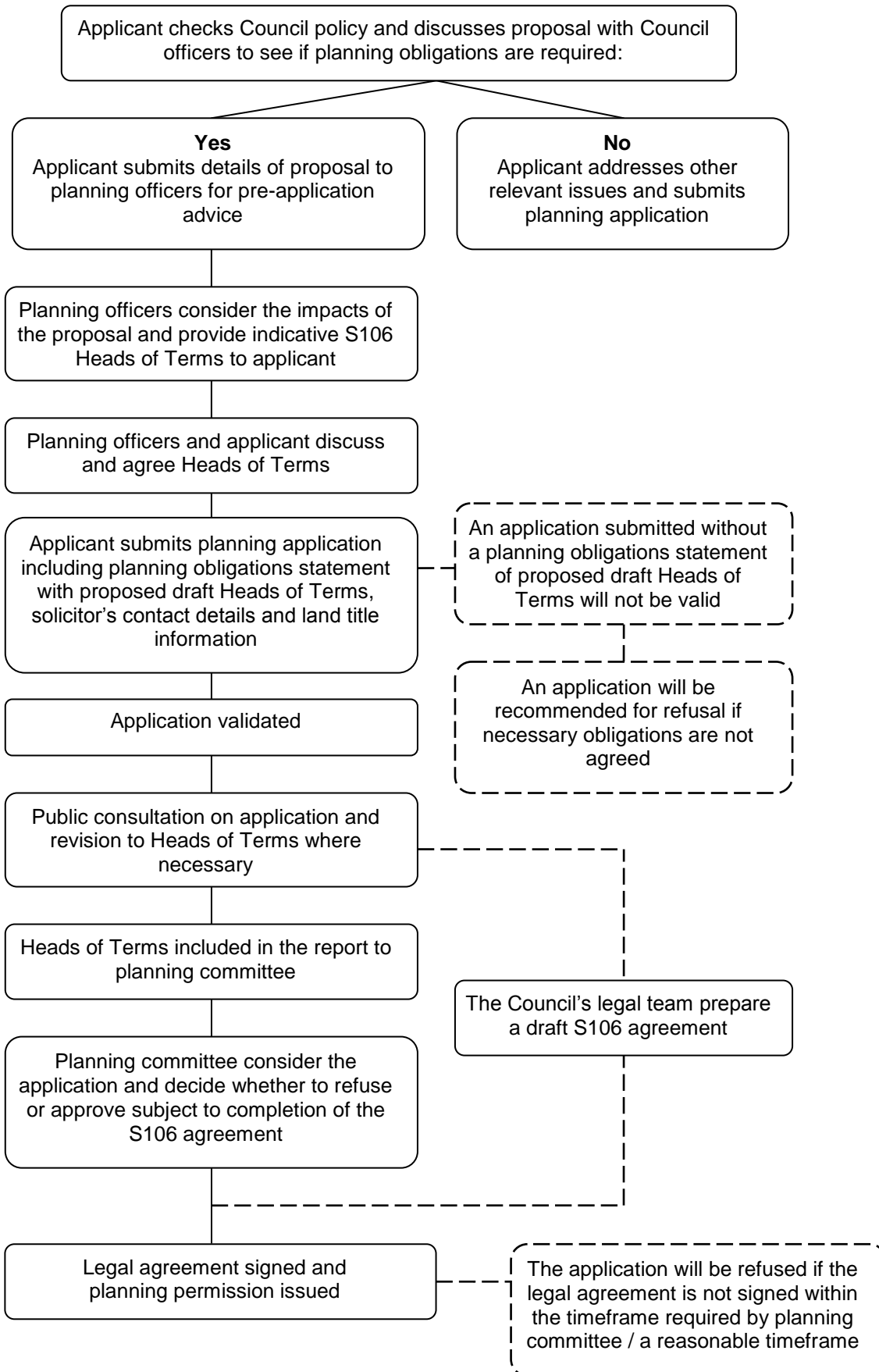
Application stage

9.9 A statement of the proposed Heads of Terms which will form the basis of a Section 106 (S106) agreement to be entered into in respect of the application should be submitted as part of any planning application for a major development which is likely to require planning obligations (see thresholds in Chapter 2 of this SPD). For minor developments involving at least one residential unit, unilateral undertakings are required in relation to carbon offsetting, removal of eligibility to car parking permits and small sites affordable housing contributions.

Please see Chapter 2 of this SPD for further guidance and clarify the situation with officers at pre-application stage.

- 9.10 To enable the Council to determine the application, the statement should:
- indicate what planning obligations will apply to the development,
 - clarify any advice provided at pre-application stage and
 - provide details of the applicant's solicitors and land title.
- 9.11 All parties with an interest in the land should enter into the agreement. It is vital that these parties are identified and informed early in the application process to avoid delays in the completion of the agreement.
- 9.12 Advice given by the Council before an application is submitted or in the initial stages of the application may be subject to alteration during the application process, as a result of further issues that arise during the application and consultation process. Officers will instruct the Council's legal department to commence drafting the agreement at the earliest possible stage, so that this is ready for completion within statutory deadlines as soon as Heads of Terms are agreed.
- 9.13 If necessary planning obligations are not agreed to, officers will prepare a recommendation to refuse permission. If agreement is reached and the development is acceptable in all other matters, officers will prepare a recommendation to grant planning permission subject to the completion of a satisfactory S106 agreement.
- 9.14 Heads of Terms will be included in a planning report and will form part of the basis from which a decision is made. The delegation of authority from the Executive relating to planning applications requires that all recommendations to grant planning permission for major developments have to be determined by the Planning Committee. Any planning applications for minor developments with a S106 agreement should be determined by the Planning Sub Committee, unless:
- The Heads of Terms relate only to securing affordable housing and/or affordable workspace and/or carbon offsetting in line with planning policy and/or securing highway works in relation to the application site; or
 - The terms of the agreement are not materially different from any previous agreement approved by the sub-committee in relation to the same site.
- 9.15 Following a committee decision, should the applicant not be willing to complete the agreement under the terms presented and within a reasonable timescale, the application will be refused.

Figure 9-1: S106 negotiation process



Consultation

- 9.16 Local residents, stakeholders and the public can make comments on a planning application during the statutory consultation period. Consultees may identify particular impacts or other issues that are likely to arise from a development and potential areas for mitigation. A process of internal consultation also takes place with relevant officers and local Councillors.
- 9.17 The Council will consider comments submitted and establish whether it is appropriate to use planning obligations to address issues raised. If so, officers will seek to agree the terms of relevant obligations with the applicant where these have not already been addressed. Further information on how to comment on planning applications is set out on our web page on Consultations on Planning Applications:
<https://www.islington.gov.uk/planning/applications/permission-check/planning-application-process>
- 9.18 Comments received during the application stage will also be reviewed at the time of implementation of S106 agreements, when contributions are received by the Council and when project proposals are considered for funding.
- 9.19 The Council also undertakes consultation on area strategies and frameworks, on specific projects to improve facilities such as streets and open spaces, and for the purposes of informing other borough wide plans, strategies and assessments, which are used to help inform the use of S106 contributions.

Development Viability

- 9.20 Applicants are required to submit a viability appraisal for major residential applications or for any other application where viability is relied upon as a factor in determining the application.
- 9.21 Viability assessments should be undertaken in line with guidance published in the Council's Development Viability SPD. Key requirements of the Council centre around verification of information, deliverability and transparency; methodology and procedure; evidence, inputs and assumptions; viability review mechanisms; and Council monitoring and reviews.
- 9.22 In cases where applicants submit that financial viability issues do not allow for the full range of planning obligations to be met, they are required to provide a financial appraisal and pay for a review of the appraisal by a suitably qualified expert appointed by the Council. Only where financial viability is a demonstrable issue and where developments have overriding planning benefits should consideration be given to a grant of planning permission. Further information is set out in the Development Viability SPD, which can be found at: <http://www.islington.gov.uk/developmentviability>

Payment of contributions

- 9.23 Payment of financial contributions should normally be on or before implementation of the development. This will enable mitigation and improvement works to commence during construction of the development and, where feasible, be co-ordinated with the completion of development.
- 9.24 For phased developments, the staging of payments may be acceptable. The developer must inform the Council when the relevant stage triggers have been reached. The Council will normally only receive contributions if construction of the development has commenced. Larger projects funded through S106 contributions may take longer to deliver given the time that may be required to put sufficient additional funding in place, to work up details of

projects, undertake consultation, obtain relevant consents and address any other issues that arise.

9.25 All financial contributions should be index-linked from the date of committee to the date of actual payment, to ensure that the value of the obligation does not reduce over time due to inflation.

9.26 Should a payment not be made on the date due, interest will be charged in order to act as a disincentive to late payment.

Enforcement and monitoring

9.27 Planning obligations are enforceable by the Council as local planning authority under the Town and Country Planning Act 1990:

- In the courts by application for an injunction or recovering contributions payable; and
- By carrying out any operations required by the Planning Obligation and recovering the cost from the person(s) against whom the obligation is enforceable.

9.28 It is the responsibility of the S106 monitoring officer to:

- Monitor the implementation of developments;
- Monitor developer's compliance with planning obligations;
- Report on the status of S106 agreements; and
- Commission S106-funded schemes.

9.29 A solicitor's undertaking will be required to pay the Council's reasonable legal fees based on the time taken in preparing the S106 agreement. The costs of monitoring and implementing the agreement will be included within the contributions sought (see also Chapter 8).

Allocation and expenditure

9.30 The management of S106 funded projects will largely be the responsibility of other Council departments or, in certain circumstances, external organisations. The S106 monitoring officer will work with project managers to ensure that schemes are delivered in compliance with the terms of the S106 agreement.

9.31 Most obligations will need to be met on or before 'implementation' of the development. Implementation is the date on which any material operation³⁶ forming part of the development begins. Developers should notify the Council of their intention to implement the planning consent and at any other times specified in the agreement. Contributions will normally be paid at this time. This is to ensure that capacity improvement works are carried out during the construction of the development, to minimise upheaval to residents and create sufficient capacity on local infrastructure in advance of occupation.

9.32 Contributions will be used for projects which address the issues referred to in this document and other needs which may arise by mitigating the impacts of the development. The works undertaken will be informed by a range of existing and forthcoming documents which include details of borough requirements which will be affected by new development. The use of contributions will be informed by consultation undertaken on the planning application,

³⁶ As defined by Section 56(4) of the Town and Country Planning Act 1990

associated planning obligations, and relevant planning documents. Where insufficient contributions are available from one development to deliver a project, these may be pooled with other funding sources in line with limitations as set out in the CIL Regulations (see Chapter 2 of this SPD).

- 9.33 Where appropriate, on receipt of contributions the Council undertakes a process of evaluation of different project proposals based on a range of criteria, including government guidance, the terms of the S106 agreement, relevant strategies and priorities. This is undertaken in consultation with Ward Councillors and allocations are approved by the Service Director for Strategic Planning.
- 9.34 “Ward Improvement Plans” are used to help prioritise projects for funding. Projects can be viewed and new projects submitted through the Ward Partnership. The Ward Improvement Plan for each ward can be found on the relevant Ward Partnership page on the Council’s website: <http://www.islington.gov.uk/involved/ward-partnerships/Pages/default.aspx>”.
- 9.35 The impact of projects funded through S106 contributions upon equality will be considered in accordance with the Council’s equality and diversity policy ‘Dignity For All’. The organisations involved in the implementation of projects will be required to comply with relevant equalities policy detailed within ‘Dignity For All’³⁷.

³⁷ https://www.islington.gov.uk/~/_media/sharepoint-lists/public-records/communityandliving/businessplanning/policies/20112012/20120303dignityforallbooklet

10 Appendix A: Occupancy and employment densities

- 10.1 Planning obligations are generally worked out on the basis of the specification of the development proposal i.e. the number of residential units of a specific size, the number of hotel/ student housing/ hostel bedrooms and/ or the floorspace of commercial/ employment uses.
- 10.2 The occupancy of employment spaces can be calculated by dividing the amount of employment floorspace (in square metres) by the employment densities (square metres per employee) as detailed in the 2015 Homes and Community Agency (HCA) Employment Density Guide.
- 10.3 Applicants should provide the Council with net internal area (NIA) measurements to facilitate this calculation, as well as GIA and GEA measurements. If these measurements are not provided the Council will use the measurements listed in the planning application form and convert them, based on the guidelines set out for this in the HCA Employment Density Guide 2015:
- GEA to GIA: Reduction of 5%
 - GIA to NIA: Reduction of 15-20%
- 10.4 With the move to more flexible working practices such as smart working, there has been an increasing reduction in the area of employment floorspace per employee in recent years. Uplift of employees, to determine an increase or decrease in the intensity of a site's use, can be demonstrated by the applicant through evidence of existing and proposed numbers of employees on site.
- 10.5 For schemes where either current or proposed occupancy levels are not specified or not certain in exact terms at the time of calculating Heads of Terms, the Council may use previous or current HCA employment density levels (from 2001, 2010 or 2015 depending on the nature, age and use of the building) to estimate current or recent occupancy of a development and current HCA employment densities (2015 or any future updates as they are published) to project estimated levels of future occupancy for a proposed new development (see table overleaf and also Chapter 2 section on Standard Obligations and Occupancy Rates of this SPD for more details).
- 10.6 These figures are provided as a guide and may be reviewed in relation to specific sites and when further information becomes available. Employment densities for any use classes not present in the table below will be determined according to available evidence at the time of assessment.

Table 10.1: HCA Employment Density Matrix 2015

Use Class	Sub-Category	Sub-Sector	Density (sqm)	Notes
B1a Offices	General Office	Corporate	13	NIA
		Professional Services	12	NIA
		Public Sector	12	NIA
		TMT	11	NIA
	Finance & Insurance	10	NIA	
	Call Centres		8	NIA
B1b	R&D Space		40-60	NIA lower densities will be achieved in units with higher provision of shared or communal spaces
B1c	Light Industrial		47	NIA
B2	Industrial & Manufacturing		36	GIA
B8	Storage & Distribution	National Distribution Centre	95	GEA
		Regional Distribution Centre	77	GEA
		'Final Mile' Distribution Centre	70	GEA
Mixed B Class	Small Business Workspace	Incubator	30-60	B1a, B1b – the density will relate to balance between spaces, as the share of B1a increases so too will employment densities.
		Maker Spaces	15-40	B1c, B2, B8 - Difference between 'planned space' density and utilisation due to membership model
		Studio	20-40	B1c, B8
		Co-Working	10-15	B1a - Difference between 'planned space' density and utilisation due to membership model
		Managed Workspace	12-47	B1a, b, c
B8 / Sui Generis	Data Centres	Wholesale	200-950	
		Wholesale Dark Site	440-1,400	
		Co-location Facility	180-540	
A1	Retail	High Street	15-20	NIA
		Foodstore	15-20	NIA
		Retail Warehouse	90	NIA
A2	Finance & Professional Services		16	NIA
A3	Restaurants & Cafes		15-20	NIA
C1	Hotels	Limited Service / Budget	1 per 5 beds	FTE per bed
		Mid-scale	1 per 3 beds	FTE per bed
		Upscale	1 per 2 beds	FTE per bed
		Luxury	1 per 1 bed	FTE per bed
D2	Fitness Centres	Budget	100	GIA
		Mid Market	65	GIA – both types tend to generate between 40-50 jobs per gym
		Family		
	Cinema		200	GIA
	Visitor & Cultural Attractions		30-300	The diversity of the cultural attraction sector means a very wide range exists
	Amusement & Entertainment Centres		70	Potential range of 20-100sqm

Source: 3rd edition (2015) Homes and Community Agency (HCA) Employment Density Guide

11 Appendix B: Development example

11.1 The tables below provide a worked example of the main S106 planning obligations sought for a hypothetical development proposal which can be defined in numerical terms (e.g. contributions £, number of placements or parking bays required etc). The tables identify the predicted occupancy of the development and the standard obligations and contributions likely to be due for each relevant type of obligation mentioned in this document.

11.2 For some obligations such as employment and training and accessible parking, the Council may seek that provision is made on site. In this instance, both the provision and the financial contribution is shown.

11.3 The example scheme illustrated below is for a mix of uses including residential units (50% market and 50% affordable housing, with the affordable housing being split into 70% social and 30% intermediate housing) and A1 commercial space outside of the Central Activities Zone (CAZ):

- 20 x 1 bedroom flats (10 market units, 7 social units, 3 intermediate units)
- 40 x 2 bedroom flats (20 market units, 14 social units, 6 intermediate units)
- 20 x 3 bedroom flats (10 market units, 7 social units, 3 intermediate units)
- 350 square metres of A1 floorspace

11.4 Employment occupancy details are worked out as follows:

Employment occupancy	Floorspace area (sqm)	Density (sq m per employee)	Number of employees
A1 - Shops	350	/ 15	= 23.3

11.5 Standard obligations and contributions and contributions are subsequently worked out, based on the above occupancy calculations:

Employment and training placements (construction)			
	Units / area sq. m.	No of units / floorspace per placement	Number of placements required
Residential Units	80	/ 20	= 4
Employment Floorspace	350	/ 1000	= 0.35
		Total	= 4.35
OR			
Employment and training contribution (construction)			
	Number of placements	Cost of providing construction training and support per placement	Contribution to be paid (£)
	4	x 5000	= 20,000
		Total	= 20,000

	Occupancy of the development		Islington residents requiring training and support		Cost of training/support per person (£)	=	Contribution to be paid (£)
Employees	23.3	x	0.067	x	2500	=	3,903
					Total	=	3,903

Code of Construction Practice monitoring fee							
	Units / area sq. m.		No of units / floorspace per £1000 contribution		Contribution	=	Contribution to be paid (£)
Residential Units	80	/	10	x	£1000	=	8,000
Employment Floorspace	350	/	1000	x	£1000	=	350
			Total			=	8,350

Accessible parking provision							
	units / area sq. m.		No of residential units / employees per parking bay				Number of disabled parking bays required
Residential Units	80	/	10	=			8
Employees	23.3	/	33	=			0.71
			Total	=			9
OR							
Accessible parking contribution							
	Net number of disabled parking bays required		Contribution per parking bay (£)				Contribution to be paid (£)
	9	x	2,000	=			18,000
			Total	=			18,000

Carbon offsetting							
			Carbon offsetting contribution (£)				Contribution to be paid (£)
Tons of residual carbon to be offset (specified in the submitted Energy Statement)		x	established price per tonne of CO2 for Islington (currently £920)	=			TBC by the Council's Energy Conservation Officer
			Total	=			TBC

11.6 The results of these calculations provide a starting point for negotiations, together with other standard obligations which are not worked out on a numerical basis (e.g. a requirement for the development to be car free etc; see Appendix B for more details). Final obligations can be refined based on the specific characteristics and impacts of the development, having regard to relevant evidence and legislation and in consultation with key officers in relevant departments (e.g. learning, skills and employment, highways etc).

12 Appendix C: Standard Heads of Terms

12.1 The following standard Heads of Terms are provided to give an indication of the terms that will usually form the basis of S106 agreements for typical new major or minor developments, based on a 10 unit threshold for residential and a 1,000 sq m threshold for commercial or mixed use sites.

12.2 Standard obligations and costs are explained in the Chapter 2 section on Standard Obligations and Occupancy Rates of this SPD. All obligations and relevant thresholds are listed in Table 2.1, with more details on each type of obligation in Chapters 4 - 8.

Example Heads of Terms – All major development

- The repair and re-instatement of the footways and highways adjoining the development. The cost is to be confirmed by LBI Highways, paid for by the applicant and the work carried out by LBI Highways. Conditions surveys may be required.
- Compliance with the Code of Employment and Training.
- Facilitation of x work placement(s) during the construction phase of the development. Each placement must last a minimum of 26 weeks. The London Borough of Islington's approved provider(s) to recruit for and monitor placements, with the developer/contractor to pay wages. Within the construction sector there is excellent best practise of providing an incremental wage increase as the operative gains experience and improves productivity. The contractor is expected to pay the going rate for an operative, and industry research indicates that this is invariably above or well above the national minimum wage and even the London Living Wage (£9.15 as at 04/04/2015). LBI will request a fee of £5,000 per placement not provided.
- Compliance with the Code of Local Procurement.
- Compliance with the Code of Construction Practice, including a monitoring fee of £x and submission of site-specific response document to the Code of Construction Practice for approval of LBI Public Protection, which shall be submitted prior to any works commencing on site.
- The provision of x accessible parking bays or a contribution of £x towards bays or other accessible transport initiatives.
- A contribution towards offsetting any projected residual CO2 emissions of the development, to be charged at the established price per tonne of CO2 for Islington (currently £920); Total amount to be confirmed by the Council's Energy Conservation Officer.
- Connection to a local energy network, if technically and economically viable (burden of proof will be with the developer to show inability to connect). In the event that a local energy network is not available or connection to it is not economically viable, the developer should develop an on-site solution and/or connect to a neighbouring site (a Shared Heating Network) and future proof any on-site solution so that in all cases (whether or not an on-site solution has been provided), the development can be connected to a local energy network if a viable opportunity arises in the future.
- Submission of a Green Performance Plan.

- Submission of a draft framework Travel Plan with the planning application, of a draft full Travel Plan for Council approval prior to occupation, and of a full Travel Plan for Council approval 6 months from first occupation of the development or phase (provision of travel plan required subject to thresholds shown in Table 7.1).
- Council's legal fees in preparing the S106 and officer's fees for the preparation, monitoring and implementation of the S106.
- Others as necessary.

Additional Heads of Terms for all major residential / mixed use applications which do not meet the strategic affordable housing target and for all major applications where policy requirements are not met in full at the time permission is granted

- Viability review in line with the Islington Development Viability SPD (2016). Submission of residential sales values and build cost information at an advanced stage of the development process on sale of 75% of private residential units or 3 months prior to practical completion. Reasonable fees of assessing the information to be paid for by the applicant. In the event of an improvement in viability, a financial contribution towards the provision of affordable housing to be paid to the Council, to be determined in accordance with the SPD and capped at the equivalent of the Council's affordable housing target and/ or a contribution for other planning obligations that were deemed to be unviable at application stage, capped at the policy requirement.
- For phased developments a further viability review will be required prior to implementation and for large phased developments a third review will be required at a mid-term stage in line with the Development Viability SPD.

Additional Heads of Terms for residential developments:

- Removal of eligibility for residents' parking permits (additional units only)

Major residential developments only:

- On-site provision of affordable housing in line with Core Strategy Policy CS 12
- Prevention of wasted housing supply. All dwellings required to be fully furnished and equipped for use as a home, and not to be left unoccupied for any continuous period of 3 consecutive months or more (plus other requirements as per Islington's Wasted Housing Supply SPD). The applicant agrees to include these obligations in sales and marketing information and in any head lease or subleases that may be granted.
- Developments providing wheelchair accessible private or shared ownership units will be required to market them as such for a minimum period of 6 months. Developers should include prominent information on the design standards met by all units and the specific qualities and capacity of the wheelchair accessible units in their marketing brochures and show rooms, on their websites and any billboards used to advertise the development.

Minor residential developments only:

- A financial contribution of £x towards affordable housing provision elsewhere in the borough.

- A contribution towards offsetting any projected residual carbon emissions of the development, to be charged at £1,500 per house or £1,000 per flat (to be confirmed by the Council's Energy Conservation Officer).

Additional Heads of Terms for commercial developments:

- Payment of a commuted sum of £x towards employment and training for local residents.
- Affordable workspace or equivalent provision to be agreed between the applicant and the Council.

Additional Heads of Terms for developments in the Central Activities Zone

- A contribution towards Crossrail of £x.
- For proposals with an increase in office floorspace in the Central Activities Zone, the provision of a mix of uses including housing or a contribution towards provision of off-site affordable housing where it is accepted that housing cannot be provided on site.

Additional Heads of Terms for student residential developments:

- A management agreement, including drop off restrictions and noise agreements, to be made available to local residents on request.
- A contribution of 2.4% of the total annual rental income from the student housing development towards bursaries for students leaving Council care and other Islington students facing hardship who are attending a higher or further education establishment (Payments due annually for a period of thirty years, or until the site ceases to be used for student accommodation, whichever is shorter. Initial payment will be made at agreed date at end of the first operational calendar year. Successive payments will be due annually on this date).

Other obligations which may be required:

- In addition to the above, planning obligations may also be sought to address any other impacts arising from an individual development (see Chapters 4-8 for examples).
- As each case is assessed individually, there may be particular reasons why some obligations may be applicable and others not for different applications. The examples listed in this SPD are not exhaustive and do not raise every issue that may need to be addressed.
- All payments should be index-linked from the date of Committee. The Council requires that discussions regarding Heads of Terms are carried out at pre-application stage and that details of Heads of Terms are incorporated as a part of the application or otherwise agreed at this stage. It is also necessary to provide solicitors' contact details and proof of title.

13 Appendix D: Frequently asked questions

What are planning obligations?

- 13.1 Planning obligations are used as part of the planning application process to address specific planning issues arising from a development proposal that cannot be dealt with through planning conditions. They are normally agreed between the Council, land owners and developers and are set out in legal agreements called Section 106 agreements. They can also be offered by developers or land owners in unilateral undertakings (see below).
- 13.2 Planning obligations may require developers to provide affordable housing, a financial contribution towards local improvements, employment and training schemes or other measures to address the impacts of a development and to help to ensure that it is acceptable in planning terms.

What is a Section 106 agreement?

- 13.3 A Section 106 agreement is a legal agreement incorporating legally binding covenants or obligations. It is made under the terms of Section 106 of the Town and Country Planning Act 1990, as amended. Where a Section 106 agreement has been entered into, it automatically binds anyone with a legal interest in the land to which it relates.

What are planning conditions?

- 13.4 Planning conditions limit and control the way in which the planning permission may be implemented. Conditions may be imposed on the grant of planning permission for a number of purposes including regulating development or use of any land under the control of the applicant and requiring the carrying out of works on such land.
- 13.5 Planning conditions should only be imposed where they are necessary, relevant to planning and to the development to be permitted, enforceable, precise and reasonable in all other respects (NPPF Paragraph 206).

What are unilateral undertakings?

- 13.6 Unilateral undertakings are similar to Section 106 agreements. They also include legally binding planning obligations but are signed by developers and land owners only (and not the Local Planning Authority).

What is CIL?

- 13.7 The Community Infrastructure Levy (CIL) is a non-negotiable charge and is used to fund local infrastructure that will support future development.
- 13.8 Two types of CIL are collected in Islington:
- Borough-level Islington CIL
 - Mayoral CIL
- 13.9 The Islington CIL is used to finance the provision, improvement or replacement of community infrastructure that supports the development of the borough, as well as the costs of operating and maintaining infrastructure.
- 13.10 The Mayor of London's CIL goes towards funding Crossrail. Islington Council collects the Mayoral CIL for developments in Islington on the Mayor's behalf.
- 13.11 Both CILs are charged on all development which involves

- the addition of 100 square metres or more of gross internal floorspace or
- the creation of a new dwelling of any size.

13.12 Islington's CIL Charging Schedule sets out the CIL rates for different types and locations of development in the borough. Further details can be found here: <http://www.islington.gov.uk/cil>

How is CIL different from planning obligations?

13.13 CIL is a standard, non-negotiable charge, which operates like a tax. It is calculated per square metre of development, allocating each development with a fraction of the total cost needed to provide the borough with the infrastructure necessary to support projected levels of local development.

13.14 Planning obligations are individual charges, calculated separately for each new development, based on requirements created by each individual development, usually based on the number of residential units, number of student or hotel rooms or square metres of commercial floorspace, and their relevant projected occupation. Their purpose is to make a development acceptable in planning terms which would otherwise not be acceptable.

13.15 In most cases, the Islington CIL replaces the use of planning obligations in Section 106 agreements to secure contributions towards infrastructure from development. Section 106 agreements continue to be used to secure affordable housing, to mitigate site-specific issues, and to address other policy requirements that cannot be dealt with through CIL.

What has changed with the adoption of CIL?

13.16 With the adoption of the Islington CIL, many infrastructure costs previously addressed through standard Section 106 charges are now covered by CIL. Key changes are flagged up in this document with boxes titled "**CIL note**".

13.17 Section 106 agreements however continue to be used to address site-specific impacts and ensure conformity with other policy requirements.

What are planning obligations for?

13.18 Through the NPPF published in 2012, the government sets out when and how planning obligations can be used. The NPPF can be downloaded from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf

13.19 Regulation 122 of the Community Infrastructure Levy Regulations 2010 and NPPF paragraph 204 set out three tests that a planning obligation should meet for it to be a proper reason for granting planning permission:

- 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.

13.20 A fundamental guiding principle is that planning permission cannot be bought or sold.

13.21 Planning obligations can cover a variety of matters:

- restricting the development or use of the land in any specified way;
- requiring specified operations or activities to be carried out in, on, under or over the land;

- requiring the land to be used in any specified way; or
- requiring a sum or sums to be paid to the authority on a specified date or dates or periodically.

When do obligations take effect?

13.22 Planning obligations can take effect immediately or on other time triggers set out in the agreement, e.g. six months after implementation. Once a planning obligation comes into effect, it will 'run with the land'. This means that it will apply to the site and automatically bind land owners until it is discharged, even if the land is sold. To discharge a planning obligation the owner of the land must write to the Council providing evidence that all of the covenants and commitments contained in it have been complied with.

How and where can Section 106 contributions be spent?

13.23 Contributions will be used for projects which address the issues referred to in this document and other needs which may arise by mitigating the impacts of the development. The works undertaken will be informed by a range of existing and forthcoming documents which include details of borough requirements which will be affected by new development. The use of contributions will be informed by consultation undertaken on the planning application, associated planning obligations, and planning documents.

13.24 Section 106 contributions are spent on projects which address the issues referred to in this document and other needs which may arise by mitigating the impacts of the development. Allocation and expenditure of S106 funds are made in accordance with the legal agreement between the Council and land owner/developer.

How can I have a say?

13.25 The Council carries out consultation and publicises every planning application it receives by sending letters to neighbouring properties, posting notices near the site, providing details on the website and sometimes advertising in the local press. More information can be found on our website:

<https://www.islington.gov.uk/planning/applications/permission-check/planning-application-process>

13.26 Comments on how a development is likely to impact an area and suggested measures that could help to mitigate these effects are welcome. These will be taken into consideration when assessing the application and determining the nature of planning obligations that may be necessary to make the development acceptable.

13.27 The Council also undertakes consultation on area strategies and frameworks, specific projects to improve facilities such as streets and open spaces, and for the purposes of informing other borough wide strategies and assessments. These are used to help inform the use of S106 contributions.

Who can I speak to if I have a question?

13.28 If you have any queries relating to this document, please contact the S106 and Development Viability Team (see below). For specific questions regarding planning obligations generally or on a specific site, please contact the Planning Obligations (S106) Team (also below).

13.29 If you have a question in relation to a current application, please contact the relevant Development Management Case Officer, whose name and number can be found by searching through the following link:

<https://www.islington.gov.uk/planning/applications/permission-check/planning-application-process>

14 Appendix E: Further information

14.1 Further information on S106 agreements, contributions and associated projects can be requested from the Council through the contact details below or found on the Council's website.

S106 agreements

14.2 Copies of completed Section 106 agreements can be found through the Council's 'Planning Online' Service via the following link:
http://www.islington.gov.uk/services/planning/planninginis/plan_interest/Pages/planning-search.aspx. The S106 agreement can be found under 'Document and Plans'. Alternatively, they can be requested in writing.

Further information about planning and development in Islington

14.3 Up to date information on Islington planning including policy and guidance and details of the planning application process can be found via the following link:
<https://www.islington.gov.uk/planning/applications/permission-check/planning-application-process>

Contact details – Planning obligations (S106) team

14.4 If you have and queries relating to this document, please contact the S106 and Development Viability Team at:

Spatial Planning and Transport
4th Floor, Municipal Offices
222 Upper Street
London N1 1YA
Tel: 020 7527 4039
Council Switchboard: 020 7527 2000
Minicom: 020 7527 1900
Website: www.islington.gov.uk/S106

stephanie.brewer@islington.gov.uk
Tel: 020 7527 4039

14.5 If you have any questions regarding planning obligations generally or on a specific site, please contact:

s106@islington.gov.uk
Tel: 020 7527 2293

If you would like this document in large print or Braille, audiotape or in another language, please contact 020 7527 4039.