



# SECTION 106 AND COMMUNITY INFRASTRUCTURE LEVY

SUPPLEMENTARY  
PLANNING DOCUMENT (SPD)

# FOREWORD

New developments can bring significant benefits to our borough, so long as we are clear about our expectations in planning policy, and have the right processes in place for monitoring our requirements and delivering any in lieu provision.

This new Supplementary Planning Document (SPD) aims to support our policies as set out in the Southwark Plan, giving further guidance across key thematic areas and updating the rates for in lieu payments, to ensure that we can meet the cost of delivery, for example, around play provision and deliver much needed affordable housing.



I am delighted that we are publishing this new guidance to support the implementation of the Southwark Plan and would encourage readers to also go through our latest Infrastructure Funding Statement which provides more detail on recent projects delivered through development including work to Cossall Park, Lower Road Cycle Infrastructure, improvements to the Thames Path, and the installation of a new mosaic at London Bridge station. By bringing forward this SPD, we are ensuring that we can secure even greater benefits for Southwark neighbourhoods over the coming years.

Councillor Helen Dennis, Cabinet Member for  
New Homes and Sustainable Development

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# SECTION 1: INTRODUCTION

This section provides an overview of the Supplementary Planning Document. It sets out how Section 106 planning obligations and Community Infrastructure Levy (CIL) are used, and how they differ. It includes a summary of the financial and non-financial section 106 planning obligations which may be required.

## 1.1 Overview

1.1.1. This Supplementary Planning Document (SPD) provides detailed guidance on the use of section 106 planning obligations and the community infrastructure levy.

1.1.2. It sets out:

- The requirements for mitigating any impacts of development using section 106 planning obligations and CIL.
- How section 106 planning obligations arise and are secured.

1.1.3. Development should meet the requirements set out in the Southwark Plan 2022 unless material considerations indicate otherwise. This SPD sets out that impacts from a development must be mitigated on-site or off-site. Where this is not possible, a financial contribution may be required in accordance with the national planning policy framework.

1.1.4. Table 1 summarises the financial section 106 planning obligations and Table 2 summarises the non-financial section 106 planning obligations the Council expects. These are based on policy requirements from the Southwark Plan 2022 and London Plan 2021.

1.1.5. This SPD replaces the S106 Planning Obligations and CIL SPD, (2015) amended in November 2020. For more information visit <https://www.southwark.gov.uk/planning-and-building-control/section-106-and-community-infrastructure-levy>.


## 1.2 What is a Section 106 planning obligation?

- 1.2.1. Section 106 planning obligations are used to mitigate the impacts of a development. They are usually contained in a legally binding section 106 agreement between a council and parties with a legal interest in the land which planning permission has been applied for. A unilateral undertaking may also be entered into without the local planning authority.
- 1.2.2. They can be used to specify the nature of development, compensate for loss or damage by a development or secure financial contributions. Almost all development has some impact on the need for infrastructure, services and amenities.
- 1.2.3. All section 106 planning obligations must meet the tests set out in the regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended) which state that a planning obligation may only be a reason for granting planning permission for the development if it is:
  - necessary to make the development acceptable in planning terms;
  - directly related to the development; and
  - fairly and reasonably related in scale and kind to the development.
- 1.2.4. If a change is made to an approved planning application, planning obligations in the legal agreement may need to change. Where that is required by the council, this will be done by a deed of variation.

Table 1: Financial section 106 planning obligations - fees

Type of fee	Minor 1-9 homes 0-999 sqm commercial floorspace	Small scale major 10-49 homes and/or 1000-3499 sqm commercial floorspace	Large scale major (lower range) 50-99 homes and/or 3500-10000 sqm commercial floorspace	Large scale major (higher range) 100+ homes and/or over 10,000 sqm commercial floorspace
Section 106 administration and compliance fee				
Charge	£1,000	£5,000	£15,000	£30,000
Monitoring fees				
Transport Delivery service plan	-	Residential £2,466/Non-residential £3,266		
Biodiversity net gain	-	£6,942		
Affordable housing	£150 per home			
Payment in lieu if the policy requirement cannot be met on site - calculation based on:				
Social rented & intermediate homes	Number of habitable rooms x 0.35 x £ per habitable room (depending on CIL zone (see below))			
CIL zones (social rented & intermediate homes)	£100,000 (all zones)	Zone 1- £250,000; Zone 2 - £130,000; Zone 3 - £100,000		
Wheelchair accessible housing	-	Number of habitable rooms required x £10,000		
Affordable workspace	Affordable Workspace Calculator			
Jobs & training in construction	-	-	Shortfall x £200/£2,000/£5,500	
Jobs in completed developments	-	Shortfall against required number of jobs for unemployed Southwark residents lasting minimum 26 weeks x £5,500		
Net zero carbon development	-	£95 per tonne of carbon		
Loss of employment floorspace	10% potential jobs lost £5,500 per job			
Air quality neutral standards	Excess emissions above the benchmark (tonnes/annum) x the damage costs (£/tonne) over a 30-year period, with a 2% annual uplift			
Tree management & replacement	Calculated using the CAVAT methodology or other assessment determined by Council			
Amenity, play & open space	Shortfall in amenity space, child play space or open space (sqm) x £598			
Social, community and other infrastructure	case-by-case based on GLA guidance			
Transport, public realm & highways	case-by-case basis			
Specialist technical support fees				
Supporting the local economy	£3,710 charged to applications which are required to provide jobs and training and/or affordable workspace			
Construction and highways	-	Network management fee post-approval		
Archaeology	£3,598 - £7,196	£7,196 - £8,635	£7,196 - £11,549	£14,391 - £17,270
Conservation & restoration management	£3,598	£7,196		
CIL				
Charge	case-by-case basis			

Table 2: Non-financial section 106 planning obligations

Type of obligation	Minor 1-9 homes 0-999 sqm commerical floorspace	Small scale major 10-49 homes and/or 1000-3499 sqm commercial floorspace	Large scale major (lower range) 50-99 homes and/or 3500-10000 sqm commerical floorspace	Large scale major (higher range) 100+ homes and/or over 10,000 sqm commerical floorspace
Policy requirements 				
Affordable Housing (on-site) inc. student housing (P1, P3-P7, P9)	All housing developments must provide social rented and intermediate housing			
Wheelchair Accessible Housing (P5 and P8)	All housing developments must provide wheelchair accessible housing			
Affordable workspace (P31)	Commercial development over 500sqm (including extensions) must provide 10% affordable workspace			
Jobs in completed developments (P28)	-	All non-residential floorspace (over 2,500 sqm) is required to provide employment for Southwark residents		
Local procurement (P28)	-	Development over 1,500 sqm must prioritise local business for the procurement of goods and services		
Loss of employment floorspace (P30)	Development in Central Activities Zones, Town Centres and Opportunity area are required to retain or increase employment floorspace			
Net zero carbon development (P70)	-	Residential: reduce carbon emissions by 100% on Part L 2021 Non-residential: reduce carbon emissions by 40% on Part L 2021		
Biodiversity net gain & ecological management (P59-61)	-	10% Biodiversity Net Gain (BNG) on all development sites (with limited exceptions)		
Amenity space, play space & open space (P13-15)	Southwark Plan 2022 policies P13-15 and P57 and London Plan 2021 policies D6, H16 and S4 set out the requirements.			
Social, community & other infrastructure (P17, P27, P45-P47)	Southwark Plan policies P17, P27 and P45-P47 and London Plan S1-S3, S5 and HC5 set out requirements.			
Sustainable transport, public realm and highways (IP2, P13, P45, P50-55, P65)	Transport obligations will consider location, connectivity, walking, cycling, public transport and highways impact			
Business relocation strategy (P32-P33)	Developments that displace small/independant businesses			

## 1.3 How is indexation applied?

- 1.3.1. To ensure all section 106 planning obligations continue to cover the actual cost of delivering infrastructure, these will be subject to indexation. The method of indexation depends on the type of contribution due. The council will use the Building Cost Information Service Index (BCIS) General Building Costs Index for section 106 planning obligations relating to construction, and the Consumer Price Index (CPI) for all other S106 planning obligations.
- 1.3.2. This is applied from the date of the section 106 legal agreement being signed and it can only increase. Legal clauses to secure the indexation on the amounts agreed will be included in the Section 106 planning obligation. Indexation is calculated using the formula below:

$$\frac{(\text{£ s106 financial contribution}) \times (\text{Indexation rate at the date the financial contribution is due})}{\text{Indexation rate on the date of the Section 106 Legal Agreement}}$$

## 1.4 How are Section 106 planning obligations spent?

- 1.4.1. The money is spent on projects in accordance with the purposes for which they have been paid. Infrastructure Funding Statements identify projects for CIL and funding from Section 106 planning obligations.<sup>1</sup> The total money received from CIL and S106 during the reported year is in the council's [Infrastructure Funding Statement](#). This also sets out the projects funded from Section 106 planning obligations.

## 1.5 What is Community Infrastructure Levy (CIL)?

- 1.5.1. CIL is charged per square metre of floorspace. It is applied to new developments over 100 square metres Gross Internal Area (GIA)<sup>2</sup> and to development that creates a dwelling. CIL charges are based on the size and type of new development. Some development does not have to pay CIL, such as affordable housing.
- 1.5.2. CIL allows local authorities in England and Wales to raise funds from developers undertaking new development. It can be used to fund a wide range of local and strategic infrastructure to support growth in the borough.

<sup>1</sup> The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019.

<sup>2</sup> The RICS Code of Measuring Practice is used to define GIA. Existing floor area is measured inside the internal perimeter wall using scaled floor plans. If there are no scaled plans of the existing buildings, no discount for existing floorspace will apply.



## 1.6 Southwark CIL

1.6.1. Southwark is a CIL charging authority. The council's CIL is set out in the adopted [CIL charging schedule](#). This is based on the amount of CIL needed to support growth. The schedule shows how much each development must pay. It also includes a map of the CIL charging zones and where they apply.

1.6.2. Southwark Council increases the CIL rates annually through BCIS, as required by the CIL Regulations. This is published on the Southwark website in the [Southwark Annual CIL Rate Summary](#).

1.6.3. The council's instalment policy is:

- For schemes under £100,000, CIL is due in full within 60 days of commencement.
- For schemes over £100,000, the first CIL instalment is due within 60 days of commencement. The second instalment is due within 240 days of commencement.
- For schemes where CIL is not paid in full on time, this is due immediately by the developer.

1.6.4. Further information is at [www.southwark.gov.uk/southwarkcil](http://www.southwark.gov.uk/southwarkcil).

## 1.7 Local CIL

1.7.1. The CIL regulations (amendment) 2014 require an amount of CIL to be spent locally. This is 15% with a cap at £100 per council tax dwelling. For areas with an adopted neighborhood plan the amount is 25% with no cap.

1.7.2. Southwark Council will spend 25% of CIL at a local level, whether there is an adopted neighbourhood plan or not.

## 1.8 Mayoral CIL

1.8.1. As well as Southwark CIL, the Mayor of London charges CIL to deliver London-wide infrastructure, such as the Elizabeth Line. Southwark Council collects Mayoral CIL on behalf of the Mayor. This is charged on each square metre of new development. Further information is at <https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/mayoral-community-infrastructure-levy>.

## 1.9 How is CIL paid?

- 1.9.1. CIL is payable on commencement, which is the earliest date of material operation on the site.<sup>3</sup> For retrospective planning applications, commencement is the day that planning permission was granted.
- 1.9.2. Phased planning permissions are considered as separate chargeable developments. Each phase or stage must be clearly set out in the planning permission with a clear phasing plan.
- 1.9.3. Phasing must clearly relate to specific parts of construction or development, such as construction of a building. It cannot be used to artificially sub-divide development.
- 1.9.4. Phasing will only be appropriate for large-scale major development. It will not be appropriate to minor development.<sup>1</sup>

## 1.10 How is CIL spent?

- 1.10.1. Most Strategic CIL in Southwark is spent on new transport infrastructure. It also funds new schools, community infrastructure, health, biodiversity and parks. Projects funded by CIL and Section 106 planning obligations are set out in the council's annual Infrastructure Funding Statement.
- 1.10.2. Further information about Southwark Council's spending on CIL on projects: <https://www.southwark.gov.uk/planning-and-building-control/section-106-and-community-infrastructure-levy/community-infrastructure-levy-cil?chapter=5>.
- 1.10.3. The council decides on the expenditure of CIL on projects identified in its annual Infrastructure Funding Statement. The release of these funds is approved by Cabinet.
- 1.10.4. The council may use Local CIL to fund both infrastructure and non-infrastructure projects, as long as it related to mitigating the impact that development places on the area.

<sup>3</sup> This is defined at <https://www.legislation.gov.uk/ukpga/1990/8/section/56/2013-04-16>.

# SECTION 2: FINANCIAL AND NON-FINANCIAL SECTION 106 PLANNING OBLIGATIONS

This section provides more detail on the type of financial and non-financial obligations which may be required as a result of development. It is not an exhaustive list. Each section sets out a relevant policy requirement in the Southwark Plan 2022 and what may be the corresponding contribution that may be required to mitigate the impact of development.

## 2. Social rented and intermediate homes

- 2.1. The Southwark Plan 2022 social rented and intermediate homes policies are P1, P3-P7 and P9. The London Plan 2021 policies are H1, H2, H4, H5, H6, H7, H11, H12, H13, H15 and H16.
- 2.2. All housing developments, including conversions, must provide social rented and intermediate housing. This includes student accommodation, co-living and houses in multiple occupation. Where the council accepts that this cannot be provided on the development site or offsite, a financial contribution will be required to fund new affordable housing in Southwark. The payment will equate to the maximum viable amount of affordable housing and should not result in any financial benefit to the applicant.
- 2.3. The formula for the section 106 planning obligation per habitable room is the number of habitable rooms x 0.35 x £ per habitable room.<sup>4</sup> Table 3 sets out the different financial section 106 planning obligations.

<sup>4</sup>A habitable room is defined as a room with a window within a dwelling that is intended to be used for sleeping, living, cooking or dining, regardless of what it is actually used for.

Table 3: Contributions for social rented and intermediate homes

Size of development	CIL zone	£ per habitable room
Major development*	1	£250,000
Major development*	2	£130,000
Major development*	3	£100,000
Small sites (1-9 homes)	All	£100,000
Self-build	All	£30,000

\* Major development includes major residential development (10 or more homes), student housing, co-living developments, and private rented homes.

2.4. Affordable housing requirements are set out in Section 106 planning obligations. This will include:

- Trigger points for specific contributions (i.e when delivery of affordable housing must be delivered by);
- The number and type of affordable housing on site (affordable housing mix); and
- When any payment of an affordable housing financial contribution is due (if applicable).

2.5. Applicants are required to submit the [Affordable Housing Monitoring Schedule](#) and an Annual Affordable Housing Audit. Information of the housing mix will be required for the different stages of the development.

### 3. Wheelchair accessible homes

- 3.1. Southwark Plan policies P5 and P8 and London Plan policies D7 and E10 set out the policy requirements for wheelchair accessible homes.
- 3.2. All housing developments, including conversions, must provide wheelchair accessible homes. Where the council accepts that this cannot be provided on the development site or off-site, a financial contribution will be required to build wheelchair accessible homes on another site in Southwark. The formula for the section 106 financial contribution is:

The number of habitable rooms required for the wheelchair accessible homes  
x £10,000.

- 3.3. The applicant is required to submit additional information in the [Affordable Housing Monitoring Schedule](#). A wheelchair accessible homes parking plan and allocation strategy must be provided.

### 4. Affordable workspace

- 4.1. Southwark Plan policy P31 and London Plan 2021 policies E2 and E3 set out the policy requirements for affordable workspace.
- 4.2. Any new employment space must include 10% affordable workspace for 30 years at a discounted cost. Where the Council accepts that this cannot be provided on the development site or off-site, a financial contribution will be required to fund the provision of affordable workspace on another site in Southwark.
- 4.3. The payment is calculated using the council's [Affordable Workspace Calculator](#).
- 4.4. The applicant will be required to submit an Affordable Workspace Strategy for approval by the council. An Annual Affordable Workspace Strategy Monitoring Report must be submitted on or immediately before 1 year of first occupation and each subsequent year for the whole term of the lease.

## 5. Business relocation

- 5.1. Southwark Plan 2022 policies P32-P33 and London Plan 2021 Policies E2 and E8 set out the requirements for small shops and business relocation.
- 5.2. Business relocation strategies must be submitted with applications for developments which may displace small or independent businesses. Guidance on how to prepare a business relocation strategy is [here](#).
- 5.3. This obligation does not require the applicant to pay compensation to the small or independent business. It is an obligation on the developer to use reasonable endeavours to successfully help relocate small or independent businesses operating on the development site.
- 5.4. A final version of the business relocation strategy is required to be submitted to and approved by the council.

## 6. Jobs and training in construction

- 6.1. Southwark Plan 2022 policy P28 and London Plan 2021 policy E11 set out the requirements for access to employment and training in construction.
- 6.2. Training, apprenticeships and jobs must be provided on site as set out in the table below. Where the council accepts that this is not possible, a financial contribution is required for training, apprenticeships and jobs when they are not provided on site. The requirements are set out below.

Table 4: Requirements for training, apprenticeships and jobs

Type	Cost / On-site requirements
Short courses	£200 per resident. One Southwark resident should be trained at a short course per 500 square metres of Gross Employment Area.
Apprenticeships	£2,000 per apprenticeship. There should be one apprenticeship per 2,000 square metres of Gross Employment Area.
Jobs during construction	£5,500 per unemployed Southwark resident. One Southwark resident per 500 square metres Gross Employable Area should be employed for a minimum of 26 weeks.

- 6.3. Modern Methods of Construction (MMC) are sometimes used instead of traditional construction methods. This can reduce the employment opportunities for local people. In these cases, a financial contribution is required for any shortfall in the jobs and training policy requirement.
- 6.4. Before commencement, the applicant will be required to submit an Employment and Skills Methodology for approval by the council. A Construction Industry Employment and Training Report will be required before completion of the development.

## 7. Jobs in completed developments

- 7.1. Southwark Plan 2022 P28 and London Plan 2021 policy E11 set out the requirements for jobs in completed developments.
- 7.2. All development over 2,500sqm (gross) of non-residential floorspace is required to provide employment for Southwark residents in the completed development. Table 6 shows the requirement.

Table 5: Requirements for jobs in completed developments

Type of development	Number of jobs in completed developments lasting a minimum 26 weeks for unemployed Southwark residents
Workspaces and businesses - Class E(c-g), B2 and B8	10% of the total estimated Full Time Employee (FTE) employment on site*
Retail – Class E(a and b)	20% of the total estimated FTE employment on site*
Hotel (C1)	20% of the total estimated FTE employment on site*
Jobs during construction	£5,500 per unemployed Southwark resident. One Southwark resident per 500 square metres Gross Employable Area should be employed for a minimum of 26 weeks.

\* This should be estimated using the third edition HCA Employment Density Guide (2015), or an alternative measure approved by the council.

- 7.3. The required number of jobs should be in place within 18 months of the first occupation of the completed development. The jobs need to continue for a minimum of 26 weeks. The applicant will be required to submit an end-use Employment and Skills Plan for approval by the council.
- 7.4. Where the job requirements cannot be met fully on site, a financial contribution for the shortfall is required. This is calculated as:  
  
Shortfall against required number of jobs for unemployed Southwark residents lasting minimum 26 weeks x £5,000.
- 7.5. The financial contributions will be applied towards employment, training and skills programmes for Southwark residents in line with the purpose for which the section 106 financial planning obligation has been made. These programmes will offer pathways to employment across a range of sectors, according to local needs.

## 8. Supporting the local economy

- 8.1. Southwark Plan 2022 policies P28, P30 and P31 and London Plan 2021 policies E2, E3 and E11 set out requirements for supporting the local economy by enabling access to employment and training, re-provision of office and business development and provision of affordable workspace.
- 8.2. Where jobs and training obligations are required, a technical fee will be required for the monitoring of the Employment and Skills Methodology and/or Affordable Workspace Strategy. The fee is £3,710 per development.

## 9. Local procurement

- 9.1. Southwark Plan 2022 policy P28 and London Plan 2021 policy E11 set out the requirements for local procurement.
- 9.2. Development that creates more than 1,000sqm (gross) must prioritise local businesses for the procurement of goods and services.
- 9.3. Developers should use reasonable endeavours to procure from businesses and organisations based in Southwark either:
  - 10% of the total value of the construction contracts or,
  - 10% of the total number of construction contracts tendered in relation to the development.



## 10. Loss of employment floorspace

- 10.1. Southwark Plan 2022 policy P30 and London Plan policy E1 set out the requirements where there is a loss of employment floorspace in office and business development.
- 10.2. Development in the following categories are required to retain or increase the amount of employment floorspace:<sup>5</sup>
- Central Activities Zone
  - Town centres
  - Opportunity areas
  - Development plots within site allocations.
- 10.3. Where a lack of demand for employment floorspace has been demonstrated by a 2-year marketing exercise, a financial contribution may be acceptable. This is calculated as:
- 10% number of FTE jobs should have been provided in the development x  
£5,500 per job
- 10.4. This is calculated using the most current HCA Employment Density Guide, or an agreed alternative measure.
- 10.5. Where development does not re-provide the employment floorspace on site and where this leads to a net loss of employment floorspace on-site, a section 106 financial contribution will be required.
- 10.6. Financial contributions from the loss of employment space will be used to support a range of employment and skills programmes for Southwark residents. These will offer pathways to employment across a range of sectors, according to local needs.

<sup>5</sup>. Employment floorspace means Class E(g), B2, B8 or sui generis employment generating uses.

## 11. Net zero carbon development

11.1. Southwark Plan 2022 policy P70 and London Plan policies GC6, SI2 and SI 3 set out the requirements for net zero carbon development.

11.2. Major residential development is required to reduce carbon emissions on site by 100% on Part L 2021 Building Regulations. Major non-residential development is required to reduce carbon emissions on site by 40% on Part L 2021 Building Regulations.

11.3. In exceptional circumstances, carbon emissions may be offset to net zero. The fee for offsetting carbon is calculated as:

Total carbon shortfall (Tonnes of CO<sub>2</sub>) x Cost of Carbon (£95 per tonne) x 30 years (the assumed lifespan of the building).

11.4. All the carbon offset contributions collected go into the Green Buildings Fund. This is used to fund carbon offsetting projects.

11.5. The Section 106 planning obligation will secure the requirements of the Energy Statement. Applicants will also need to provide the [GLA Energy Assessment spreadsheet](#).

11.6. The Section 106 planning obligation will set out when any financial contribution is due. For major applications, applicants will be required to submit a pre-commencement energy pro-forma to track any changes to the energy performance of the development as a result of improvements to the design. The applicant may also need to submit an updated Energy Statement for approval by the council.

11.7. Major referable and phased developments must submit an independent review of the development's energy efficiency and a Pre-Occupation Energy Pro-Forma for approval by the council.

11.8. Before occupation, design estimates for the London Plan's Be Seen energy performance indicators will need to be submitted.<sup>6</sup> Annual in-use energy performance will be required 1 year after occupation and for the following 4 years.

<sup>6</sup> Via the GLA online portal.

## 12. Connection to a District Heat Network (DHN)

- 12.1. Southwark Plan 2022 policies P68 and P70 and London Plan 2021 policies SI3, SI12 and SI13 set out the requirements for connection to a District Heating Network.
- 12.2. The feasibility of connection will be assessed on a case-by-case basis. Where it is feasible, the connection to, or future-proofing of a connection to a District Heating Network will be secured by a Section 106 planning obligation.

## 13. Air Quality

- 13.1. Southwark Plan 2022 policy P65 and London Plan 2021 SI1 set out the requirements for air quality.
- 13.2. Where carbon dioxide emissions cannot be fully mitigated on-site, an offsetting payment is required. This will be calculated using the following formula:
- 13.3. Excess emissions above the benchmark (tonnes/annum) x the damage costs (£/tonne) over a 30-year period, with a 2% annual uplift.<sup>7</sup>
- 13.4. Any offsetting contributions are used to support the delivery of initiatives set out in the council's adopted Air Quality Action Plan.
- 13.5. A Construction Environmental Management Plan is required to be submitted before commencement. This should show any air quality impacts during site clearance, demolition and construction.
- 13.6. Where the Construction Environmental Management Plan shows that construction phase air quality impacts are expected, a financial contribution is required. This obligation applies to development of 10 or more residential units, and/or 1,000+ square metres of commercial space. Sites below this threshold may be exempted from the requirement where applicants can demonstrate that the impacts will not be disproportionate in order for the Council to consider an exemption.
- 13.7. Air quality monitoring payments will be assessed and calculated based on the complexity of the site, the duration of the development, and the likely air quality impacts. The contribution will be used to monitor compliance with the construction phase air quality provisions of the Construction Environmental Management Plan.
- 13.8. Before demolition or the commencement of groundworks, the applicant must pay the construction phase air quality monitoring payment. During the construction phase, the developer must comply with the approved air quality management provisions in the Construction Environmental Management Plan. Before occupation, the developer must carry out the measures in the approved Air Quality Assessment and Mitigation Plan.

<sup>7</sup> This is calculated in line with the [Air Quality Neutral London Plan Guidance](#)

## 14. Tree management and replacement

- 14.1. Southwark Plan 2022 policies P60-61 and London Plan 2021 policies D8, G1, G5 and G7 set out the requirements for tree management and replacement.
- 14.2. Developments which have a major impact on existing trees, or which deliver significant new planting, will likely need a Section 106 planning obligation. This ensures that trees and landscaping are planted and maintained in line with the planning approval.
- 14.3. In exceptional circumstances, a section 106 financial contribution will be acceptable to compensate for the loss of a tree and fund a replacement tree. Where this applies, the Capital Asset Value for Amenity Trees (CAVAT) methodology, or an agreed alternative, is used to calculate the financial sum. The Tree Replacement Contribution must be paid before commencement.
- 14.4. A bond will be secured for major developments where a high number of tree planting is proposed. The sum will be determined on a case-by-case basis, but will include a fee, equal to the Council's costs for providing trees off-site, for each tree which is not planted.
- 14.5. A Tree Strategy will be required to be submitted and approved by the council before the commencement of development. This should include the planting, management and maintenance arrangements for the trees and may be required as a condition and/or obligation. A Final Tree Planting Plan will be required to be submitted for approval by the council prior to occupation of the site.

## 15. Biodiversity and ecological management

- 15.1. Southwark Plan 2022 policies P59-61 and London Plan 2021 policies G5, G6 and G7 set out the requirements for green infrastructure, biodiversity and ecological management.
- 15.2. The Environment Act (2021) sets a mandatory requirement for a minimum of 10% Biodiversity Net Gain (BNG) to be provided on all development sites. There are limited exceptions. The requirements are set out in [Government guidance](#).
- 15.3. Section 106 planning obligations will be used to secure the BNG set out in the post-approval Biodiversity Gain Plan. Most of the BNG provided as part of major applications will meet the Government's definition of [significant biodiversity enhancements](#).<sup>8</sup> It is a legal requirement that the delivery of significant BNG enhancements must be monitored by the council for a 30-year period. A monitoring fee will be charged to cover the Council's costs of this monitoring. This will be secured by a Section 106 agreement. Habitat Condition Reports from the developer or management company will need to be submitted to the council for approval post-completion to enable monitoring.
- 15.4. The fee will be calculated on a case-by-case basis depending on the scale and complexity of the site. The starting point will be £6,942.
- 15.5. Financial section 106 planning obligations may also be required for any mitigation or management arrangements required to meet the ecological mitigation hierarchy.<sup>9</sup>

<sup>8</sup> Non-significant enhancements are defined as private gardens for new homes with a low distinctiveness value, or container planting.

<sup>9</sup> Avoid, minimise, restore, offset.

## 16. Amenity space, play space and open space

16.1. Southwark Plan 2022 policies P13-15 and P57 and London Plan 2021 policies D6, H16 and S4 set out the council's requirements in respect of design and open space. These policies are relevant for amenity space, play space and open space.

16.2. Open spaces are an essential resource for residents and visitors and all development should ensure that there is sufficient amenity and play space in accordance with [GLA guidance](#). Applicants should use the [GLA population yield calculator](#) when considering demand for new play space.

16.3. Where the council accepts that the policy requirements cannot be met fully onsite, a financial S106 planning obligation is required in order to ensure that the impact of development is mitigated. This is calculated as follows:

£598 x square metre of shortfall in amenity space, open space or play space

16.4. Details of play space design, open space and amenity space management will need to be submitted for approval by the council before commencement and first occupation. What mitigation is required will be determined by the council on a case-by-case basis and may include:

- A Children's Play Space Strategy and Plan.
- Open Space Landscape Plan.
- Outdoor/Communal Amenity Space Management Plan.

## 17. Social, community, and other infrastructure

17.1. Southwark Plan policies P17, P27 and P45-P47 and London Plan policies S1, S2, S3, S5 and HC5 set out requirements for education places, healthy developments, leisure, arts and culture and community uses.

17.2. Development which creates a need for new or expanded social, community and other infrastructure will require the impact of the development to be mitigated. This could be a requirement for contributions or direct delivery of either one or more of the following:

- Education facilities (early and adult learning, primary and secondary schools);
- Land for health centres and care facilities;
- Sport and leisure facilities;
- Libraries, youth facilities and meeting spaces;
- Arts, cultural and faith facilities;
- TV Reception, Telecoms and CCTV Infrastructure;
- Community safety initiatives;
- Contributions for loss of community use floorspace;
- Community access to use school facilities;
- Flood and surface water management;
- Management and maintenance arrangements;
- Tourism and visitor facilities and visitor management plans;
- Public conveniences;
- Access arrangements to publicly accessible space within tall buildings

17.3. The Section 106 planning obligation will secure a requirement for any plans and strategies that the applicant is required to submit to the council for approval at different stages of the development. This could include:

- Community Use Report;
- Public Access and Management Framework;
- Sports/Leisure Centre Specification Plan;
- Education Delivery Plan; and
- Public Art Strategy.

17.4. Where the council accepts that social and community infrastructure cannot be provided on site or only in part, a financial contribution is required. For education and health services, the need will be calculated using the [GLA population yield calculator](#). The financial contribution will be calculated based on this demand. Other section 106 financial contributions, such as the loss of community floorspace, will be calculated on a case-by-case basis.

## 18. Sustainable transport, public realm and highways

- 18.1. Southwark Plan policies IP2, P13, P45, P50-55, P65 and London Plan policies SI1, T1, T2, T3, T4, T5, T6, T7, T9, D8 and S6 set out the requirements for sustainable transport, public realm and highways.
- 18.2. Development may be required to contribute towards site specific measures such as highway works, transport infrastructure and public realm on site to mitigate site-specific impacts of the additional travel demand they generate. This will be considered on a case-by-case basis.
- 18.3. This could be a requirement for contributions or direct delivery of either one or more of the following:
  - Car Clubs (membership and contributions, including the provision of car club vehicles and parking bays, whether on street or on site)
  - Controlled Parking Zone Parking Permits (including ineligibility for permits in new residential (all types), commercial and industrial developments).
  - Local transport improvements to support major developments
- 18.4. Travel Plans may also be required for planning applications in order to demonstrate how impacts will be overcome.
- 18.5. There are separate agreements which may need to be secured under the Highways Act 1980. These are:
  - Section 38 agreements: required where a development site contains new or amended public highway which will be adopted by the council.
  - Section 278 agreements: required if a development will alter the public highway within or adjacent to the site.
- 18.6. These are agreed between the Council (as the highway authority) and the developer.
- 18.7. A Highways' works bond equivalent to the estimated cost of the works (index linked) plus a 10% contingency will be required. The bond is released once the works have been completed and signed off by the Highways team.
- 18.8. A monitoring fee is required for the monitoring of the Travel Plan and Delivery and Servicing Management Plan. This fee is £2,790 per major residential or commercial development.
- 18.9. Some developments may require improvements to the public realm which are in addition to any section 38/278 requirements. Public realm is publicly accessible space which may be privately or publicly owned. It can include streets, squares, forecourts, footpaths and the spaces between buildings. Public realm section 106 planning obligations will be assessed by the council on a case-by-case basis.



18.10. Financial section 106 contributions relating to transport and public realm are calculated by Transport for London. The exception to this is the Old Kent Road Opportunity Area where the following contributions apply:

- Bus contributions: £2,700 per residential unit.
- Cycle Hire membership: £50 per unit/£25 per studio room/£50 per 100sqm of other uses.

18.11. Other plans and strategies may be required depending on the impact of the development. This may include:

- Travel Plan
- Landscape Strategy and Plan
- Public Realm Management and Maintenance Plan/Strategy
- Visitor Management Plan
- Cycle Parking Strategy
- Public Art Strategy
- Delivery and Servicing Plan
- Management and Maintenance Plan

## 19. Archaeology

19.1. Southwark Plan 2022 policy P23 and London Plan 2021 policy HC1 set out the archaeology requirements.

19.2. Some developments need technical advice on applications in Archaeological Priority Areas (APA). Where the council considers an archeology contribution is required, contributions required are set out in Table 7.

Table 6: Archaeology contribution

Size of development	Development within Tier 1 APAs	Development within Tier 2 APAs (Basic rate)
Under 100sqm	£4,360	£3,598
101-4,999sqm	£8,635	£7,196
5,000-9,999sqm	£11,549	£9,624
10,000sqm and above	£17,270	£14,391
An additional fee for finds of high significance		Applicant notifies the council. Additional contribution is calculated on a case-by-case basis.

- 19.3. Before demolition or the commencement of groundworks, the applicant must pay the archaeology contribution. An Archaeological Assessment Report will need to be submitted for approval by the council.

## 20. Conservation and restoration management

- 20.1. Southwark Plan 2022 policies P13-P17, P19- P21, P24 – P26 and London Plan 2021 policies HC1, HC2 and D4 set out the requirements for conservation and restoration management in terms of design and tall buildings.
- 20.2. Where the council considers that technical advice on conservation and restoration is required by them for complex major applications and significant listed buildings, the contribution required is £3,598 for developments under 100sqm, and £7,196 for developments of 101-4,999sqm.
- 20.3. Before commencement, the applicant submits a Conservation, Restoration and Management Plan for approval by the council.
- A record of the building before, during and after building work.
  - The method for maintenance, repair and minor alterations post completion.

## 21. Construction and highways

- 21.1. Southwark Plan 2022 policy P50 and London Plan policies SI1 and T7 set out the requirements for construction and highways.
- 21.2. Advice on construction, demolition and network management may be needed for the preparation of environmental management plans for major and complex minor sites. This includes the submission of a Construction Logistics Plan and Construction Environmental Management Plan.
- 21.3. Before commencement, the applicant must submit a Construction and Environment Management Plan and a Highways Plan. There may be a separate charge for this service.

## 22. Administration and compliance

22.1. The administration and compliance fees are required in addition to the monitoring fees outlined throughout this SPD. They are calculated by the size of development.

- Data entry and database maintenance;
- Issuing outstanding Section 106 planning obligation contribution demands;
- Section 106 planning obligation compliance;
- Following up unpaid invoices/outstanding contribution demands;
- Processing payments
- Gathering, recording and reporting the spend of Section 106 planning obligations;
- Preparing reports for releasing funding for Section 106 planning obligations;
- Reviewing and considering the discharge of Habitat Conditions and approval of the Biodiversity Net Gain Plan.<sup>10</sup>

22.2. Administration and compliance fees are in Table 8. The fees support monitoring the Southwark Plan<sup>11</sup> housing, employment, business and climate emergency policies. These are in addition to any technical fees which are set out the sections above.

Table 7: Administration and Compliance fees

	Minor development	Small-scale major development	Large-scale major development (lower range)	Large-scale major development (higher range)
Threshold	1-9 homes and/or 0-999sqm commercial floorspace	10-49 homes and/or 1,000-3,499sqm commercial floorspace	50-99 homes and/or 3,500-10,000sqm commercial floorspace	Over 100 homes and/or over 10,000sqm commercial floorspace
Fee per application	£1,000	£5,000	£15,000	£20,000
Affordable housing monitoring fee	None	£150 per affordable home	£150 per affordable home	£150 per affordable home

<sup>10</sup> In accordance with the Environment Act 2021

<sup>11</sup> Southwark Plan policy IP3. The Southwark Plan 2022 Annex 4 is a monitoring framework which the Council is required to report against annually in its Authority Monitoring Report.

