

Report Title: **Hale Village, Tottenham Hale, N17 – s106 agreement 3<sup>rd</sup>. Deed of Variation**

Report of: **Marc Dorfman, Assistant Director Planning & Regeneration**

Wards(s) affected: **Tottenham Hale**

Report for: **Planning Committee**

### 1. Purpose

To assist the delivery of additional affordable homes at Hale Village, Tottenham Hale, this report seeks approval to varying the terms of the s106 agreement to provide for the increased number of affordable homes now granted planning permission, to clarify the maximum liability on Newlon Housing Trust for specific s106 payments and other consequential amendments. This is to facilitate the financial restructuring required to enable construction works on the site to continue and that will include, in the first phases of development, delivering over 500 new affordable homes, offices and space for a health centre.

### 2. Summary

- 2.1 Outline planning permission for the mixed use development at Hale Village (the former GLS depot) was granted in 2007 subject to conditions and a s106 agreement.
- 2.2 Two variations to that agreement have been completed (23 July 2008 and 8 January 2009). These exempt all the landowners of specific plots of land within the site from most of the financial obligations in the s106 agreement - Plot W (comprising student accommodation) and Plots SE, C2 and NW1 (comprising 308 affordable homes) (see attached plan).
- 2.3 In order to support the economic viability of the overall development, a further 234 affordable homes on Plots C1 and N were granted planning permission in March 2009 bringing the proposed total number of affordable homes on the site to 542. The s106 agreement needs to be varied to accord with this larger number of affordable homes. In addition, Newlon Housing Trust (as the proposed leaseholder of Plots C1 & N where the additional affordable homes are) has requested clarification of its maximum liability for specific s106 payments. Newlon states that this is crucial before they can complete the lease of the additional plots.
- 2.4 If Newlon does not lease these plots, there is a very high risk that, given the current depressed state of the housing market, all construction work on the site will cease with no affordable or private homes built for the foreseeable future. In that event, any re-start of construction will be dependent on the national economic recovery and an uplift in the property market.

### 3. Recommendations

It is recommended that:

- 3.1 the s106 agreement dated 9 October 2007 relating to land at Hale Village, Ferry Lane, London N17 be varied to:

- a) permit the increased number of affordable homes on the site from 321 dwellings to 542 dwellings;
- b) clarify that Newlon Housing Trust (NHT) as the proposed lessee of Blocks C1 & N (as shown on the plan attached to this report) will be liable only for up to £1,218,500 of the total cash funding payments due to the Council, when triggered, for:
  - Education contribution (£1m.) – NHT will be liable for 20.3% of this sum (£203,000)
  - Transport contribution (£1m.) – NHT will be liable for 15% of this sum (£150,000)
  - Local transport infrastructure contribution (£0.44m.) - NHT will be liable for 15% of this sum (£66,000)
  - Bus service enhancement contribution (£0.33m.) - NHT will be liable for 15% of this sum (£49,500)
  - Tottenham Hale Urban Centre Masterplan contribution (£5m.) - NHT will be liable for 15% of this sum (£750,000);
- c) note that this proportionate liability is calculated on the basis of the likely development at Hale Village (total bedspaces or floorspace) but the final sums for which Newlon Housing Trust is liable will be adjusted as at the date any payment is due in the light of any changes in the total development granted planning permission at Hale Village – this may mean that Newlon Housing Trust's liability for payments could go up or down;
- d) limit Newlon Housing Trust's responsibility for specific other obligations to the extent that they relate to Blocks C1 & N, with no obligations attaching to Newlon Housing Trust in taking an interest in other land as security for the freeholder undertaking specific works;
- e) make any other consequential amendments required to be consistent with the above variations;

3.2 authorise the Assistant Director of Planning & Regeneration, in conjunction with the Head of Legal Services, to approve the text of the proposed Deed of Variation.

Report Authorised by: .....



**Marc Dorfman**  
**Assistant Director Planning & Regeneration**

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#### 4. Background

4.1 Hale Village (the former GLS site) in Tottenham Hale is a key regeneration area in the London Plan and the Council's Unitary Development Plan. It is identified as a site for mixed use development in the Tottenham Hale Urban Centre Masterplan SPD. The successful development of this site will secure significant regeneration benefits for Tottenham and act as a catalyst for future developments in the area.

- 4.2 Outline planning permission was granted in 2007 for the Hale Village mixed use development subject to conditions and a s106 agreement (signed on 9<sup>th</sup> October 2007). The planning permission allows the construction of up to 1,210 homes, a hotel, student accommodation, commercial/retail floorspace and open space, together with space for a primary school and healthcare centre. The s106 agreement provides for the landowner to make payments to the Council totalling £7.77m. for education, transport and other infrastructure projects (see Appendix 1), together with a range of other obligations, to address the impacts and implications of the development and to secure the proper planning of the site and area. Appendix 2 provides a full summary of the s106 obligations.
- 4.3 Two variations to the s106 agreement have been completed (23 July 2008 and 8 January 2009) that exempt specific plots of land within the site from most of its financial provisions. These exemptions apply to Plots W (comprising student accommodation) and Plots SE, C2 and NW1 (comprising 314 affordable homes by Newlon Housing Trust) – see attached plan. Their effect is to release all the landowners of those plots from specific s106 obligations.
- 4.4 The 700 room student accommodation block is now occupied and construction is continuing of the basic infrastructure on the site needed to support the start of construction of Phase 1 (of 2) of the total 542 affordable homes on the site (all of which are proposed to be built and managed by Newlon Housing Trust).

## **5. Increasing the Number of Affordable Homes in the Development**

- 5.1 Linked with the original planning permission, the s106 agreement provides for up to 321 affordable homes in the development. With the economic recession, the only way to maintain progress on the scheme is via an injection of additional investment by the Homes and Communities Agency and by Newlon Housing Trust to deliver an increased number of affordable homes on the site. Two additional blocks (C1 & N) are proposed to be leased by Newlon Housing Trust to provide an extra 228 affordable homes – making the overall total 542 affordable homes on the site. With a proposed change also to increase the number of student rooms in the development (in Block NW2) replacing private homes (subject to planning permission being granted), the likely total of new homes in the whole Hale Village scheme is now 1,039. Affordable homes will therefore be 52% of the proposed total number of homes in the development.

## **6. Request by Landowner to Clarify the Liability for s106 on the Prospective Leaseholder of Blocks C1 & N**

- 6.1 The additional investment by the Homes and Communities Agency (HCA) is supporting both the additional affordable homes and the necessary infrastructure works to service both the affordable homes and, ultimately, the private homes when the market improves sufficiently for them to be built.
- 6.2 That additional HCA funding is subject to conditions. One of those conditions is for Newlon Housing Trust to complete its purchase of two additional plots (C1 & N) at a specific price and by a specific date.
- 6.3 Before it feels able to complete the lease of these two Blocks, Newlon originally requested that the exemption granted it in July 2008 on Blocks SE, C2 & NW1 be extended to cover the two additional blocks. However, this is not appropriate as it exposes the Council to an unacceptable degree of risk in not being able to recover the s106 payments due.

- 6.4 The usual way that a Housing Association seeks to mitigate its liability for s106 obligations is by having an indemnity from the freeholder. In this case, however, given the economic circumstances, the freeholder is not in a position to provide such an indemnity.
- 6.5 The Homes and Communities Agency (HCA) has confirmed that Newlon's purchase of Plots C1 & N is crucial for the HCA's continuing investment in the whole site.
- 6.6 The negotiated way forward (to secure the essential HCA investment and the Newlon Housing Trust lease of the additional Blocks) is to clarify in a Deed of Variation to the s106 agreement the maximum liability that will fall to Newlon Housing Trust for specific s106 payments.
- 6.7 Blocks C1 & N comprise 15% of the total floorspace proposed at Hale Village and 20.3% of total residential bedspaces. It is proposed, therefore, that Newlon Housing Trust (as the proposed lessee of those two Blocks) will be liable only for these % shares as appropriate of the total cash funding payments due to the Council, when triggered, covering the:
- Education Contribution (20.3% of £1m.)
  - Transport Contribution (15% of £1m.)
  - Local Transport Infrastructure Contribution (15% of £0.44m.)
  - Bus Service Enhancement Contribution (15% of £0.33m.)
  - Tottenham Hale Urban Centre Masterplan Contribution (15% of £5m.).
- 6.8 This equals a maximum liability for Newlon Housing Trust to pay £1,218,500 if, for whatever reason, the freeholder of the site does not pay the full s106 sums when they are due. Some payments are already overdue and, as approved by the Planning Committee in March 2009, the Assistant Director Planning and Regeneration is authorised to negotiate a further variation to the s106 agreement to re-profile the payments due in recognition of the current exceptional economic circumstances. It is only if the freeholder delays its payments significantly beyond the revised 'trigger' dates or events that it is envisaged that the Council could then require appropriate payment by Newlon Housing Trust up to the current capped total of £1,218,500 (if the freeholder defaulted on all 5 of the contributions listed in para. 6.7. It is proposed that, as the freeholder does pay each contribution, Newlon's liability for its proportionate share of that contribution will fall away.
- 6.9 As these proportionate shares have been calculated on the basis of the amount of development in Blocks C1& N relative to the total development in Hale Village, if that total development changes then the % calculations could change. It is proposed, therefore, that the exact percentage share of Newlon's liability for each contribution will be determined at the time a specific payment is required from Newlon in the context of the up-to-date consented development at Hale Village. This may mean that Newlon's cash liability for each contribution could increase or decrease.

## **7. Potential Benefits and Implications of Agreeing a 'Pro Rata' s106 Liability**

- 7.1 The Hale Village development is an important first phase in the regeneration plans for Tottenham Hale. The current economic recession is threatening the future of this scheme and the Homes and Communities Agency is investing additional sums to support the development. There are now students living on the site and there is a major need within the borough for the 542 affordable homes that will be built in both phases of Newlon Housing Trust's development to provide households in housing need with decent accommodation. Without these new homes, those households will be required to live in their current unsatisfactory homes for a longer period.

- 7.2 The Newlon development will also provide jobs in the proposed Newlon HQ office floorspace (as well as construction sector jobs).
- 7.3 If the recommended variation is agreed, it enables Newlon to complete its lease of Blocks C1 & N. That is one of the conditions for the HCA's additional investment to fund the continuing construction of site infrastructure. With scheme construction continuing, the chance remains of the s106 payments being triggered (on the revised trigger dates/events being negotiated with the landowner as authorised by the Planning Committee in March 2009). Those payments (totalling £7.77m.) are required to contribute to infrastructure improvements in the local area. These include open space improvements and increasing school and transport capacity (including the proposed scheme to change the Tottenham Hale one-way system to two-way traffic flow to which the Cabinet has agreed a £3.5m. contribution from the Hale Village s106 funds). If no s106 payments are received, that sum will need to be funded from an alternative Council source.
- 7.4 However, agreeing to limit the liability of a leaseholder of two Blocks (Newlon Housing Trust) does have potential implications for other Blocks. It increases the likelihood that the purchasers of other Blocks will seek similar pro rata limits. Given that some Blocks have been exempted from any s106 liability, even if the principle of granting additional pro rata limits to liability is agreed on other Blocks in the future, it would need to be calculated on a different basis to the one recommended as necessary to secure Newlon's position. Otherwise there would be a potential shortfall in recovering all of the s106 payments due in the event that the freeholder defaulted on any payments.

## **8. Comments by Head of Legal Services**

- 8.1 The Head of Legal Services advises that it is important to fully understand the legal and financial implications of entering into a further Deed of Variation as requested. There is no legal obligation on the Council to consider a variation to a s106 agreement within the first 5 years after an agreement has been signed. It is acknowledged that there are risks of agreeing to the requested variation but also of refusing to do so.
- 8.2 Legal advises that, if approval is given to the variation, there is still a possibility that a large percentage of the s106 contributions will not be received. Entering into the variation would however at least give some comfort that the contributions proportionate to the development of Blocks C1 and N (under consideration at the current time) will be paid while ensuring that development on the site continues. This is considered a reasonable position for the Council to take.
- 8.3 We note that Transport for London is also a party to the s106 agreement in its capacity as the statutory public transport services provider and as the highway authority responsible for certain roads in the vicinity of the site. The Council is required to agree certain works with TfL and there is a legitimate expectation on TfL's part that contributions toward upgrades will be forthcoming. If TfL has not been consulted it would be advisable to do so in order to save delays. As an original party to the s106 agreement TfL will need to enter into any variation.
- 8.4 As discussed above in this report, so far two variations to the s106 agreement have been signed that release blocks SE, C2, NW1 & W from complying with the majority of the schedules to the agreement, including contributions. By limiting the liability of Newlon the Council is limiting the parties against which it can take action should the full contribution not be forthcoming, however the extent to which this is being done is reasonable.
- 8.5 Following the release of this land, it is likely that purchasers of the remaining blocks will either be deterred by the high level of s106 contributions binding the sites or that

they will attempt to negotiate a release similar to the one we are considering. The Council would not have to agree to further variations but it would be difficult to argue that the remaining plots should be liable for more than a pro rata portion of the contributions. Refusing to grant further variations could also hamper development of the remaining sites because development would be unviable and risky with the level of s106 contributions binding those sites.

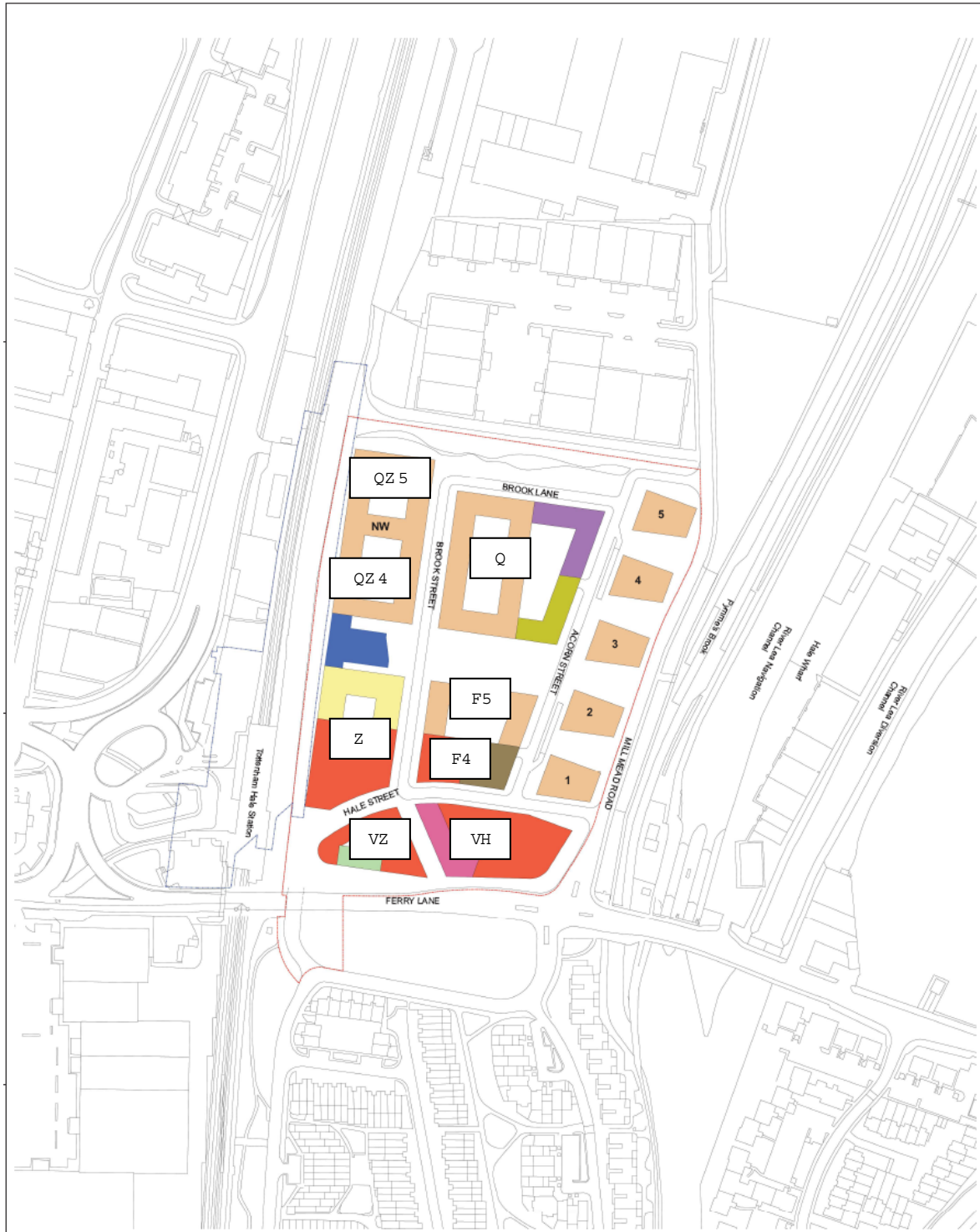
- 8.6 There is still a risk that the remaining blocks might never be built out. In this scenario the s106 contributions other than those Newlon is liable for may never be paid. The Council would not be able to revoke the existing planning permission or force the developer to complete the development authorised by the permission.
- 8.7 The Council needs to consider what the impact of the development will be if we do not receive the contributions in time to allow the Council to carry out the works as the site is developed. Because the triggers for payments are to be renegotiated and it is recommended to link several of these with commencement of development or occupation of private units (that may never be built) it is recommended that a long stop date for payment by Newlon be added to the agreement.
- 8.8 If the Council refuses to enter into the deed of variation the development as a whole will be placed at risk and vital funding from the HCA most likely lost. If the Developer were to become insolvent and a mortgagee take possession of the site without the development being completed, the land would still be available for development. It is likely, however, that there would be a substantial delay before any further development was delivered and it is possible that viability issues would remain, at least for some time.
- 8.9 A future purchaser would still have the benefit of the original planning permission and it would be possible for them to complete the development. Further, they would still be bound by the s106 agreement as a successor in title to the Developer. However, as soon as they purchased the site they would become liable for any outstanding contributions and this would be a substantial risk for a new developer to take. As things stand the contributions bind only a portion of the site, and this is likely to impact on the viability of the development of the remaining blocks. This could deter future purchasers from coming forward. It is possible that the Council would need to agree to a reduction in the contributions or a pro rata liability at this stage before a future purchaser would enter into an agreement to purchase the site.
- 8.10 If development on the site by Hale Village Properties does not continue there is a possibility that a future purchaser would wish to pursue a new planning permission for the undeveloped part of the site. In this event the Council would be able to consider through the planning process what kind of development was appropriate and attach new s106 obligations. At the same time, a new planning permission may not provide the same level of housing as is currently proposed and the contributions the Council could attach would be lower.
- 8.11 Several smaller and incidental variations to the agreement have been requested. These changes are considered to be either in line with common practice to regularise the increased amount of affordable housing already approved or reasonable in that they limit Newlon's obligations to the part of the development under their control.
- 8.12 As reported to Planning Committee earlier this year, changes in the amount of affordable housing and the phasing of the development have affected the events which trigger the payment of contributions. Committee previously resolved to delegate the re-negotiation of these triggers. Should the Council grant the variation requested by Newlon, Legal Services advise that it would most appropriate to make these changes in one deed of variation. This is because if the suggested means of limiting Newlon's liability to pay the contributions in the event that HVP defaulted by more than 3 months was used, the triggers in the current drafting would mean that Newlon would immediately be liable for those contributions already outstanding.



The other concern is that the Council cannot compel Hale Village Properties enter into a further variation to regularise the current situation (other than through the threat of enforcement action). It is necessary to regularise the triggers as soon as possible and without some urgency on behalf of the Developer there would be little incentive for them to negotiate.

## **9. Equalities Implications**

- 9.1 The first two phases of housing development at Hale Village are providing affordable homes for which there is a major need within the borough. The Deed of Variation recommended in this report is required to support the lease by Newlon Housing Trust of additional affordable homes in the second of those phases bringing the proposed total number of affordable homes to 542. This second phase of affordable homes is also enabling the release of additional funds by the Homes and Communities Agency to support the provision of the infrastructure on the Hale Village site that will underpin future private housing development in the scheme.
- 9.2 The Deed of Variation is supporting the delivery of the Hale Village scheme and helps to maintain the potential, via the provisions within the s106 agreement generally, for the scheme to enhance community life in Tottenham Hale.

# PLAN 1 - HALE VILLAGE SITE PLAN – PLOT NUMBERS



|  |   |  |  |                   |              |  |            |                       |             |          |            |                       |                 |         |   |
|--|---|--|--|-------------------|--------------|--|------------|-----------------------|-------------|----------|------------|-----------------------|-----------------|---------|---|
| <p><b>KEY</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: red; margin-right: 5px;"></span> Retail</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: pink; margin-right: 5px;"></span> Office</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: green; margin-right: 5px;"></span> Hotel</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: yellowgreen; margin-right: 5px;"></span> Creche</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: brown; margin-right: 5px;"></span> Medical</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: yellow; margin-right: 5px;"></span> Student</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: purple; margin-right: 5px;"></span> School</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: orange; margin-right: 5px;"></span> Residential</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: blue; margin-right: 5px;"></span> CHP</li> </ul> |  |  <p><b>BDP</b><br/>         Building Design Partnership<br/>         Architects, Designers, Engineers<br/>         16 Brookhouse Yard, Clerkenwell<br/>         London EC1V 4LJ<br/>         Tel +44 (0)20 7812 6000<br/>         Fax +44 (0)20 7812 6399</p> | <p><b>PROJECT TITLE</b><br/>         Hale Village<br/>         Outline Planning</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>DRAWING NO</b></td> <td style="width: 40%;"><b>SCALE</b></td> </tr> <tr> <td><b>GROUND LEVEL<br/>PLAN LAND USES</b></td> <td>1:1000 @A1</td> </tr> <tr> <td><b>PROJECT NUMBER</b></td> <td><b>DATE</b></td> </tr> <tr> <td>P2000088</td> <td>02.04.2007</td> </tr> <tr> <td><b>DRAWING NUMBER</b></td> <td><b>REVISION</b></td> </tr> <tr> <td>01MP003</td> <td>B</td> </tr> </table> | <b>DRAWING NO</b> | <b>SCALE</b> | <b>GROUND LEVEL<br/>PLAN LAND USES</b> | 1:1000 @A1 | <b>PROJECT NUMBER</b> | <b>DATE</b> | P2000088 | 02.04.2007 | <b>DRAWING NUMBER</b> | <b>REVISION</b> | 01MP003 | B |
| <b>DRAWING NO</b>  | <b>SCALE</b>  |  |  |                   |              |  |            |                       |             |          |            |                       |                 |         |   |
| <b>GROUND LEVEL<br/>PLAN LAND USES</b>   | 1:1000 @A1  |  |  |                   |              |  |            |                       |             |          |            |                       |                 |         |   |
| <b>PROJECT NUMBER</b>  | <b>DATE</b>   |  |  |                   |              |  |            |                       |             |          |            |                       |                 |         |   |
| P2000088   | 02.04.2007  |  |  |                   |              |  |            |                       |             |          |            |                       |                 |         |   |
| <b>DRAWING NUMBER</b>  | <b>REVISION</b>   |  |  |                   |              |  |            |                       |             |          |            |                       |                 |         |   |
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## APPENDIX 1

The following summarises the main financial obligations in the s106 agreement and the trigger points for each of the cash funding payments:

| <b><i>Main Planning Obligations</i></b>  | <b><i>s106 'trigger'</i></b>   |
|--|--|
| <b>Education Contribution</b> - £1m. to the Council  | By completion of 500 private sale homes  |
| <b>School Transfer/Payment Notice</b> – to be served by Feb. 2013 (5 years from start of construction).  | School lease to be completed no earlier than 6 months after practical completion of 300 private sale homes (or 850 private homes – whichever is earlier) |
| <b>School Payment</b> - £1.5m. payable to the Council if the Council does not take a lease of the School land  | Payable no earlier than 6 months after practical completion of 300 private sale homes (or 850 private homes – whichever is earlier)                      |
| <b>Transport Contribution</b> - £1m. to the Council  | Prior to first occupation  |
| <b>Local Transport Infrastructure Contribution</b> - £440,000 (for site access improvements) to the Council  | Start of construction of Building C, SE or SW – currently Jan. 2010 (C & SE)   |
| <b>Bus Service Enhancement Contribution</b> - £330,000 to the Council  | Before occupation of 500 homes (any tenure)  |
| <b>Tott. Hale Urban Centre Masterplan</b> - £5m. – towards the cost of implementing community and environmental infrastructure improvements identified in the masterplan | 5 payments - April 2008, April 2009, then 300, 400 & 600 private sale homes. In any event, pay full sum by Feb. 2013                                     |
| <b>Local Labour</b> - £50,000 towards employment & training initiatives  | Developer to fund appropriate and agreed measures – not necessarily funding to Council   |
| <b>Television Reception</b> - £25,000 towards TV reception improvements (if needed).   | Pre-construction reception survey done. Need for works to be assessed following scheme completion  |
| <b>Considerate Contractors</b> - £25,000 (inclgd. free car washing & window cleaning for local residents within 100m. of site)   | Landowner to allocate budget   |

## APPENDIX 2

### Summary of the existing s106 Agreement for Hale Village

The agreement provides for the following contributions and obligations:

#### **Administration and Monitoring Contribution of £380 000**

- the sum of £280 000 to be paid within 7 days of completion of the Agreement (by Tuesday 16<sup>th</sup> October)
- the balance of £100 000 to be paid on or before 31<sup>st</sup> January 2008.

#### **Education Contribution of £1,000,000 and the School Land and the School Payment**

- £1 000 000 to be paid before Practical Completion of 500<sup>th</sup> Open Market Housing Unit.
- If the Council elects that it does not require the School Land, a further £1 500 000 will be paid by the developer to the Council ("the School Payment") and a valuation of the School Land will be undertaken at that date to determine whether the valuation is more than £1 500 000 and if so the developer will pay the difference up to an additional £250 000.
- The Council must make the election of whether they want the School Land or the School Payment no earlier than three hundred Open Market Housing Units have been Practically Completed.
- If the Council has not served a notice by five years after Commencement then the Developer must request in writing for them to advise whether or not they want a transfer of the School Land or the School Payment and the Council must respond within four months. If the Council do not respond, the Council is deemed to have requested the payment in lieu of the land.
- The Developer must pay the School Payment within six months of service or deemed service of the School Payment notice

#### **Affordable Housing to provide 321 Affordable Housing Units**

- The Developer cannot transfer or lease more than 400 Open Market Housing Units until 140 Affordable Housing Units are Practically Complete
- The Developer can not lease more than 650 Open Market Housing Units until 321 Affordable Housing Units are Practically Complete
- 60% of the Affordable Housing Units for social rent that are three or more bedrooms and 100% of Affordable Housing Units for social rent with four or more bedrooms will have direct access to either a Private Amenity Space or a Communal Amenity Space.

#### **Health Care Centre**

- Within two years from Commencement the Council can serve on the Developer notice that they wish to enter into a lease for a Healthcare Centre
- Within four months after service of the notice the Developer shall negotiate and use reasonable endeavours to enter into an agreement with the PCT for a Healthcare Centre
- Within three months after the date of completion of the lease the Developer shall submit to the Council a written claim for the Healthcare Centre Lease Discount and the Council shall pay the amount to the Developer within three months

#### **Highways Works**

- The Developer has to use reasonable endeavours to submit to Highways Department within 2 months from the date of the Agreement (9<sup>th</sup> October) which is 9<sup>th</sup> December the specifications for the Highways Works which will differentiate between the Jarrow Road Junction and Spur Road Works and the rest of the Highways Works
- The specifications will then be agreed between the Developer and the Council as soon as practicable.
- The Developer must pay to the Council the Local Transport Infrastructure Contribution (£440 000) at the start of works on the buildings to be constructed on the podium structure excluding construction of foundations and the podium itself.
- The Council must complete the Jarrow Road Junction and Spur Road works as well as the other works within six months of the payment of the Local Transport Infrastructure Contribution (subject to agreed specifications and timetabling) however following completion of Spur Road as an adoptable road the Council will pursuant to section 87

of the New Roads and Street Act maintain the road for 12 months and at the end of 12 months the Council will adopt Spur Road as a road maintainable at public expense.

#### **Local Labour**

- The Developer must submit to the Council, prior to Commencement, a Training and Employment Management Plan which sets requirements on the Developer to:
  - procure that not less than 20% of the onsite workforce employed during the construction of the Development are local residents; and
  - procure that half of the local residents employed on site are trainees; and
  - use reasonable endeavours to give opportunities to local businesses to tender for such works as appropriate; and
  - recruit local people with National Vocational Qualification 2/3 engaged in construction training; and
  - train and recruit local people to the Neighbourhood Management Company; and
  - develop a kite mark for services from local companies to residents; and
  - provide job fair events to support the recruitment of local people to vacancies in the hotel, leisure and retail occupations
  - support the establishment of small or medium sized enterprises providing personal services to residents and businesses at the Development
- The Developer must establish prior to commencement an Employment Development Board comprising representatives from the Developer and the Council
- The Developer must set aside a budget £50 000 to support the above activities

#### **Transport Contribution of £1 000 000**

- The Developer must pay the Transport Contribution before Occupation of any part of the Development.
- The Council must inform TfL within thirty days of receipt of the Transport Contribution

#### **Travel Plans**

- The Developer must submit travel plans on for residential use, commercial use and primary school/crèche use before the use category to which each travel plan relates is Occupied.

#### **Design Code**

- The Developer must within three months of the date of the Agreement (9<sup>th</sup> October) submit a Design Code for approval
- The Council must advise within 28 days of submission whether they approve the Design Code
- If the Council do not approve the Design Code the Developer must resubmit the Design Code within 28 days
- The Developer cannot Commencement Development until the Design Code is approved.
- The Developer must use reasonable endeavours to adhere to the Design Code in the reserved matters applications
- No later than two years after Commencement the Developer and the Council shall agree the details and selection criteria for the architectural competition for the SW block.

#### **THUCM Contribution of £5 000 000**

- The Developer must pay to the Council the THUCM Contribution (the community and environmental infrastructure improvements identified in the Tottenham Hale Urban Centre Masterplan) of:
  - £1 000 000 on 1<sup>st</sup> April 2008,
  - £1 000 000 on 1<sup>st</sup> April 2009,
  - £1 000 000 prior to Practical Completion of 300<sup>th</sup> Open Market Housing Units,
  - £1 000 000 prior to Practical Completion of 400<sup>th</sup> Open Market Housing Unit and
  - £1 000 000 prior to Practical Completion of 600<sup>th</sup> Open Market Housing Unit.
- In any event, to pay any outstanding sums 5 years after the start of construction of the development.

### **Estate Management**

- The Developer must, prior to Occupation, submit and obtain the Council's written approval to a management scheme outlining how the servicing of the estate will be implemented and maintained and the scheme must include provisions explaining how a neighbourhood management company shall be established prior to Occupation
- The Developer will ensure that CCTV is operated from a central monitoring suite
- The Developer will use reasonable endeavours to ensure the public have access to public parts of the Development
- The Developer shall provide a Neighbourhood Police Centre being approximately 100 square metres at a peppercorn rent

### **Construction Management**

- The Developer will, prior to Commencement, commission a Television Reception Survey
- The Developer will, at a reasonable time after Completion of the Development, carry out a second Television Reception Survey.
- If the Developer receives a complaint from a resident within the Survey Area between Commencement and Completion regarding deterioration in reception then the Developer will investigate such complaints and use reasonable endeavours to mitigate the effects of the Development on those affected.
- The Developer is not required to spend more than £25 000 in such mitigation.
- The Developer will, prior to Commencement to ensure that the Considerate Contractors Scheme is complied with
- The Developer will provide local residents with regular updates on the construction activity and will offer residents free car washing and window cleaning services
- The Developer will allocate a budget of not more than £25 000 to carry out the mitigation measures on construction.

### **Environmental Sustainability**

- The Developer must construct and manage the Development in accordance with the Environmental Statements
- The Developer must, prior to practical Completion of more than 150 Housing Units install the renewable energy equipment including an Energy Centre and private wire system,
- The Developer commits to an overall reduction in carbon emissions of at least 20%
- All buildings on the Development will achieve BREEAM excellent rating unless not feasible in relation to design considerations.
- The Developer must complete a Design and Procurement assessment prior to Commencement
- The Developer will, where practicable utilise sustainable material which are locally sourced and have low environmental impact.

### **Bus Enhancement Contribution**

- The Developer shall pay prior to Occupation of the 500<sup>th</sup> Housing Unit the Bus Service Enhancement Contribution
- The Council will notify TfL within thirty days of receipt of the Bus Enhancement Contribution.

### **Northern Pedestrian Route**

- The Developer will ensure that the Northern Pedestrian Route will not be built on in any way to prevent the future use as a means of pedestrian access to land immediately to the north of Brook Lane

### **Parking**

- The Developer will submit to the Council an assessment of the disposal, use and occupation of any of the car parking spaces provided at that stage and the Developer and the Council can then agree the level and or allocation arrangements of car parking in respect of the Development